

Item 1 – Cover Page

Vantage Investment Advisors, LLC  
d/b/a Mariner Wealth Advisors

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July 31, 2018

This Brochure provides information about the qualifications and business practices of Vantage Investment Advisors, LLC d/b/a Mariner Wealth Advisors (“the Firm,” “we,” or “us”). If you have any questions about the contents of this Brochure, please contact us at (913) 904-5700. 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. The Firm is a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training. The oral and written communications of an Adviser provide you with information through which you determine to hire or retain an Adviser.

Additional information about the Firm is also available via the SEC’s website at [www.adviserinfo.sec.gov](http://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 174099.

## **Item 2 – Material Changes**

This Item 2 discusses only specific material changes that were made to this Brochure since the last annual update of our Brochure on March 31, 2018. It does not describe other modifications to this Brochure, such as updates to dates and numbers, stylistic changes or clarifications.

- Items 1 and 4 were updated to add the additional name the Firm is doing business as: Mariner Wealth Advisors.
- Item 4 was updated to provide for the current owners of the Firm.
- Items 10 was updated to reflect changes to our affiliations.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure if requested based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting us at (913) 904-5700 or [compliance@mariner-holdings.com](mailto:compliance@mariner-holdings.com).

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## **Item 4 – Advisory Business**

### *About the Firm*

Vantage Investment Advisers, LLC d/b/a Mariner Wealth Advisors (the “Firm,” “we,” or “us”) is an investment adviser registered with the SEC since December 2014. We are a limited liability company organized under the laws of Delaware. Our majority owner and member is Mariner, LLC, (“Mariner”). Mariner is wholly owned by Mariner Wealth Advisors, LLC. The Bicknell Family Holding Company, LLC is the majority owner and manager of Mariner Wealth Advisors, LLC. Martin Bicknell, Chief Executive Officer (CEO) of the Firm, is the elected manager of the Bicknell Family Holding Company. The Martin C. Bicknell Revocable Trust dated November 6, 2009 is the minority owner of Mariner Wealth Advisors, LLC. Our minority owner is ART Investment Partners, LLC. Robert R. Thomas is the managing member of ART Investment Partners, LLC.

### *Investment Advisory Services*

We provide personal financial planning, reporting, consulting, and investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities. We employ a variety of investment strategies when constructing a client’s portfolio. We generally offer our investment management and advisory services for a fee based on assets under management or advisement as further described in the agreement with the client. In certain cases, we provide consulting services for an additional fee, which can be a flat or hourly rate.

Typically, when providing investment advisory services, we have full discretion to select securities to buy and sell for a client’s account. However, from time to time clients impose reasonable restrictions, limitations or other requirements with respect to their individual accounts. Client accounts are tailored to address the specific goals, objectives and constraints of each client. The Firm considers a range of factors that can impact the investment management process, including risk tolerance, investment time horizon, current and future cash needs and such other circumstances deemed relevant.

We also provide our clients with access to third-party managers, including managers that are affiliated with, but operationally independent of the Firm, the Firm (each a “third-party manager”). This service provides clients access to a wide range of investment opportunities and asset classes, including international equities, emerging market equities, global fixed income, high-yield fixed income, private equity, commodities, hedge funds and real assets. By combining our third-party managers with our extensive in-house resources, we seek to optimize our customized portfolio management capabilities for clients. Any delegation of a portion of your account to a third-party manager which requires the client to sign a separate agreement shall be on a non-discretionary basis.

