

PROVIDER FINANCIAL, INC.

WRAP PROGRAM BROCHURE (APPENDIX 1 TO FIRM BROCHURE)

February 1, 2024

Mailing Address:

3091 East 98th St., Suite 200

Indianapolis, IN 46280

Phone: (317) 706-0890

Email: Robert.malmquist@provider-financial.com

Web Site: www.provider-financial.com

This wrap fee program brochure provides information about the qualifications and business practices of Provider Financial, Inc. If you have any questions about the contents of this brochure, please contact Robert L. Malmquist at (317) 706-0890. 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 Provider Financial, Inc. is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for the Firm is 168964.

ITEM 2 - MATERIAL CHANGES

We have no material changes to report since our last annual update to this firm brochure, which was on March 18, 2023.

ITEM 3 - TABLE OF CONTENTS

Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Services, Fees and Compensation	4
Item 5. Account Requirements and Types of Clients	6
Item 6. Portfolio Manager Selection and Evaluation	6
Item 7. Client Information Provided to Portfolio Managers	9
Item 8. Client Contact with Portfolio Managers	9
Item 9. Additional Information	9

ITEM 4 - SERVICES, FEES AND COMPENSATION

SERVICES

We offer ongoing portfolio management services on a wrap account basis. Our management services are based on the individual goals, objectives, time horizon, and risk tolerance of each client. We evaluate the current investments of each client with respect to their risk tolerance levels and time horizon. Clients may impose restrictions on investing in certain securities or groups of securities by indicating in the written advisory agreement with Advisor.

We will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. The client authorizes us to have discretion by signing an advisory agreement.

The assets we manage are held at LPL Financial (“LPL”) on their SWM II platform. LPL also acts as executing broker/dealer for transactions placed in program accounts and provides other administrative services as described throughout this Brochure.

FEES

Fees for wrap accounts are calculated and billed quarterly in advance using the annualized rates below.

Custodian Reported Value of Account	Management Fee
\$100,000 to \$250,000	2.05%
\$250,001 to \$500,000	1.75%
\$500,001 to \$750,000	1.60%
\$750,001 to \$1,250,000	1.40%
\$1,250,001 to \$1,750,000	1.30%
\$1,750,001 to \$3,000,000	1.15%
\$3,000,001 to \$5,000,000	1.00%
Over \$5,000,000	Negotiable

The pro-rated first quarter’s management fee will be calculated on the Account’s initial value as reported by the Account’s custodian. Thereafter, the management fee will be calculated on the Account’s previous quarter-end value as reported by the Account’s custodian.

In a wrap account, clients pay a single annual advisory fee for advisory services and execution of transactions. Clients do not pay brokerage commissions, markups or transaction charges for execution of transactions in addition to the advisory fee. However, please see the following disclosures regarding the conflicts of interest associated with a wrap-fee program.

Conflict of Interest Disclosure

Although clients do not pay a transaction charge for transactions in a SWM II account, clients should be aware that we pay LPL transaction charges for those transactions. The transaction charges paid by us vary based on the type of transaction (e.g., mutual fund, equity or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL. Transaction charges paid by us for equities and ETFs are \$7. For mutual funds, the transaction charges range from \$0 to \$26.50 depending on whether they pay a recordkeeping

and/or revenue sharing fee to LPL (Full Participating Fund versus Non-Participating Fund). Because we pay the transaction charges in SWM II accounts, there is a conflict of interest in cases where the mutual fund is offered at both \$0 and \$26.50. Clients should understand that the cost to us of transaction charges may be a factor that our considers when deciding which securities to select and how frequently to place transactions in a SWM II account. We attempt to mitigate this conflict of interest by placing the clients' interest ahead of our own through our fiduciary duty and by implementing policies and procedures designed to address the conflict.

Other Types of Fees and Charges

Program accounts will incur additional fees and charges from parties other than us as noted below. These fees and charges are in addition to the advisory fee paid to us. We do not share in any portion of these third-party fees.

LPL, as the custodian and broker-dealer providing brokerage and execution services on program accounts, will impose certain fees and charges. LPL notifies clients of these charges at account opening and makes available a list of these fees and charges on its website at www.lpl.com. LPL will deduct these fees and charges directly from the client's program account.

There are other fees and charges that are imposed by other third parties that apply to investments in program accounts. Some of these fees and charges are described below.

