



Lion Street Advisors, LLC.

(CRD #167610)

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March 30, 2024

Wrap Fee Program Brochure

This wrap fee program brochure provides information about the qualifications and business practices of Lion Street Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 512-776-8400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities authority.

Additional information about Lion Street Advisors, LLC also is available on the SEC's website at www.advisorinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

This Brochure dated March 30, 2024 is the annual amendment filing for Lion Street Advisors, LLC. Since the last brochure filing Lion Street Advisors, LLC and its affiliates have been acquired by Integrity Marketing Partners, LLC.

The following material changes have been made to this Brochure since our last annual updating amendment. Please note, only material amendments made since our last annual amendment filing are summarized below.

Item 9 has been amended to further clarify LSA's affiliations and relationships with other registered investment advisers, broker-dealers and indirect / direct owners.

Item 9 has been amended to disclose participation by the firm's affiliate, LSF, in the FundVest Programs sponsored by Pershing and related conflicts of interest that arise in connection with mutual funds that charge 12b-1 fees, and when no-transaction fee funds are purchased in a wrap fee program.

Item 9 was also amended to disclose that, pursuant to an agreement with Pershing, Pershing will share a percentage of certain mutual fund service fees with LSF on client assets within the FundVest Programs above \$10 million and the possibility that short-term redemptions fees by participating mutual funds will be charged to the client.

Item 9 has been amended to reflect that LSA is eligible to receive payments or sponsorships from non-clients to support LSA sponsored conferences and events in order to gain access to LSA's representatives.

Item 9 has been amended to update LSA's current trade error practices and the inherent conflicts of interest surrounding offsetting error gains and losses by LSA.

Currently, our Brochure may be requested by contacting Advisor Services at 512-776-8400 or LSFcompliance@lionstreet.com.

Additional information about Lion Street Advisors, LLC is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Lion Street Advisors, Inc. who are registered, or are required to be registered, as investment advisor representatives of Lion Street Advisors, LLC.

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ITEM 4 – SERVICES, FEES AND COMPENSATION

Lion Street Advisors, LLC is located in Austin, TX and was organized in May 2013.

Lion Street Advisors LLC. is 100% owned by Lion Street, LLC., Which, in turn, is owned by Integrity Marketing Partners, LLC (87%)

As of December 31, 2023, the Firm has approximately **\$2,341,977,931** in assets under management. Of this amount, \$1,696,720,231 is discretionary.

Lion Street Advisors

The wrap fee program available to clients is called *Lion Street Advisors Paramount Program* where clients pay a single fee to LSA which encompasses LSA's money management fees, advice, transaction costs, custody, performance measurement and administrative cost (referred to as "wrap fee" arrangements). A condition of this program is that transactions for clients' accounts are executed by Lion Street Financial, an affiliated broker dealer through common control and ownership, or other approved broker dealers and its clearing firm, Pershing LLC.

Lion Street Advisors Paramount Program ("Program") provides Clients with discretionary portfolio management, and/or access to multiple money managers who will provide investment advice to Client portfolios.

The Program is offered through individuals associated with LSA acting in their capacity as Investment Advisor Representatives ("IAR"). These individuals are appropriately licensed, qualified, and authorized to provide advisory services on behalf of LSA. Since transaction fees are paid from the advisory fees charged by the IAR, this creates a conflict of interest and gives those IAR's an incentive not to place transactions in a client's account in order to increase the IAR's compensation. In order to alleviate this potential conflict, Lion Street Financial, LLC ("LSF") conducts daily and periodic reviews of trading activity and general account activity and holdings to ensure consistency with client investment objectives and financial status. Fee billing is also periodically reconciled to ensure accuracy and appropriateness of overall fees paid by clients to LSA.

Directly Managed Accounts

This LSA sponsored program allows Clients to work directly with an Investment Advisor Representative (IAR) of LSA for portfolio management services. Under such arrangements, the IAR, on behalf of LSA, supervises and directs the investments of and for the Client. Client will appoint the IAR as agent and attorney-in-fact with full power and authority on behalf of the Client to buy, sell, exchange, convert and otherwise trade in any and all stocks, listed stock options, mutual funds (load and no-load), warrants, rights, bonds, notes and such other securities as the IAR selects. This authorization does not include

transactions that result in a withdrawal of assets from the Account, except for the automatic payment of fees, and is limited to purchase and sale orders.

