

**SYMPHONY WRAP PROGRAM**  
**‘Symphony Management Portfolio II’**

Sponsored by

**SYMPHONY FINANCIAL, LTD. CO.**  
*a Registered Investment Adviser*

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This brochure provides information about the qualifications and business practices of Symphony Financial, Ltd. Co. (hereinafter “Symphony” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

**Item 2. Material Changes**

Since Symphony's last annual amendment filing on February 28, 2024, we have amended our total regulatory assets under management. See Item 4 of the ADV Part 2A.

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## Item 4. Advisory Business

Symphony has been registered as an investment adviser since June 23, 2014, and is wholly owned by Wallace Carr Burgoyne, Jr. As of December 31, 2023, the Adviser had \$ 774,479,848 in discretionary assets under management.

While this brochure describes the business of Symphony, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on Symphony's behalf and is subject to the Firm's supervision or control.

### Description of the Program

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The Symphony Financial wrap program provides its portfolio management services through programs offered by LPL Financial Services LLC ("LPL Financial") and Fidelity Investments. All custodians are independently owned and operated, not affiliated with the Firm. This Brochure discusses those services offered through wrap fee programs. Please refer to Symphony's ADV Part 2A Brochure for a description of non-wrap program services and fees.

A wrap fee is a program which provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is considered any arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a specified fee or fees not based upon transactions in their accounts. Clients must also open a new securities brokerage account and complete a new account agreement with a custodian mentioned above.

## **Investment Management Services**

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Symphony manages client investment portfolios on a discretionary basis through wrap-fee programs offered by LPL Financial Services LLC (“LPL Financial”) and Fidelity Investments. All custodians are independently owned and operated and not affiliated with the Firm. Symphony tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Symphony consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Symphony if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if Symphony determines, in its sole discretion, the conditions will not materially impact the performance of a management strategy or prove overly burdensome to the Firm’s management efforts.

Within the aforementioned program, Symphony primarily allocates client assets among various mutual funds, exchange-traded funds (“ETFs”), individual debt and equity securities, options and independent investment managers (“Independent Managers”) in accordance with their stated investment objectives. In addition, Symphony may also recommend that certain eligible clients invest in privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds).

Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage Symphony to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Symphony directs or recommends the allocation of client assets among the various investment options available with the product. These assets are maintained at the underwriting insurance company or the custodian designated by the product’s provider.

## **Use of Independent Managers**

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In some instances, Symphony may deem it appropriate to recommend programs and third-party manager programs offered by LPL to actively manage a portion of its clients’ assets. The specific terms and conditions under which a client engages an Independent Manager will be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients will also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. ~~The use of~~ Independent Managers are not required to be held at LPL Financial, but are limited to those managers approved by LPL Financial.

Prior to Symphony rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Symphony setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

## ERISA Fiduciary

Symphony Financial understands and attests that they are an ERISA fiduciary as defined in the Fiduciary Rule under the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986. Symphony Financial adheres to the Impartial Conduct Standards (including the “best interest” standard, reasonable compensation and no misrepresented information), as a condition for relying upon the Best Interest Contract Exemption and the Class Exemption for Principal Transactions in Certain Assets Between Investment Advice Fiduciaries and Employee Benefit Plans and IRA during the transition period from June 9, 2017, through January 1, 2018. This relates to all ERISA accounts including Individual Retirement Accounts (IRAs).

Symphony Financial does not act as a non-discretionary or discretionary investment manager of the Plan as defined in Section 3(21) or 3(38) of the Employee Retirement Income Security Act of 1974.

## Fees for Participation in the Program

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### LPL Financial SWM II, and Fidelity Wrap Accounts

Symphony offers investment management services for an annual fee based on the amount of assets under the Firm’s management. This management fee varies between 0 and 250 basis points (0.00% – 2.50%), depending upon the size and composition of a client’s portfolio and the type of services rendered. All fees will be disclosed in the Discretionary Investment Management Agreement.

The Account Fee is based on the value of assets in the account, including cash holdings, and is payable quarterly in advance. For purposes of calculating Account Fees, LPL calculates the fee rate using the number of days in the quarter, while Fidelity uses the annual fee divided by 4. The account quarter will be based on the appropriate fee cycle. Fee cycles are as follows and will be based upon the date in which the client funds their account(s):

Cycle 1	Cycle 2	Cycle 3
January	February	March
April	May	June
July	August	September
October	November	December

The Account Fee is due at the beginning of the quarter following account inception and will include the prorated fee for the initial quarter in addition to the standard quarterly fee for the upcoming quarter. Subsequent Account Fee payments are due and will be assessed at the beginning of each quarter based on the account value as of the close of business on the last business day of the preceding quarter. Additional deposits and withdrawals will be added or subtracted from portfolio assets on a prorated basis to adjust the Account Fee at LPL, while Fidelity accounts are not adjusted for auto-deposits and payroll deductions. Additionally, the Firm will consider householding client assets.