The Firm’s Investment Committee, led by the President of the Firm and supported by other individuals selected by the President, directs all investment functions, including strategic and tactical asset allocation modeling, investment strategy due diligence and monitoring, portfolio construction, risk management and long-term capital markets outlook. The Investment Committee

shall identify, conduct due diligence of, and propose securities for client portfolios (as it deems appropriate). The Investment Committee shall also conduct due diligence of securities that wealth advisors submit to the Investment Committee for review. This process includes consideration of its majority owner, Mariner's Investment Committee's research information as a tool for the Firm's in-house research and asset allocation guidelines. If the Investment Committee approves an investment strategy, manager or product for use in a client portfolio, it will be placed on the Firm's approved list. A client's wealth advisor works with the client to understand the client's objectives, goals, risk tolerance, constraints and other relevant criteria, and to develop an appropriate portfolio for the client. The wealth advisor will determine the specific investments to utilize in a client's portfolio.

### *Financial Planning and Consulting*

To the extent specifically requested by a client, the Firm will provide financial planning and/or consulting services. If the service is requested, financial planning is provided as part of the Firm's investment advisory services, however, the Firm may charge an additional fee for consulting services depending on the level of service provided and other considerations deemed relevant by the Firm in its sole discretion. Prior to engaging the Firm to provide these services and to the extent a client has not entered into an investment advisory agreement (also referred to as an investment management agreement) with the Firm, clients are generally required to enter into a Consulting Agreement with the Firm setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to the Firm commencing services if applicable.

### *Retirement Plan Consulting and Management Services*

We provide advisory services for employer-sponsored retirement plans that are governed by the Employment Retirement Income Security Act of 1974, as amended ("ERISA").

All retirement plan investment advisory services shall be in compliance with the applicable state law(s) regulating retirement plan advisory services. This applies to client accounts that are plans governed by ERISA. If the client accounts are part of the plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of section 3(21) or 3(38) of ERISA (but only with respect to the provision of services described in the applicable agreement). We emphasize continuous and regular account supervision.

### *Closed-end Funds, Exchange Traded Funds (ETFs) and Mutual Fund Portfolios*

The Firm provides advice to client accounts that are limited to or include as part of the overall client allocation portfolios of closed-end funds, ETFs and mutual funds. The Firm may implement a number of investment strategies for clients by creating portfolios using closed-end funds, ETFs and mutual funds.

### *Client Agreement*

Prior to engaging us, the client will be required to enter into one or more written agreements setting forth the terms, conditions, and objectives under which we shall render our services (the

“Agreement”). Additionally, we will only implement our investment recommendations after a client has arranged for and furnished all information and authorization regarding accounts with appropriate financial institutions. Our clients are advised to promptly notify us if there are ever any changes in their financial situation or investment objectives.

*Other Businesses and Investment Programs*

The Firm and/or its affiliates also offer to our clients a variety of consulting services, including estate and trust services, risk management, tax consulting and preparation and business owner consulting. Please see Item 10 for more information on the services provided by our affiliates.

Our total assets under management are \$1,384,941,861 as of December 31, 2017, including \$1,341,032,133 managed on a discretionary basis and \$43,909,728 managed on a non-discretionary basis.

## Item 5 – Fees and Compensation

The specific manner in which our fees are charged is established in the Agreement. While certain clients may be billed in arrears, we will generally bill our fees in advance on a quarterly basis based upon the value of assets under management and/or advisement on the last day of the previous quarter, as valued by custodian or another independent third-party or as set forth on the most recent statement made available to us. The Agreement and/or the separate agreement with any financial institution(s) authorizes us to invoice the custodian for the advisory fee. The Agreement further authorizes the custodian to deduct the amount stated in the fee statement from one or more of the client's accounts in accordance with applicable custody rules. The custodian does not validate or check our fee or its calculation on the assets on which the fee is based. The custodian will deduct the fee from the account(s) or, if the client has more than one account, from the account designated to pay our fees. The financial institution(s) recommended by us have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

A client may make additions to and withdrawals from the account at any time, subject to our right to terminate an account. For advanced billing, if assets are deposited into an account after the inception of a quarter, the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter. A client may withdraw account assets, subject to the usual and customary securities settlement procedures. For partial withdrawals within a billing period, we shall credit our unearned fee towards the next quarter's fee. Clients should note that we design our portfolios as long-term investments and asset withdrawals can impair the achievement of a client's investment objectives.