Nonproprietary “wrap fee programs” - TAMPS

The Firm permits certain of its Investment Advisor Representatives to offer “non-proprietary” wrap fee programs of non-affiliated registered investment advisors. Currently, various non-proprietary wrap fee programs are made available including but not limited to, the following program sponsors:

- SEI Investment Management Corporation
- Genworth Financial Wealth Management, INC

Each non-proprietary “wrap fee program” can involve different account minimum(s), custodial, administrative and fee arrangements. The firm does not take custody of client assets that are designated to be managed by a third-party manager. The firm does not directly place securities transactions on behalf of the client. Rather, investments are made by the selected non-proprietary wrap fee provider in accordance with the agreement between the client and manager.

More information regarding a client’s total annual fee and the portion received by LSA, the program sponsor and any additional third parties is provided in the relevant Form ADV Part 2A and/or Part 2A Appendix 1 (the wrap fee program brochure) of the sponsor of the wrap fee program and the applicable client agreement the client will execute with respect to the program (the “Client Agreement”) and/or separate fee disclosure statement that will be provided to the client with the Client Agreement (the “Fee Disclosure”).

If the Wrap Fee Disclosure brochure is not delivered to the Client at least 48 hours prior to entering into the management agreement, the Client may terminate the agreement for services within five business days of execution without penalty. After the five-day period, either party, upon 30 days written notice to the other, may terminate the management agreement. The management fee will be pro-rated for the month in which the cancellation notice was given and any unearned fees will be returned to the client.

The Investment Questionnaire

All Clients participating in a Program sponsored by LSA may complete a Client Investment Questionnaire which enables the IAR to assist the Client in developing and clarifying his or her investment objectives. In making investment determinations with respect to the Client, the IAR will rely on Client’s investment objectives as stated in the Investment Questionnaire (or otherwise stated in writing to LSA), a written policy (if any), the securities held, tax considerations, and the overall climate of the financial markets. By processing the responses provided by the Client, the IAR will present various management strategies for Client consideration. The IAR will then assist the Client in selecting the appropriate investment options.

Client agrees to inform LSA promptly in writing of any material change in Client's investment objectives or other circumstances which might affect the manner in which Client's assets should be invested and to provide IAR with such additional information as it shall reasonably request.

Investment Strategies

Strategies employed by LSA include, but are not limited to: Preservation of Capital, Income, Capital Appreciation, Balanced, Trading Profits and Speculation. IAR reps are given full discretion to manage client assets without guidance from LSA. However, client accounts are periodically reviewed by LSA to ensure consistency of program strategies and performance with clients' stated objectives.

Program Fees

Clients participating in the Program will pay a monthly fee, in advance. If management of the Account commences at any time other than the first day of a calendar month, the initial monthly fee is prorated based on the number of days remaining in the relevant billing period.

Please note that LSA's fee schedule is the same for the asset management program and the wrap fee program, which includes brokerages commissions. Clients should consider this when negotiating their fee with LSA. Typically, Advisers charge less for their asset management programs than their wrap fee programs since the asset management program does not include the additional cost of brokerage commissions.

Program fees are based on the following fee schedule:

Total Account Value	Minimum Account Fee	Maximum Account Fee*
First \$1,000,000	30%	2.80%
Next \$2,000,000	1.00%	2.00%
Assets Over \$3,000,000	0.50%	1.75%

Clearing Firm and BD fees included in the total Account fee above

Asset Value	Basis Points (Annualized)
\$0 to \$250,000	25bps
\$250,000 to \$500,000	21bps
\$500,000 to 1,000,000	19bps
\$1,000,000+	17bps

*Fees can be negotiated and will vary from Client-to-Client based upon a number of factors, including but not limited to, Investment Manager(s) selected, type of account, account size, historical relationship with the Client, services to be provided, or other factors. Moreover, fees will vary as a result of the application of prior fee schedules depending upon the specific date the Client began participation in the Program. Clients paying a fee of 2.0% or greater should consider that such fee is in excess of that normally charged in the industry and that similar advisory services can be obtained for less.