- If a client's assets are invested in mutual funds or other pooled investment products, clients should be aware that there will be two layers of advisory fees and expenses for those assets. Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. Client will also pay us the advisory fee with respect to those assets. Most of the mutual funds available in the program may be purchased directly. Therefore, clients could generally avoid the second layer of fees by not using our management services and by making their own investment decisions.
- Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges apply if the client transfers into or purchases such a fund with the applicable charges in a program account.
- Although only no-load and load-waived mutual funds can be purchased in a program account, client should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.
- If client holds a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

Further information regarding fees assessed by a mutual fund, or variable annuity is available in the appropriate prospectus, which is available upon request from us or from the product sponsor directly.

Other Important Considerations

- The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee may cost the client more than purchasing the program services separately, for example, paying an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of

the account in relation to the cost of the same services purchased separately include the type and size of the account, historical and or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client.

- The advisory fee costs the client more than if assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, but the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than a program account.
- When we recommend the program to the client, we receive compensation because of the client's participation in the program. This compensation includes the advisory fee and other compensation, such as bonuses, awards or other things of value offered by LPL to us or our associated persons. The amount of this compensation is more than what we would receive if the client participated in other LPL programs, programs of other investment advisors or paid separately for investment advice, brokerage and other client services. Therefore, we have a financial incentive to recommend a program account over other programs and services.
- The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with us.

Termination of Portfolio Management Services

A client may terminate the Investment Management Agreement for any reason at any time and, within the first five (5) business days after signing the contract, without any cost or penalty. Thereafter, the contract may be terminated at any time by giving ten (10) days written notice. To cancel the Agreement, the client must notify firm in writing at to Provider Financial, Inc., 3091 East 98th St., Suite 200, Indianapolis, IN 46280 and return any materials received to that date. Because we charge in advance, any client that terminates their contract within a quarter will receive a prorated refund of fees that is based on the amount of time elapsed during the termination quarter. For example, if a client cancels on 45 days in to a 90 day quarter, the client will receive a refund of 50% of the fees. (45 days divided by 90 days equal 50 percent.) Please note the prorated refund may be adjusted for additional deposits and withdrawals to the advisory account within the termination quarter.

ITEM 5 - ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

We offer our services to individuals, high net worth individuals and corporations or other business entities. We do not require a minimum account size to become a client.

ITEM 6 - PORTFOLIO MANAGER SELECTION AND EVALUATION

In our wrap program, we do not select, review or recommend other investment advisors or portfolio managers. We, through our associated persons, are responsible for the investment advice and management offered to clients. For more information about associated person managing the account, client should refer to the Brochure Supplement (ADV Part 2B) for the

associated person, which client should have received along with this Brochure at the time client opened the account.

LPL performs certain administrative services for us, including generation of quarterly (or monthly, if requested) statements and performance reports for program accounts. The client will receive an individual quarterly (or monthly, if requested) statement and performance report that provides performance information on a time-weighted basis. The performance reports are intended to inform clients as to how their investments have performed for a period, both on an absolute basis and compared to leading investment indices.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

When we manage a client's portfolio, we use the following types of analysis:

Fundamental analysis is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's *actual* business and its future prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the economy as a whole. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite that appearance that a security is undervalued, it may not rise in value as predicted.

Technical Analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. The risk associated with technical analysis is that there is no broad consensus among technical traders on the best method of identifying future price movements.

Tactical Asset Allocation is an active management portfolio strategy that rebalances the percentage of assets held in various categories in order to take advantage of market pricing anomalies or strong market sectors. This strategy is designed to allow portfolio managers to create extra value by taking advantage of certain situations in the marketplace. It is as a moderately active strategy because portfolio managers return to the portfolio's original strategic asset mix when desired short-term profits are achieved.

Our analysis of securities and advice relating thereto may be based upon information obtained from financial newspapers and magazines, research materials prepared by others, corporate ratings services, and annual reports, prospectuses and filings made with the Securities and Exchange Commission. We also utilize computer models for performance analysis, asset allocation and risk management.

It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable. It is also important that you understand the concept and risks inherent in exchanging an investment from one position to another. Some investment decisions result in profit and others in losses. Our firm and your representative cannot guarantee that the objectives of any investment program will be achieved. Furthermore, it is important that you understand that the exchange of shares of one mutual fund for shares of another mutual fund is treated as a sale for federal income tax purposes, and that capital gains or losses may be realized unless you are eligible for tax deferral under a qualified retirement plan.