For the initial quarter of investment management services, the first quarter's fees shall be calculated on a *pro rata* basis if less than a full calendar quarter. The Agreement between us and a client will continue in effect until terminated by either party pursuant to the terms of the Agreement. Our annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as appropriate, in a timely manner.

Additions may be in cash or securities provided that we reserve the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. We may consult with our clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

### *Investment Advisory Fees*

The structure and level of our advisory fee will vary by client based upon the services provided and other considerations deemed relevant by the Firm, but typically takes the form of a percentage of assets under management, ranging up to 1.50% per annum. The Firm generally requires an annual account balance minimum of \$25,000 for investment advisory services. The Firm, in its sole discretion, can charge a lesser investment advisory fee and/or reduce or waive its annual account minimum based upon certain criteria (such as, but not limited to, anticipated future earning

capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

Unless otherwise agreed with a client, advisory fees are applied to all discretionary assets and non-discretionary assets. All fee arrangements are subject to negotiation. For consulting and reporting services, the structure and level of fees will vary by client based upon the services provided and other considerations deemed relevant by the Firm. In its discretion, the Firm may apply a minimum annual fee with respect to certain clients. Please see your Agreement for the fees applicable to your account.

### *Consulting Fees*

The Firm's consulting fees are generally billed on a fixed fee basis or an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). All fee arrangements are subject to negotiation.

### *Fees for Retirement Plan Consulting and Management Services*

For employer sponsored retirement plans, the advisory fee will vary by client based upon the services provided but shall be reasonable in conformity with U.S. Department of Labor regulations. The structure and level of fees relating to these services will vary by client based upon the services provided and other considerations deemed relevant by the Firm, but typically takes the form of a fixed fee basis or a percentage of assets under management.

### *Third-Party Manager Fees*

If the Firm retains the third-party manager as a "sub-adviser" to your account, the Firm will pay the sub-advisory fee from your advisory fee payable to the Firm and there will be no separate written agreement between you and the manager. Accordingly, you will not pay any additional amount directly to managers retained as sub-advisers. Alternatively, the Firm may employ another manager, including affiliated managers, to manage a portion of your account. In such situations, you will execute a separate agreement with the manager and the fee payable to the third-party manager will be in addition to the advisory fee you pay the Firm.

### *Additional Fees and Expenses*

Our fees are exclusive of administration expenses, brokerage commissions, transaction fees, fund expenses and other related costs and expenses which shall be incurred by a client. Custody fees will vary depending on the custodian. All brokerage charges and related transaction costs are charged to the account(s) as they occur. Clients incur certain charges imposed by custodians, brokers, third party managers (including managers affiliated with us) and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Mutual funds, closed-end funds, ETFs, structured products and other pooled investment vehicles are subject to commissions, fees and expenses which are disclosed in the fund's prospectus or offering documents. Such charges, fees and commissions are exclusive of and in addition to our



advisory fee. Although clients will not bear any sales load for any proprietary or affiliated funds, they may be charged a sales load for any unaffiliated funds.

Many funds offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to more commonly offered retail mutual fund share classes (typically, Class A (including load-waived A shares), B and C shares for mutual funds), some funds offer institutional share classes or other share classes specifically designed for purchase by an account for a fee-based investment advisory program. However, these share classes may also have higher transaction costs and may have minimum purchase criteria that limit availability to larger transactions. Clients should not assume that their assets will be invested in the share class (regardless of the type of fund structure – mutual fund, closed-end fund, hedge fund, private equity fund or other alternative vehicle) with the lowest possible expense ratio.

If a client were to invest in an investment product advised or managed by its affiliates, where permitted by applicable law, the client will be subject to both the advisory fees of the applicable investment product and the fees of the Firm. A conflict of interest would exist when the Firm causes clients to invest in investment products advised by its affiliates where the Firm or the affiliate receives additional fees. The Firm has sought to mitigate this conflict as detailed below under “Conflicts of Interest.”