The asset management fees include account management, administrative and execution services. The level of the fee is unaffected by the number of transactions effected for the Account. Fees are assessed on all assets in the Account, including securities, cash and money market balances. We allow the use of margin accounts, which will result in a client paying additional fees for securities bought on margin. Margin debit balances do not reduce the value of the assets in the Account. The Provider does in their sole discretion pay all or a portion of the above stated fees to other parties involved in providing service with respect to the Program Account and as permitted by law. All such shared payments will be fully disclosed to the Client.

These fees do not include mark-ups/mark-downs in principal transactions; certain odd-lot differentials; national securities exchange fees; clearing; custody; postage and handling; annual, maintenance and/or termination fees for retirement accounts or qualified plans; ACAT transfer fees; interest on debit account balances; electronic fund transfer fees; IRA and qualified plan fees; and transfer taxes and other costs or charges associated with securities transactions mandated by law. All fees and charges, including the above, may be charged to the Program Account. Client understands that LSA IAR's receive compensation for providing advisory and client-related services in connection with the Programs based on the value of the assets under their management. The Client may also incur certain charges imposed by other third-parties in connection with investments made through the Program Account, including among others the following types of charges: mutual fund management and administrative servicing fees, fees charged by Investment Managers, and certain deferred sales charges on previously purchased mutual funds. The deferred sales charges and other fee arrangements will be disclosed upon your request and are typically described in the applicable fund's prospectus. You should read the fund prospectus for full fee information. Please refer to Item 10 subsection, *Client Referrals and Other Compensation*, for information regarding cost avoidance benefits received by LSA and our affiliate, LSF, through the availability of no-transaction fee Funds ("NTF funds") from our approved custodian.

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LSA, the Adviser, will rebate any 12b-1 fees they receive in Wrap fee accounts.

LSA and your IAR may serve as a solicitor for other advisers and/or program sponsors, including without limitation, SEI Investment Management Corporation, none of whom are affiliated with LSA. They may also recommend investment advisers other than LSA to manage some or all of the Client's funds. LSA receives direct and indirect compensation from these advisers as a result of Client's

ultimate participation in these advisers' management. The Client pays no additional fee by reason of the payment of these fees. In accordance with regulatory requirements, LSA receives a referral fee at a negotiated rate from these firms in accordance with the terms of a written Solicitor Agreement and after execution of the program sponsors written referral fee disclosure statement by each Client in respect of such persons. LSA has no ability to negotiate their portion of the Client's fee under these types of arrangements. Typically LSA receives fees ranging from 0.75%- 1.50%. Prior to engaging a solicitor, LSA will ensure that the person or firm is properly registered to receive compensation for solicitation activities and will endeavor to ensure the solicitor complies with all relevant regulatory requirements.

Because we offer both a wrap and non-wrap option to our Clients, there is a conflict of interest as the Adviser has an incentive not to make transactions in the account where the Adviser absorbs the associated Clearing costs. Our Code of Ethics requires our investment adviser representatives do what is in the clients best interests at all times. Our CCO monitors all transactions to ensure that representatives put their clients first.

This compensation may be more than what the Client would pay if the Client participated in other programs of the IAR, programs of another IAR, or paid separately for investment advice, brokerage commissions and other services. Therefore, the IAR may have a financial incentive to recommend this wrap-fee program over other programs or services. In order to compare the cost of Client's program with an unbundled service, Client should consider the turnover rate in the investment strategies, trading activity in the account, and standard advisory fees and brokerage commissions that would be charged at other broker dealers or investment advisors.

LSA shall never have physical custody of any Client funds or securities, as the services of an independent qualified custodian will be used for these asset management services. However, because LSA does deduct advisory management fees directly from accounts held by LSF, a related affiliate of LSA, through clearing arrangements with qualified custodians, LSA is deemed to have custody of client assets under the Investment Advisors Act of 1940 ("the Advisor's Act").

ITEM 5 - ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

LSA does not have a minimum account size, however, each money manager or outside wrap fee program may impose account minimums.

The firm provides investment advisory services including asset management, portfolio monitoring, and financial planning to individuals and high net worth individual. In the future, the firm may provide services to banks, thrift institutions, trust, estates, charitable organizations, domestic and foreign corporations and other business entities.