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear.** While we use investment strategies that are designed to provide appropriate investment diversification, some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. A client needs to ask questions about risks he/she does not understand, we would be pleased to discuss them.

The account investment management is determined by the stated investment objectives of the client (i.e., current income, balanced, growth and income, growth and maximum growth). Your representative is responsible for developing and determining the investment strategies that will be used when managing your accounts. This strategy is based on your individual financial situation, goals, and objectives. Your representative is responsible for monitoring your portfolios and, when appropriate, reallocating the portfolios based on changing market conditions, changes in your individual circumstances, or other factors. If the account is managed on a non-discretionary basis, your representative will consult you prior to reallocating securities in the account. Reallocations are implemented in discretionary accounts without prior notice to clients.

If your individual situation changes, you should notify your representative, who will assist you in revising the current portfolio and/or prepare an updated client profile so that he/she can determine if a different model portfolio would be appropriate to your new situation. You may also directly contact the third-party advisor managing the account.

We use several types of securities in client portfolios including, but not limited to, mutual funds, exchange traded funds, stocks, money market funds.

An investment could lose money over short or even long periods. A client should expect his/her account value and returns to fluctuate within a wide range, like the fluctuations of the overall stock and bond markets. A client's account performance could be hurt by:

- **Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.
- **Interest rate risk:** The chance that bond prices overall will decline because of rising interest rates.
- **Manager risk:** The chance that the proportions allocated to the various securities will cause the client's account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- **International investing risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- **Liquidity risk:** One common risk associated with private placements and REITs is a relative lack of liquidity due to the highly customized nature of the investment. Moreover, the full extent of returns is often not realized until maturity. Because of this,

these products tend to be more of a buy-and-hold investment decision rather than a means of getting in and out of a position with speed and efficiency.

- **Credit risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- **Inflation Risk:** This is the risk that inflation will undermine the performance of your investment and/or the future purchasing power of your assets.

VOTING CLIENT SECURITIES

We do not accept authority to vote client securities. Clients retain the right to vote all proxies that are solicited for securities held in the account. Clients will receive proxies or other solicitations from the custodian of assets. If clients have questions regarding the solicitation, they should contact us or the contact person that the issuer identifies in the proxy materials. In addition, we do not accept authority to take action with respect to legal proceedings relating to securities held in the account.

ITEM 7 - CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

In our wrap program, we are responsible for account management; there is no separate portfolio manager involved. We obtain the necessary financial data from the client and assist the client in setting an appropriate investment objective for the account. We obtain this information by having the client complete an advisory agreement and other documentation. Clients are encouraged to contact us if there have been any changes in the client's financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Client should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Client should further be aware that achievement of the stated investment objective is a long-term goal for the account.

ITEM 8 - CLIENT CONTACT WITH PORTFOLIO MANAGERS

Client should contact us at any time with questions regarding program account.

ITEM 9 - ADDITIONAL INFORMATION

DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to your evaluation of us or the integrity of our management.

We have no information applicable to this Item because we have not been the subject of any administrative, civil, criminal or regulatory proceedings.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Our owner, Robert L. Malmquist, is also licensed as a registered representative of LPL Financial Corporation ("LPL"), a full-service broker/dealer and member FINRA/SIPC. As a registered

representative, Mr. Malmquist can affect securities transactions and he receives separate compensation for effecting any securities transactions. Mr. Malmquist spends the majority of his time involved these activities.

This presents a conflict of interest when the client elects to implement Mr. Malmquist's recommendations and selects him to execute those transactions. In this case, Mr. Malmquist receives both fees as advisor representative and commissions as registered representative or insurance agents. As a registered representative, he receives compensation from the sale of mutual funds, 12(b)-1 distribution fees, variable annuity sales commissions or trail commissions. The 12(b)-1 distribution fees, sales charges and other fee arrangements will be disclosed upon the client's request and are typically described in the applicable fund and/or annuity prospectus. Any fees or other compensation received by Mr. Malmquist in his separate capacity as registered representative will be received to the extent permitted by applicable law.

Because of these compensation arrangements, a conflict of interest exists in connection with Mr. Malmquist recommending particular investments for a client's account. Clients have sole discretion whether to implement any or all of Mr. Malmquist's recommendations. In addition, clients are free to select any broker/dealer they wish to implement recommendations.