In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through

the effective date of the termination and the outstanding portion of the fee is charged to the client, as appropriate.

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**Fee Comparison**

As referenced above, a portion of the fees paid to Symphony are used to cover the securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios.

Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. Fees paid for the Program may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

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**Fee Discretion**

Symphony, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities.

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**Additional Fees and Expenses**

In addition to the advisory fees paid to Symphony, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions. These additional charges may include, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund Program Fees and other fund expenses), fees and commission for assets not held with the Firm's custodians (such as 401(k) or 529 plan assets), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees. The fee charged by Independent Managers are paid by a portion of the client fee and is not a separate charge to the client.

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**Direct Fee Debit**

Clients generally provide Symphony with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Symphony. Alternatively, clients may elect to have Symphony send a separate invoice for direct payment.

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**PayPal**

Under certain circumstances the Adviser will allow the client to submit payment via PayPal. In this situation we will submit an invoice to the client's address of record or via electronic mail and the client will submit

payment via PayPal link accessible from the electronic invoice or our website; <http://www.4-sf.com/>. Fees are due and payable upon receipt of our invoice.

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**Account Additions and Withdrawals**

Clients may make additions to and withdrawals from their account at any time, subject to Symphony's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to Symphony, subject to the usual and customary securities settlement procedures. However, Symphony designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Symphony may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charge) and/or tax ramifications.

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**Use of Margin**

Symphony may be authorized to use margin in the management of the client's investment portfolio. In these cases, the fee payable will be assessed net of margin such that the market value of the client's account and corresponding fee payable by the client to Symphony will not be increased.

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**Commissions and Sales Charges for Recommendations of Securities**

Clients can engage certain persons associated with Symphony to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with Symphony.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of LPL Financial, may provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons may be entitled to a portion of the brokerage commissions paid to LPL Financial, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Symphony may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with LPL Financial.

A conflict of interest exists to the extent that Symphony recommends the purchase or sale of securities where its Supervised Persons received commissions or other additional compensation as a result of the Firm's recommendation over previous 12 months, prior to entering into the advisory agreement. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons are in the best interest of clients. For certain accounts covered by the Employee Retirement Income Security Act of 1974 ("ERISA") and such others that Symphony, in its sole discretion, deems appropriate, Symphony may provide its investment advisory services on a fee-offset basis. In this scenario, Symphony may offset its



fees by an amount equal to the aggregate commissions earned by the Firm's Supervised Persons in their individual capacities as registered representatives of LPL Financial. All 12b-1 fees are retained by the custodian and do not offset any advisory fees received by the Firm.

## Compensation for Recommending the Program

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The advisor recommending the wrap fee program to the client will receive compensation as a result of the client's participation in the program. Symphony has no internal arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation.

## Item 6. Portfolio Manager Selection and Evaluation

### Portfolio Manager Selection and Evaluation

In recommending programs offered by custodians Symphony evaluates a variety of information about the programs and Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation its clients' individual portfolio allocations and risk exposure. Symphony also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Symphony continues to provide services relative to the selection of the Independent Managers. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Symphony seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Symphony acts as the sole portfolio manager under the SWM II program at LPL Financial and the CRP program at Fidelity.

The fee charged for wrap accounts is slightly higher to offset trade charges from the custodian. This may result in higher or lower compensation to the IAR depending upon the level of trading in the account. Although clients do not pay a transaction charge for transactions in a wrap account, clients should be aware that Symphony pays transaction charges for those transactions. The transaction charges paid by Symphony vary based on the type of transaction (e.g., mutual fund, equity or ETF). –Because Symphony pays the transaction charges in wrap accounts, there is a conflict of interest in cases and the adviser has an incentive to recommend the wrap program, particularly if very little trading activity is anticipated. Clients should understand that the cost to Advisor of transaction charges may be a factor that Symphony considers when deciding which securities to select and how frequently to place transactions in a wrap account.

In many instances, the custodian makes available mutual funds in a wrap account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative" or "platform" share classes ("Platform Shares"). The Firm's policy is to purchase institutional or equivalent share class mutual funds within wrap accounts when possible. The Platform Share class offered for a particular mutual fund in a wrap account in many cases will not be the least expensive share class that the mutual fund makes available, and was selected by the custodian in certain cases because the share class pays compensation for the administrative and recordkeeping services the custodian provides to the mutual fund. Client should understand that another financial services firm may offer the same mutual fund at a

lower overall cost to the investor than is available through this Firm. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay the custodian a 12b-1 fee for providing brokerage-related services to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a client to own Class A Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time, and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund. The client will be informed when they are placed in a fund with 12b-1 fees, as it could create a conflict of interest, since the custodian benefits from these fees, and that custodian may provide additional services to the Firm.