ITEM 6 - PORTFOLIO MANAGER SELECTION AND EVALUATION

LSA determines Investment Managers eligibility to participate in the Program after a review process based on industry standards which generally includes the following: examination of investment philosophy and process; interviews with personnel and a review of trading practices and portfolio performance. All Program Managers are reviewed periodically by LSA with respect to disciplinary history, performance returns, trading practices, and consistency with implemented trading strategies. LSA retains the authority to remove any Investment Manager from the Program if the firm determines that such Manager's performance or trading practices are no longer consistent with expectations of performance or principles of fair trade. Performance history for Investment Managers is obtained from third party vendors such as Morning Star. It is not calculated by LAAS. There is no guarantee that a particular Investment Manager will be retained in the Program. Should an Investment Manager be removed from the Program, no transactions in a Client's Account managed by the removed Investment Manager will be effected until the Client selects a new Investment Manager and enters into a new investment advisory agreement or the Client personally issues instructions as to transactions in the Client's Account.

Portfolio Managers are selected in consultation with a Client based upon the Client's stated objectives, investment goals, risk tolerance, types of securities to be purchased, and investment strategy (ies) to be implemented.

In addition, LSA monitors the performance of the Program Manager on a continuing basis, and routinely evaluates new Investment Managers to participate in the Program. A Client can switch to another Investment Manager within the Program at any time by giving written notice to LSA. The Client may be required to complete a new Investment Questionnaire (or other similar document) to ensure that the newly selected Investment Manager is suitable for the Client.

In accordance with the Client Agreement associated with the Program, Lion Street Financial, an affiliated broker dealer of LSA, will serve as broker-dealer for transactions effected by an Investment Manager or IAR on behalf of a Client Account, unless we authorize the use of another broker dealer for the above mentioned transactions.. Only the Investment Manager gives advice to wrap-fee Clients in specific types of investments. LSA delivers each prospective Investment Manager's ADV Part 2A to its Clients.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

IAR reps are given full discretion to manage client assets without guidance from LSA based upon information obtained from the client, including without limitation, a client's current financial status, investment objectives/goals, and risk tolerances. IAR's will accordingly make recommendations based upon the information provided and does allocate a client's portfolio into any range of various investment products, such as mutual funds, stocks, bonds, options, exchange traded funds (EFT's) and others that are suitable based upon a client's individual needs. IAR's are charged with continuous monitoring of client portfolios to respond to a change in a client's investment objectives, risk tolerances or financial condition that warrants a change in the strategy employed or recommendations

made. Likewise, client accounts are periodically reviewed by LSA to ensure consistency of program strategies and performance with clients' stated objectives.

Each IAR employs several methods of analysis in order to formulate investment advice, including but not limited to Charting, Fundamental, Technical, Modern Portfolio Theory and Cyclical Analysis.

PROXY VOTING

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We may provide advice to you regarding your voting of proxies, and can be contacted at phone number 512-776-8400 with questions about a particular solicitation. We are authorized to instruct the custodian to forward you copies of all proxies and shareholder communications relating to your account assets. Third-party Investment Managers chosen to manage client assets, however, may vote proxies on behalf of clients. Clients should refer to that Investment Manager's ADV for more information.

PERFORMANCE FEES

LSA does not charge any performance-based fees. Fees are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds, or any portion of the funds of an advisory client.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

LSA recognizes and respects the privacy expectations of our clients. We want our clients to understand our commitment to privacy in our use of client information. As a result of our commitment, we will only distribute client information that is pertinent to the Money Manager. Generally, that information is shared through the Client Investment Questionnaire.

All Clients participating in a Program sponsored by LSA are required to complete a Client Investment Questionnaire which enables the IAR to assist the Client and/or Money Manager in developing and clarifying his or her investment objectives. In making investment determinations with respect to the Client, the IAR will rely on Client's investment objectives as stated in the Investment Questionnaire (or otherwise stated in writing to LSA), a written policy (if any), the securities held, tax considerations, and the overall climate of the financial markets. By processing the responses provided by the Client, the IAR will present various management strategies for Client consideration. The IAR will then assist the Client in selecting the appropriate investment options.

ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

While access to an Investment Manager is not restricted specifically, it is anticipated that most Client inquiries will occur through LSA's IAR.

ITEM 9 – ADDITIONAL INFORMATION

Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of LSA or the integrity of LSA's management. LSA has no information applicable to this Item.