Mr. Malmquist is also a licensed independent insurance agent (Life and Health Licensed). As such, he can affect insurance transactions and receives separate compensation for effecting any insurance transactions. With the ability to work as a client's insurance agent and investment adviser representative, this is a conflict of interest because each service pays a separate fee or commission. However, Mr. Malmquist attempts to mitigate any conflicts of interest to the best of his ability by placing the client's interests ahead of his own and through the implementation of policies and procedures that address the conflict. Also, clients are never obligated to purchase recommended insurance products through Mr. Malmquist.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Our Approach to Conflicts of Interest

Conflicts of interest that arise while providing investment management services are described throughout this brochure, as are some of our policies and procedures designed to address specific conflicts of interest, such as our Code of Ethics and personal trading practices.

We have a compliance program in place that is intended to identify, mitigate and, in some instances, prevent actual and potential conflicts of interest, ensure compliance with legal and regulatory requirements and ensure compliance with client investment guidelines and restrictions. Our compliance program includes written policies and procedures that we believe are reasonably designed to prevent violations of applicable law and regulations.

Code of Ethics

According to the *Investment Advisers Act of 1940*, an investment advisor is considered a fiduciary and has a fiduciary duty to clients. The applicant has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that

reflects fiduciary obligations and those of its supervised persons and requires compliance with federal and state securities laws. Our Code of Ethics covers all individuals that are classified as

“supervised persons”. All employees, officers, directors and investment advisor representatives are classified as supervised persons. We require our supervised persons to consistently act in their client’s best interests in all advisory activities. We impose certain requirements on its affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to our clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is only intended to provide current and potential clients with a description of the applicant Code of Ethics. If you wish to review the Code of Ethics in its entirety, you may request a copy in writing. Your request will be provided promptly.

Participation or Interest in Client Transactions

LPL, our broker/dealer may execute securities transactions on our behalf or on behalf of your representative. We, LPL and/or your representative can receive advisory fees and broker/dealer commissions for the sale of securities placed under our management. The receipt of compensation from a variety of sources is a conflict of interest. We encourage you to review this ADV closely and discuss any potential conflicts of interest with your representative.

We will process brokerage security transactions through LPL so long as we determine that executing the transactions through our broker/dealer fulfills our duty of best execution. We consider certain factors when selecting a broker/dealer and determining the reasonableness of commissions. Please refer to the section titled “Brokerage Practices” for more information.

Policy Regarding Engaging in Agency Cross Transactions in Advisory Accounts

It is our policy to prohibit representatives from engaging in agency cross transactions where representatives act as brokers for both the buy and sell of a single security between two different clients for which the representatives receive compensation in the form of an agency commission or principal mark-up for the trades. Should we adopt a different policy in this area, we will observe all rules and regulations in accordance with the disclosure and consent requirements of Section 206(3) of the Advisers Act. Additionally, we are aware that such transactions can only occur if we can ensure that we meet our duty of best execution for the client.

Policy Regarding Engaging in Principal Trading Involving Advisory Accounts

We do not permit principal transactions to be effected in advisory accounts. LPL does not make a market in securities. LPL may engage in riskless principal transactions for certain fixed income securities. A riskless principal transaction is a trade in which a broker or dealer, receives an order to buy or sell a security and purchases the security in a simultaneous offsetting transaction. Potential conflicts of interest exist between your interests, our interests and LPL. Current federal securities regulations do not require that firms when trading as a principal disclose their mark-ups on riskless principal transactions. Mark-ups may vary by security.

Personal Trading

We and our representatives will recommend a buy, sell, or hold a position in securities identical to the securities recommended to you, at or about the same time that they or a related person buys or sells the same securities for their own or a related person’s account. It is our policy that no supervised person will put his/her interest before your interests. Our firm and our

representatives cannot trade ahead of any client or trade in a way that would cause the supervised person to obtain a better price than the price a client would obtain.

Our Pre-Clearance and Restricted Securities Policy

Due to our affiliation with other investment companies, investment advisors, and broker dealers, LPL, on our behalf, maintains a Restricted and Pre-Clearance Equity List, which may limit our firm and the representative's ability to transact in certain equities on your behalf in a discretionary advisory program. Your representative may not be able to place certain transactions or may experience delays in submitting certain transactions on your behalf based on any pre-clearance or pre-approval requirements implemented by the firm. You may receive a worse price than what you might receive if you placed the transaction through another investment advisor representative not affiliated with LPL and not subject to any trading restrictions. These trading restrictions are subject to change without notice.