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions) and compensation received by the Firm.

#### *Conflicts of Interest*

When allocating investment opportunities among our investment programs, products and clients, the Firm has an incentive to favor the investment programs, products and clients that generate the most revenue the Firm. For example, when recommending the use of a third-party manager, the Firm has an incentive to recommend a manager which charges a separate fee instead of paying the manager out of the Firm’s fee.

Martin Bicknell, the CEO of the Firm, has a significant ownership stake in the Firm’s parent company and its affiliates who own various other investment managers as detailed in Item 10. The Firm has an indirect financial incentive to recommend products managed by affiliates and other services because revenues earned by the affiliates from such products ultimately flow to the Firm’s parent company. The Firm has mitigated this conflict by disclosing it to clients, not sharing any revenue from affiliated investment products with the wealth advisors who select client investments, by requiring the Firm’s President to govern the approval of affiliated investment products, if any, and reviewing accounts periodically to ensure that the investments are suitable for the client in light of, among other factors, the client’s investment objective and financial circumstances.

#### *Retirement Assets in Proprietary/Affiliated Products*

With respect to retirement client assets in mutual funds managed by our affiliates, the Firm must comply with applicable requirements of ERISA and/or the Internal Revenue Code. These requirements include, but are not limited to, disclosure and avoiding double fees for retirement

plans and IRAs. In the event that the Firm were to utilize affiliated mutual funds in retirement plans or IRAs, the Firm would either waive the portion of the advisory fee that is attributable to the client's assets invested in an affiliated mutual fund or rebate the client's advisory fee by an amount equal to the affiliated fund's fees associated with the total account's assets invested in the affiliated fund. This fee rebate is calculated in arrears and applied to the next quarter's investment advisory fees. If the account is not charged an investment advisory fee by the Firm, it will not receive a rebate of the affiliated mutual fund fees. Clients who leave during a quarter will not receive the fee rebate for the quarter in which they terminated, as these fee rebates are calculated in arrears. We do not recommend employer sponsored retirement plan clients invest in products managed by our affiliates.

#### *Compensation of Employees for Sale of Securities or Other Products*

As permitted by applicable law, we may compensate employees for business development activity, including the attraction or retention of client assets. It is expected that wealth advisors will be entitled to receive and share in the advisory fees payable to the Firm by a client.

As noted above, the Firm and its affiliates offer a variety of services to our clients beyond investment advisory services. Certain representatives of the Firm are licensed insurance agents and are compensated for the sale of insurance-related products. To the extent such insurance products have commissions payable to the wealth advisor, this presents a conflict of interest for the wealth advisor to recommend such products for additional compensation. Item 10 further describes the Firm's affiliated broker-dealer, insurance companies or agencies and the conflict of interest that is presented when a representative of the Firm recommends that a client purchase an insurance commission product.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

### *Performance-Based Fees*

We do not charge any performance-based compensation (fees based on a share of capital gains on or capital appreciation of the assets of a client). If deemed appropriate for a particular client, our recommended investments include certain products managed by third parties that charge performance-based fees, including products managed by certain affiliates.

### *Side-by-Side Management*

We do not have side-by-side management of client assets, as we do not charge performance-based fees.

## **Item 7 – Types of Clients**

We generally provide investment advice to the following types of clients:

- Individuals (including high net worth individuals)
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

As discussed elsewhere in this Brochure, we may impose minimum account size requirements with respect to certain of our advisory services. In addition, certain third-party managers may impose more restrictive account requirements and varying billing practices than us. In such instances, we may alter our corresponding account requirements and/or billing practices to accommodate those of the manager(s).