Other Financial Industry Activities and Affiliations

LSA is not registered, nor does it have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, or commodity trader. Certain management persons of LSA, however, are licensed as registered representatives of a broker dealer, and in some cases, as an insurance agent, as described below.

LSA is a registered investment adviser and a wholly owned, indirect subsidiary of Integrity Marketing Group, LLC ("Integrity Marketing Group"). As a subsidiary of Integrity Marketing Group, LSA is under common ownership and control with several financial institutions (referred to collectively as the "Related Companies"), including:

- SEC registered investment advisers;
- FINRA member broker-dealers;
- One dual registrant (a firm registered as both an investment adviser and FINRA member broker-dealer), and;
- Licensed insurance agencies.

Except as set forth below, Clients in need of brokerage services, insurance products or recommendations, or other advisory services are under no obligation to use the services of any of the Related Companies.

LSA also provides back office support services to Csenge Advisory Group, LLC, including, but not limited to, fee billing, IAR fees, litigation support, monitoring of investment advisory business and general back office support for compensation. Csenge Advisory Group, LLC is not affiliated with LSA but offers model portfolios used by certain LSA IARs in the management of their client accounts.

Among LSA's Related Companies is Lion Street Financial, LLC, an affiliated broker dealer ("LSF"). LSF is an introducing broker-dealer with a fully disclosed clearing relationship with Pershing, LLC.

Officers/Directors/Employees of LSA are registered representatives/principals of LSF and therefore licensed to sell securities for separate commission compensation.

If a client chooses a program where LSF will be the executing broker-dealer, such IAR will receive commissions as a result of such brokerage transactions exclusive of and in addition to advisory fees. However, Clients participating in wrap programs will not pay a separate commission for transactions in their account(s).

LSA's direct parent, Lion Street, LLC, is also an insurance agency. Certain of LSA's management persons, employees, and affiliates are licensed to sell insurance products through Lion Street, LLC or other, unaffiliated insurance agencies, and receive a commission or other compensation for doing so. A conflict of interest arises as a result of the economic incentives created for our IARs to recommend and engage in sales of such products in order to receive additional compensation rather than based on the client's best interests. Compensation received through the sale of insurance policies or products are not offset against advisory fees the client pays to LSA for advisory services. Moreover, any revenues resulting from the sale of such insurance products through Lion Street, LLC will ultimately inure to the benefit of Integrity Marketing Group, which indirectly owns both LSA and Lion Street, LLC, creating another layer of incentives and related conflicts. Clients are not under any obligation to purchase insurance products from LSA's principals, employees, or affiliates in their separate capacities as insurance agents and are free to seek similar products and services elsewhere.

Clients should be aware that the potential for LSA's investment adviser representatives, management persons, and other employees to receive additional compensation creates conflicts of interest that can impair their objectivity when making advisory recommendations. LSA endeavors at all times to put the interests of its clients first as part of its fiduciary duty and takes the following steps to address these conflicts:

1. LSA seeks to identify and disclose to clients the existence of material conflicts of interest, including the potential for LSA IARs, management persons, and other employees to earn compensation from advisory clients in addition to LSA's advisory fees;
2. LSA discloses to clients that they are not obligated to purchase recommended investment products or services from LSA's IARs, management persons, employees, Related Companies or companies owned in whole or part by supervised persons of LSA;
3. LSA seeks to collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance and to tailor its investment advice to the client's needs;
4. LSA requires that its supervised persons disclose any outside employment activity so that LSA can reasonably ensure that conflicts of interests arising in connection with such activities are properly addressed and disclosed to clients and prospective clients;

5. LSA periodically monitors these outside employment activities to verify that any conflicts of interest continue to be properly addressed by LSA; and
6. LSA educates its supervised persons regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Under certain circumstances, LSA IARs recommend or effect transactions in securities in which a related person has a material financial interest. Please refer below to the sub-section, *Client Referrals and Other Compensation*, for information regarding cost avoidance benefits received by LSA and our affiliate, LSF, through the availability of no-transaction fee mutual funds from our approved custodian through Pershing's FUNDVEST® Focus and FUNDVEST® Institutional Programs.