Symphony has a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. Although the client will not be charged a transaction charge for transactions, the Advisor pays the custodian a per transaction charge for mutual fund purchases and sales in the account. Symphony generally does not pay transaction charges for Class A Share mutual fund transactions accounts, but generally does pay transaction charges for Platform Share mutual fund transactions. The cost to Symphony of transaction charges may be a factor the Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to Symphony for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, present a significant conflict of interest between Symphony and the client. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

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### **Performance Fees and Side-By-Side Management**

Symphony does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets). Additionally, when managing client accounts through the wrap fee program, the Firm does not provide side by side management in regards to the OMP, PWP, MWP or MAS.

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### **Methods of Analysis**

Symphony primarily utilizes a combination of fundamental and technical methods of analysis.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For Symphony, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific issuer information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Symphony will be able to accurately predict such a reoccurrence.

## **Investment Strategies**

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The Firm generally uses a long term investment philosophy to provide individual advice based on each client's risk tolerance. Symphony reviews its clients' long-term and short-term financial needs and objectives, and risk tolerance or risk-aversion. Investment recommendations are based on information provided to the Firm by its clients, including information gathered in response to Firm questionnaires and personal discussions with the clients. The Firm designs each client's investment strategy based on a thorough evaluation of the individual goals and objectives of each client. After analyzing a client's financial situation and understanding the client's individual investment objectives. On a continuous basis, the Firm implements and monitors each aspect of the strategy.

## **Risk of Loss**

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### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Symphony's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Symphony will be able to predict those price movements accurately or capitalize on any such assumptions.

### *Mutual Funds and ETFs*

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholder's fees (*e.g.*, sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may,

among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

#### *Use of Independent Managers*

As stated above, Symphony may select certain Independent Managers to manage a portion of its clients' assets. In these situations, Symphony continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Symphony may not have the ability to supervise the Independent Managers on a day-to-day basis. Independent Managers are not required to be held at LPL Financial, but are limited to those managers approved by LPL Financial.

#### *Use of Private Collective Investment Vehicles*

Symphony recommends that certain clients invest in privately placed collective investment vehicles (*e.g.*, hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

#### *Options*

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (*i.e.*, limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

#### *Use of Margin*

While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio

risk. Margin transactions are effected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

### **Voting of Client Securities**

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Symphony does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

## **Item 7. Client Information Provided to Portfolio Managers**

In this Item, Symphony is required to describe the type and frequency of the information it communicates to the Independent Managers, if any, managing its clients' investment portfolios. In situations where the Firm will be utilizing Independent Managers, clients will grant Symphony the authority to discuss certain non-public information with the Independent Managers engaged to manage their accounts. Depending upon the specific arrangement, the Firm may be authorized to disclose various personal information including, without limitation: names, phone numbers, addresses, social security numbers, tax identification numbers and account numbers. Symphony may also share certain information related to its clients' financial positions and investment objectives in an effort to ensure that the Independent Managers' investment decisions remain aligned with its clients' best interests. This information is communicated on an initial and ongoing basis, or as otherwise necessary to the management of its clients' portfolios.

## **Item 8. Client Contact with Portfolio Managers**

In this Item, Symphony is required to describe any restrictions on clients' ability to contact and consult with the portfolio managers managing their investment portfolios. There are no restrictions on clients' ability to correspond with Symphony. Clients can contact the Independent Managers managing their portfolios through Symphony by providing the Firm with written request and identification of the questions or issues to be discussed with the Independent Managers. After receiving the client's written request, Symphony, at its sole discretion, may contact the Independent Managers for the client or arrange for the Independent Managers and the client to communicate directly.

## Item 9. Additional Information

### Disciplinary Information

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Symphony has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

### Other Financial Industry Activities and Affiliations

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This item requires investment advisers to disclose certain financial industry activities and affiliations.

### *Registered Representatives of a Broker-Dealer*

All of the Firm's Supervised Persons are registered representatives of LPL and may provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

### *Licensed Insurance Agents*

A number of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that Symphony recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

### Code of Ethics

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Symphony has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. Symphony's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of Symphony's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any

appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Symphony to request a copy of its Code of Ethics.

### **ERISA Conflicts of Interest**

We act in a fiduciary capacity as required by SEC and state Regulations. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We also adhere to the fiduciary standards of ERISA for all ERISA accounts. We adhere to the Impartial Conduct Standards which includes the "best interest" standard, reasonable compensation and no misrepresentation of information. We have policies and procedures in place to monitor our adherence to our fiduciary obligation. We strive to do what is in the best interests of all the accounts we advise.

### **Account Reviews**

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Symphony monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by the Firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Symphony and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.