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### *Methods of Analysis and Investment Strategies*

#### Wealth Management Services

The Firm constructs portfolios for our clients using a mix of individual stocks, bonds, ETFs, exchange-traded notes, closed-end funds, mutual funds and alternative investments. The Firm will manage its clients' assets through the direct purchase of securities, by allocating to other managers and/or by investing in a variety of funds. Each client's asset allocation is determined by their specific objectives and unique circumstances. The Firm's investment approach begins with a clear and thorough understanding of each client's objectives, time horizon, risk, profile and income needs. We utilize a long term strategy when providing and implementing our advice. However, should a client's situation change or the basis for making an investment change, there are occasions where we will utilize a short term strategy and securities are held less than one year.

The Firm utilizes the following methods of security analysis:

- Charting - analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices
- Fundamental - analysis performed on historical and present data, with the goal of making financial forecasts
- Technical – analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices

Within a client's portfolio, we may employ one or more of the strategies detailed below as well as other investment strategies. Within a strategy, the Firm may invest in individual securities, utilize other managers through separate accounts and/or investment in funds. Many of the strategies detailed below are offered through managed accounts with third party managers and funds.

#### **Other Available Investment Strategies**

From time to time, we recommend that clients authorize the active discretionary management of a portion of their assets by and/or among certain third-party manager(s), including managers who are affiliates of the Firm, where appropriate based upon the stated investment objectives of the client. When recommending or selecting a third-party manager for a client, we shall review information about the manager(s) such as its disclosure statement and/or material supplied by the manager(s) or independent third parties for a description of the manager's investment strategies, past performance and risk results to the extent available as detailed above. The Firm has an indirect financial incentive to recommend affiliated managers as revenues earned by the affiliate ultimately flow to the Firm's parent company.

#### **Options Strategy**

We offer a variety of options strategies to our clients through Mariner, LLC, our majority owner. Please refer to the brochure of Mariner, LLC for additional information about these strategies.

## Equity and Fixed Income Managed Accounts

We offer a variety of equity and fixed income strategies to our clients through Mariner, LLC, our majority owner. Please refer to the brochure of Mariner, LLC for additional information about these strategies.

### *Risk of Loss*

Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. Past performance is not indicative of future results, therefore, you should not assume that future performance of any specific investment or investment strategy will be profitable. We do not provide any representation or guarantee that your goals will be achieved.

In addition to the general investment risks listed herein, there are additional material risks associated with the types of strategies in which your account invests from time to time. Please refer to the relevant prospectus or offering materials for more information regarding risk factors for a particular investment in an ETF, closed-end fund, mutual fund, or other pooled vehicle. Depending on the different types of investments and strategies employed for your account, there are varying degrees of risk:

- **Market Risk** – Either the market as a whole, or the value of an individual company, goes down, resulting in a decrease in the value of client investments.
- **Equity Risk** – Stocks are susceptible to fluctuations and to the volatile increases and decreases in value as their issuer's confidence in or perceptions of the market change. Investors holding common stock of any issuer are generally exposed to greater risk than if they hold preferred stock or debt obligations of the issuer.
- **Company Risk** – There is always a level of company or industry risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company will perform poorly or that its value will be reduced based on factors specific to it or its industry.
- **Options Risk** – Options on securities are subject to greater fluctuations in value than investing in the underlying securities. Purchasing and writing put or call options are highly specialized activities and involve greater investment risk. Puts and calls are the right to sell or buy a specified amount of an underlying asset at a set price within a set time.
- **Margin Risk** – Margin trading involves interest charges and risks, including the potential to lose more than deposited or the need to deposit additional collateral in a falling market.
- **Covered Call Risk** – The writer of a covered call forgoes the opportunity to benefit from an increase in the value of the underlying interest above the option price, but continues to bear the risk of a decline in the value of the underlying interest.
- **Small- and Medium-Capitalization Companies** – Depending on the strategy, the Firm invests assets in the stocks of companies with small- to medium-sized market capitalizations. While the Firm believes they often provide significant profit opportunities,

those stocks, particularly smaller-capitalization stocks, involve higher risks in some respects than investments in stocks of larger companies. For example, prices of small-capitalization and even medium capitalization stocks are often more volatile than prices of large-capitalization stocks, and the risk of bankruptcy or insolvency of many smaller companies is higher than for larger, “blue-chip” companies. In addition, due to thin trading in some small capitalization stocks, an investment in those stocks are likely illiquid (see discussion below).