IARs of LSA can recommend registered investment advisers other than LSA to manage some or all of clients' investments. This relationship creates a conflict of interest in that LSA and the IAR will receive compensation from the other registered investment adviser and can recommend the advisers based upon the compensation they will receive and not what is in the best interest of the clients. LSA mitigates this conflict by vetting the advisers to ensure their services are appropriate for the client and that all recommendations are based upon the clients' best interests and not on the compensation the IAR might receive. LSA also researches any advisers it considers using to ensure, at a minimum, the advisers are properly registered and licensed to provide investment advice. All accounts will be reviewed no less than annually to ensure that the relationships are appropriate and in the clients' best interests.

Code of Ethics, Participation or Interest in Client Transactions and Personal Training

LSA, its officers and associated persons can personally invest in securities of the same securities as are purchased for clients and might own securities of issuers whose securities are subsequently purchased for clients. LSA has adopted a "Code of Ethics", (the "Code") to alleviate conflicts of interest in such situations. The Code requires that all associated persons, access persons and administrative staff of LSA place the interests of our clients first, avoid taking inappropriate advantage of their position, and conduct all personal securities transactions in compliance with the Code. A full copy of our Code is available to our Client or prospective clients upon written request.

LSA or individuals associated with the Firm can buy or sell – for their personal account(s) – investment products identical to those recommended to Clients. It is the expressed policy of LSA that no person employed by the Firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

As these situations potentially represent a conflict of interest, LSA has established the following restrictions in order to ensure its fiduciary responsibilities:

1. Associated persons or their immediate family members shall not buy or sell securities for their personal portfolio(s) where their decision is derived, in whole or in part, by reason of the associated person's employment, unless the information is also available to the investing public on reasonable inquiry. No associated person of the Firm shall prefer his or her own interest to that of the advisory Client.
2. Records will be maintained of all securities bought or sold by the Firm and its associated persons.
3. The Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
4. Any individual not in observance of the above may be subject to termination.

It is further noted that LSA is in, and shall continue to be in, compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, LSA has adopted a firm wide policy statement outlining insider-trading compliance by the Firm, its associated persons, and other employees.

Review of Accounts

Lion Street Advisors Paramount Program accounts are reviewed by the sales supervisor if there are transactions in the account. Additionally, Client accounts are reviewed at least quarterly by the advisory representative assigned to the account.

Client account reviews will be reviewed by the Firm's compliance staff on at least an annual basis unless an occurrence triggers a more frequent review or upon a customer's request. Reviews may also be triggered by unusual activity. The review will be conducted by the CCO or a designee, who will review account activity in concert with relevant opening account documentation to ensure that account activity is consistent with the customer's investment objectives and financial status. The review will also reconcile account documentation, including advisory agreements vs. advisory fees charged to ensure that customer accounts are being charged appropriately per the terms of their advisory agreement. The CCO or designee will document any exceptional items and follow up with the IAR and/or client when deemed necessary and appropriate as a result of such review. In connection with such reviews, the Firm may utilize a firm generated questionnaire to provide a template and uniform review process across its IAR base. Such questionnaire would be completed by the IAR based upon current discussions with the Client and signed off by both an appropriate supervisor as well as the Firm. The questionnaire would contain information including but not limited to, trading activity consistency with client stated objectives, suitability of a particular program or investment manager based upon a client's stated objectives, investment goals, and current trading history, fee suitability and reconciliation; updates on client financial status, investment objectives, and/or risk tolerance, and existence of complaints or concerns relative to the account, IAR, or Firm. Client accounts will likewise be reviewed by the CCO or her designee in connection with the opening of the account to ensure

suitability of a particular program (including but not limited to wrap fee programs) for a client based upon the client's trading history or intended volume of trading if history is not known or nonexistent, stated objectives, investment goals, risk tolerance and similar factors. In the event such account reviews reflect that an advisory program may not be appropriate given a particular client's financial objectives and risk tolerance level, the client will be accordingly transitioned to a more appropriate trading program, including but not limited to a commission-based brokerage account. Additional reviews under both programs may be provided based on a significant change in the market or the program in which the Client is participating, or at the Client's request.

The custodian typically sends Clients a confirmation of every securities transaction and a quarterly brokerage statement, which reflects all transactions in the Client's account held by the custodian. LSA IARs will provide reports to Clients on at least an annual basis with the recommendation for a more frequent time frame such as quarterly as well as at the Client's request. Any account statements provided to Clients by LSA (in addition to those which are already provided by the qualified custodian) will contain legends as required pursuant to regulatory requirements under the Advisors Act.