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**Account Statements and General Reports**

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Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from Symphony and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Symphony or an outside service provider.

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**Client Referrals**

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In the event a client is introduced to Symphony by either an unaffiliated or an affiliated endorser, the Firm may pay that endorser a referral fee in accordance with all applicable Rules and Regulations. Unless otherwise disclosed, any such referral fee is paid solely from Symphony's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated endorser, the endorser is required to provide the client with Symphony's written brochure(s) and disclosure statement containing the terms and conditions of the arrangement. Any affiliated endorser of Symphony is an employee and is required to disclose the nature of his or her relationship to prospective clients at the time of the referral and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the referral. All employee endorsers have an exclusive independent contract with our Firm and may not provide endorsement services to other financial firms.

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**Receipt of Economic Benefit and Brokerage Practices**

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Symphony provides clients with the option to custody wrap accounts at LPL Financial or Fidelity. However, the Firm will generally recommend that clients custody at LPL Financial, while Fidelity and Schwab are primarily used on an exception basis. Hybrid advisers of the Firm must apply for an LPL exception to custody off the platform, and when approved are limited to using no more than 20% of their total assets with an outside custodian.

Certain IARs of the Firm have received money from LPL, in the form of forgivable loans. This creates a conflict, as those IARs will only have the funds forgiven if they remain with LPL for a specified number of years.

The Firm has a financial conflict of interest with Fidelity. Fidelity charges the Firm a platform fee per quarter if assets fall under \$15 million. This gives the Firm an incentive to avoid this fee by recommending to, or maintaining existing clients at Fidelity.

Please note that Symphony does not have any soft dollar agreements where we receive soft dollars for commissions generated through trading in client accounts.

Factors which Symphony considers in recommending a custodian to clients include their respective financial strength, reputation, execution, pricing, research and service.

In seeking best execution in recommending the custodian, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full

range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. The Firm has significant ties to LPL Financial that serves as a barrier to the Firm switching custodians and can create bias in the Firm's analysis of best execution.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist Symphony in its investment decision-making process. The receipt of investment research products and/or services poses a conflict of interest because Symphony does not have to produce or pay for the products or services.

### **Software and Support Provided by Financial Institutions**

Symphony receives without cost from the Custodians computer software and related systems support, which allow Symphony to better monitor client accounts maintained at the Custodians. Symphony receives the software and related support without cost because the Firm renders investment management services to clients that maintain assets at the Custodians. The software and support are not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The software and related systems support benefit Symphony, but not its clients directly. In fulfilling its duties to its clients, Symphony endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Symphony's receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker/dealer over another that does not furnish similar software, systems support or services. While all three custodians provide benefits and support, the level provided by LPL is significant and a majority of the firm's operations occur on LPL systems.

Specifically, Symphony and/or certain of its advisers receive the following benefits from LPL:

- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts;
- Access to an electronic communication network for client order entry and account information;
- Travel, meals, entertainment, and admission to educational or due diligence programs, which may include 'Club Level Benefits' for some advisers based upon their IA or BD business. While the Firm may not be aware of the value of the benefits, they do create an incentive to favor LPL and therefore a conflict of interest
- Marketing support including sponsorship of client events.
- LPL provides significant integrations for the Firm in the form of background checks and staff screening, email archiving, social media surveillance, document storage and suitability screening, platform usage, outside business activity review.

### **Directed Brokerage**

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Although we do not allow directed brokerage, the client may direct Symphony in writing to use one of our vendor approved Financial Institutions to execute some or all transactions for the client.

### **Commissions or Sales Charges for Recommendations of Securities**

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As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of LPL Financial. These Supervised Persons are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless LPL Financial provides written consent. Therefore, clients are advised that certain Supervised Persons may be restricted to conducting securities transactions through LPL Financial if they have not secured written consent from LPL Financial to execute securities transactions through a different broker-dealer. Absent such written consent or separation from LPL Financial, these Supervised Persons are prohibited from executing securities transactions through any broker-dealer other than LPL Financial under its internal supervisory policies. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

### **Trade Aggregation**

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Transactions for each client generally will be effected independently, unless Symphony decides to purchase or sell the same securities for several clients at approximately the same time. Symphony may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among Symphony’s clients pro rata to the purchase and sale orders placed for each client on any given day. It is not our policy to aggregate client trades with Supervised Person’s trades. In the event this does occur, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Symphony does not receive any additional compensation or remuneration as a result of the aggregation.

The firm will generally execute trades first at the custodian with the largest planned trading volume. This creates a conflict, as trades will be executed at LPL Financial before accounts of clients at Fidelity or Schwab. This allocation method has the potential to negatively impact clients of Fidelity and Schwab. Symphony will monitor this process and work to ensure all client accounts receive the best execution available at the time of the trade.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which

are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de Minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

### **Financial Information**

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Symphony is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.