- Environmental, Social and Governance (“ESG”) Criteria – A client’s or a strategy’s ESG criteria may exclude securities of certain issuers for nonfinancial reasons and therefore the client’s account or strategy may forgo some market opportunities available to portfolios that don’t use an ESG criteria. Stocks of companies with ESG practices may shift into and out of favor with stock market investors depending on market and economic conditions, and the client’s or strategy’s performance may at times be better or worse than the performance of accounts or strategies that do not use an ESG criteria.
- Fixed Income Risk – Investing in bonds involves the risk that the issuer will default on the bond and be unable to make payments. In addition, individuals depending on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk. In addition, a rise in interest rates will generally result in the decline in the value of fixed income securities. Fixed income securities are also subject to reinvestment risk in that if interest rate are falling during a period of reinvestment returns will be lower. Interest rate risk increases as portfolio duration increases. Reinvestment risk increases as portfolio duration decreases.
- Non-Investment Grade Bonds – Depending on the strategy, a client account will invest in bonds (commonly known as “junk bonds”) that are of below investment grade quality (rated below Baa3 by Moody’s Investors Service, Inc. or below BBB- by Standard & Poor’s Ratings Group and Fitch Ratings or, if unrated, reasonably determined by the Firm or Mariner to be of comparable quality (“non-investment grade bonds”). An account’s investments in non-investment grade bonds are predominantly speculative because of the credit risk of their issuers. While normally offering higher yields, non-investment grade bonds typically entail greater potential price volatility and will likely be less liquid than investment grade securities.
- Distressed Securities – An account, depending on the strategy, will invest in securities of companies that are experiencing or have experienced significant financial or business difficulties. Distressed securities may generate significant returns for an account, but also involve a substantial degree of risk. In certain circumstances, an account will lose a substantial portion or all of its investment in a distressed company or be required to accept cash or securities with a value less than an account’s original investment. The market prices of such investments are also subject to abrupt and erratic market movements and above average price volatility, and the spread between the bid and asked prices of such investments will likely be greater than for non-distressed securities.

- **ETF, Closed-end Fund and Mutual Fund Risk** – ETF, closed-end fund and mutual fund investments bear additional expenses based on a pro-rata share of operating expenses, including potential duplication of management fees. The risk of owning an ETF, closed-end fund or mutual fund generally reflects the risks of owning the underlying securities held by the ETF, closed-end fund or mutual fund. If the ETF, closed-end fund or mutual fund fails to achieve its investment objective, the strategy's investment in the fund may adversely affect its performance. In addition, because ETFs and many closed-end funds are listed on national stock exchanges and are traded like stocks listed on an exchange, (1) the strategy may acquire ETF or closed end fund shares at a discount or premium to their NAV, and (2) the strategy may incur greater expenses since ETFs are subject to brokerage and other trading costs. Since the value of ETF shares depends on the demand in the market, we may not be able to liquidate the holdings at the most optimal time, adversely affecting performance. Closed-end funds which are not publicly offered (also known as interval funds) provide only limited liquidity to investors. Accordingly, investments in interval funds can expose investors to liquidity risk, and that risk is greater in funds that invest in securities of companies with smaller market capitalizations, derivatives or securities with substantial market and/or credit risk.
- **REITs and Real Estate Risk** – The value of a strategy's investments in real estate investment trusts ("REITs") may change in response to changes in the real estate market. A strategy's investments in REITs may subject it to the following additional risks: declines in the value of real estate, changes in interest rates, lack of available mortgage funds or other limits on obtaining capital and financing, overbuilding, extended vacancies of properties, increases in property taxes and operating expenses, changes in zoning laws and regulations, casualty or condemnation losses, and tax consequences of the failure of a REIT to comply with tax law requirements. A strategy will bear a proportionate share of the REIT's ongoing operating fees and expenses, which may include management, operating and administrative expenses
- **International Investing Risk** – International investing, especially in emerging markets, involves special risks, such as currency exchange and price fluctuations, as well as political and economic risks.
- **Emerging Markets Risk** – The risks associated with foreign investments are heightened when investing in emerging markets. The governments and economies of emerging market countries may show greater instability than those of more developed countries. Such investments tend to fluctuate in price more widely and to be less liquid than other foreign investments.
- **Liquidity Risk** – Liquidity is the ability to readily convert an investment into cash. The less liquid an asset is, the greater the risk that, if circumstances require an investor to sell the asset quickly, it will be sold at a price below fair value. Generally, an asset is more liquid if it represents a standardized product or security and there are many traders interested in making a market in that product or security. For example, Treasury Bills are highly liquid, while real estate properties are not.