Reviews of financial plans are available at the client's request. Updates to the written financial plan can be provided in conjunction with the review. Such reviews and updates are subject to the firm's then current hourly rate. Please see LSA's Form ADV Part 2A for further details.

Reports to Clients

The Client will receive a monthly or quarterly account statement from Client's Custodian. The Custodian with whom the Client's assets are held will promptly send confirmations of transactions executed on behalf of the Client. LSA does not assume responsibility for the accuracy of information furnished to the Client by Custodian or other companies. In addition, Clients may receive quarterly reports from the Investment Manager managing the Account.

Client Referrals and Other Compensation

LSA serves as solicitor for other advisors, none of whom is affiliated with LSA. LSA receives direct and indirect compensation from these advisors as a result of Client's ultimate participation in these advisors' management. In accordance with regulatory requirements, LSA receives a referral fee at a negotiated rate from these firms in accordance with the terms of a written Solicitor Agreement and after execution of a written referral fee disclosure statement by each Client in respect of such persons. These firms provide marketing support or services to assist its solicitors and their firms. The Client pays no additional fee by reason of the payment of these fees. LSA may also enter into agreements with and compensate solicitors to refer potential clients to LSA. Prior to engaging a solicitor, LSA will ensure that the person or firm is properly registered to receive compensation for solicitation activities and will endeavor to ensure the solicitor complies with all relevant regulatory requirements.

LSF, our affiliated broker-dealer, is a participant in Pershing's FUNDVEST® Focus and FUNDVEST® Institutional Programs ("Programs"), which offers no-transaction fee mutual funds ("NTF funds"). Pursuant to an agreement with Pershing, LSF is eligible to participate in revenue sharing with respect to certain Programs.

Approved custodians offer NTF (no-transaction fee) mutual funds, which allows LSA to select funds that trade without a transaction fee. The availability of NTF mutual funds creates a conflict of interest with respect to any wrap fee program in which LSA is responsible for transaction charges because the fewer transaction charges that are incurred with respect to the wrap fee account, the more of the wrap fee is retained. At the same time, NTF mutual funds often have higher internal expense ratios than other share classes of the same or other similar funds that may be recommended for the client's account.

LSF is also eligible to participate in revenue sharing with respect to the Programs. Under the Programs, for mutual funds that do not charge 12b-1 fees, Pershing will share 40% of any service fees received from such funds held by LSF client accounts that exceed \$10 million, including LSA client accounts custodied with Pershing. LSF does not receive any share of service fees on the first \$10 million of client assets in the Programs. Service fees include all fees other than 12b-1 fees paid directly or indirectly by a participating fund. This arrangement creates a conflict of interest in that LSF has an incentive to utilize NTF funds available through the Programs in order to reach or exceed this threshold and share in revenue rather than based on the client's best interests. LSA also has a conflict of interest related to the Programs inasmuch as the Firm is under common ownership with LSF and has incentive to enrich its affiliate by recommending the use of the Programs to its clients and recommending Program funds in client accounts custodied with Pershing. We seek to address this conflict of interest by adopting policies reasonably designed to ensure that IARs make recommendations in the best interests of clients.

The Programs' participating mutual funds also charge short-term redemption fees of \$50 for liquidations that do not meet required holding periods. Applicable required holding periods generally run from 30 days to 6 months. Clients bear the cost of short-term redemption fees, as applicable. Investment programs and strategies offered by LSA are generally designed to hold investments for longer periods. If a short-term redemption fee is incurred, it is typically the result of an unscheduled client request to withdraw assets after a recently placed trade in the client's account.

LSA is eligible to receive payments or sponsorships from non-clients to support LSA sponsored conferences and events in order to gain access to LSA's representatives. While LSA endeavors at all times to put the interest of our clients first as part of our fiduciary duty, the possibility of receiving such incentives creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

As a fiduciary, LSA seeks to effect trades correctly, promptly and in the best interests of our clients. Regarding trade errors, it is LSA's policy to restore the account to the position it should have been in had the trading error not occurred. In this manner, LSA benefits from trading errors because gains from corrected trade errors are used to offset losses incurred from corrected trade errors.

Financial Information

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about LSA's financial condition. LSA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.