REVIEW OF ACCOUNTS

Frequency of Account Reviews

Our owner, Robert Malmquist, reviews the positions on a continuous basis. Mr. Malmquist will also meet (either in person or by telephone) with a client on a quarterly, semi-annual or annual basis as requested by the client.

Review Triggers

The calendar is the triggering factor. Factors triggering an account review may include material market, economic or political events, and changes in your financial or personal situation or performance of the account in general.

Reports and Account Statements

The client will receive quarterly (or monthly, if requested) statements and performance reports from their account's custodian. We urge you to carefully review such statements.

To the extent you receive performance reports from your representative, we urge you to compare performance reports received with account statements received from the custodian. Inquiries or concerns regarding the account, including performance reports, should be directed to the investment advisor firm at the phone number listed on the account statement. Each representative then decides whether to provide these reports to his or her clients. Performance information provided by your representative is believed to be accurate but cannot be guaranteed. Your

representative may or may not include variable annuity account position information within performance reports. Neither our firm nor your representative can guarantee the accuracy of fund values, securities and other information obtained from third parties.

CLIENT REFERRALS AND OTHER COMPENSATION

We do not pay for client referrals or use solicitors.

Our representatives are incentivized to join and remain affiliated with our current broker/dealer, LPL, through compensation arrangements that include bonuses, enhanced pay-outs, forgivable loans and/or business transition loans. The receipt of such compensation is financial incentive

and conflict of interest. We encourage you to review this ADV closely and discuss any conflicts of interest with your representative.

FINANCIAL INFORMATION

We do not have any financial impairment that will preclude us from meeting our contractual commitments to you. We do not serve as a custodian for your funds or securities. At no time will fees of more than \$1200 be charged six or more months in advance by our firm or your representative. We have established policies and procedures designed to prevent the collection of fees greater than \$1200 six or more months in advance. As such, a balance sheet is not required to be provided to you at this time.

CUSTODY

LPL is the qualified custodian and maintains custody of client funds and securities in a separate account for each client under the client's name. LPL as a qualified custodian sends account statements showing all transactions, positions, and all deposits and withdrawals of principal and income. LPL sends account statements monthly when the account has had activity or quarterly if there has been no activity. Clients should carefully review those account statements.

Although most securities available in program accounts are custodied at LPL, there are certain securities managed as part of the account that are held at third parties, and not at LPL. For example, variable annuities, hedge funds and managed futures are often held directly with the investment sponsor. For those outside positions, client will receive confirmations and statements directly from the investment sponsor.

For outside positions not custodied at LPL, LPL may receive information (e.g., number of shares held and market value) from the investment sponsor and display that information on statements and reports prepared by LPL. Such information also may be used to calculate performance in performance reports prepared by LPL. Although we believe that the information provided by LPL is accurate, we recommend that clients refer to the statements and reports received directly from the investment sponsor and compare them with the information provided in any statements or reports from LPL. The statements and reports provided by LPL with respect to outside positions should not replace the statements and reports received directly from the investment sponsor.

BROKERAGE PRACTICES

In our wrap program, we require that clients direct LPL as the sole and exclusive broker-dealer to execute transactions in the account. LPL is not paid a commission for executing transactions. Because our associated persons are licensed with LPL, this presents a conflict of interest. Clients should understand that not all advisors require their clients to direct brokerage. By directing brokerage to LPL, clients may be unable to achieve the most favorable execution of client transactions. Therefore, directed brokerage may cost clients more money.

We may receive support services and/or products from LPL, which assist us to better monitor and service program accounts maintained at LPL. These support services and/or products may be received without cost, at a discount, and/or at another negotiated rate, and may include the following:

- investment-related research

- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products used by us in furtherance of our investment advisory business operations

Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by us to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement.

We often aggregate transactions in equity and fixed income securities for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. We sometimes determine not to aggregate transactions, for example, based on the size of the trades, the number of client accounts, the timing of the trades, the liquidity of the securities and the discretionary or non-discretionary nature of the trades. If we do not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost clients more money.