- Master Limited Partnerships (“MLPs”) – MLP investing includes risks such as equity and commodity-like volatility. Also, distribution payouts sometimes include the return of principal and, in these instances, references to these payouts as “dividends” or “yields” may be inaccurate and may overstate the profitability/success of the MLP. Additionally, there are potentially complex and adverse tax consequences associated with investing in MLPs. This is largely dependent on how the MLPs are structured and the vehicle used to invest in the MLPs.
- Alternative Investment Risk – Alternative investments encompass a broad array of strategies, each with its own unique return and risk characteristics that must be considered on a case-specific basis.
- Managed Futures – Managed futures strategies typically utilize derivatives, such as futures, options, structured notes and swap agreements, which provide exposure to the price movements of a commodity (i.e., oil, grain, livestock) or a financial instrument (i.e., currency, index). The use of derivatives can be highly volatile, illiquid and difficult to manage. Derivatives involve greater risks than the underlying obligations because in addition to general market risks, they are subject to illiquidity risk, counterparty risk, credit risk, pricing risk and leveraging risk. A highly liquid secondary market may not exist for certain derivatives utilized by this strategy, and there can be no assurances that one will develop.
- Management Risk – Investments also vary with the success and failure of the investment strategies, research, analysis and determination of portfolio securities. If our strategies do not produce the expected returns, the value of your investments will decrease.
- Non-Diversification Risk – If a strategy is “non-diversified,” its investments are not required to meet certain diversification requirements under federal law. A “non-diversified” strategy is permitted to invest a greater percentage of its assets in the securities of a single issuer than a diversified strategy. Thus, the strategy may have fewer holdings than other strategies. As a result, a decline in the value of those investments would cause the strategy’s overall value to decline to a greater degree than if the strategy held a more diversified portfolio.
- Cybersecurity – the Firm’s information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Firm has implemented various measures to protect the confidentiality of its internal data and to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Firm will likely have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Firm’s operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to clients. Such a failure could harm the Firm’s reputation or subject it or its affiliates to legal claims and otherwise affect their business

and financial performance. The Firm will seek to notify affected clients of any known cybersecurity incident that will likely pose substantial risk of exposing confidential personal data about such clients to unintended parties.

- Other Risks, Information and Sources of Information – Client accounts are also subject to investment style risk. A client account invested in one of our investment strategies involves the risk that the investment strategy may underperform other investment strategies or the overall market. The Firm does not offer any products or services that guarantee rates of return on investments for any time period to any client. All clients assume the risk that investment returns may be negative or below the rates of return of other investment advisers, market indices or investment products.

Allocations to third-party managers are subject to the following additional risks:

- Third-Party Aggressive Investment Technique Risk – The manager may use investment techniques and financial instruments that may be considered aggressive, including but not limited to investments in derivatives such as futures contracts, options on futures contracts, securities and indices, forward contracts, swap agreements and similar instruments. Such techniques may also include taking short positions or using other techniques that are intended to provide inverse exposure to a particular market or other asset class, as well as leverage, which can expose a client's account to potentially dramatic changes (losses or gains). These techniques may expose a client to potentially dramatic changes (losses) in the value of its allocation to the manager.
- Liquidity and Transferability – Certain private funds offer their investors only limited liquidity and interests are generally not freely transferable. In addition to other liquidity restrictions. Investments in private funds may offer liquidity at infrequent times (i.e., monthly, quarterly, annually or less frequently). Accordingly, investors in private funds should understand that they may not be able to liquidate their investment in the event of an emergency or for any other reason.
- Possibility of Fraud and Other Misconduct – When a private fund invests in an underlying fund, the private fund does not have custody of the underlying fund's assets. Therefore, there is the risk that the underlying fund or its custodian could divert or abscond with those assets, fail to follow agreed upon investment strategies, provide false reports of operations, or engage in other misconduct. Moreover, there can be no assurances that all underlying funds will be operated in accordance with all applicable laws and that assets entrusted to underlying funds will be protected.
- Counterparty Risk – The institutions (such as banks) and prime brokers with which a manager does business, or to which securities have been entrusted for custodial purposes, could encounter financial difficulties. This could impair the operational capabilities or the capital position of a manager or create unanticipated trading risks.

The summary above is qualified in its entirety by the risk factors set forth in the applicable offering materials for the applicable product.

### **Item 9 – Disciplinary Information**

Item 9 is not applicable to us as we have no reportable material legal or disciplinary events.

## **Item 10 – Other Financial Industry Activities and Affiliations**

We have relationships and arrangements that are material to our advisory business or to our clients with related persons that are either an investment adviser, broker-dealer, investment company, trust company, tax consulting firm, investment banking firm, or insurance company or agency. We use and/or recommend the services and products of our affiliates when appropriate for a client.

With respect to the affiliated products and services described herein, there exists a conflict of interest in our recommending such products or services as revenues earned by the related party ultimately flow to the Firm's parent company. Martin Bicknell, the CEO the Firm, has a significant ownership stake in the Firm's parent company and its affiliates who own various other investment managers as detailed below. Except as noted herein, our affiliated managers and products charge fees in addition to the fees charged by the Firm. The Firm has mitigated this conflict by disclosing it to clients, not sharing any revenue from affiliated investment products with the wealth advisors who select client investments, by maintaining an investment committee charter to govern the approval of affiliated investment products and reviewing accounts periodically to ensure that the investments are suitable for the client in light of, among other factors, the client's investment objective and financial circumstances.

### Other Investment Advisers

We are affiliated, and under common control, with other SEC registered investment advisers and, if deemed appropriate for clients, would utilize the separately managed account ("SMA") services of certain advisers listed below for management of client assets:

- Alegria Energy, LLC (CRD No. 281531);
- Ascent Investment Partners, LLC (CRD No. 152533);
- Convergence Investment Partners, LLC (CRD No. 148472);
- Mariner, LLC (CRD No. 140195);
- Mariner Wealth Advisors-Cincinnati, LLC (CRD No. 165759);
- Mariner Wealth Advisors-IC, LLC (CRD No. 289886);
- Mariner Wealth Advisors-Manasquan, LLC (CRD No. 171018);
- Kummer Financial Strategies, LLC (CRD No. 290009);
- Nuance Investments, LLC (CRD No. 148534); and
- Palmer Square Capital Management LLC (CRD No. 155697), respectively.

We are affiliated, and under common control, with an exempt reporting investment adviser:

- Flyover Capital Partners, LLC (CRD No. 173709).

### Broker-Dealer

We are affiliated, and under common control, with MSEC, LLC ("MSEC") (CRD No. 154327), a broker-dealer registered with the SEC and various state jurisdictions, member of the Financial Industry Regulatory Authority (FINRA), Securities Investment Protection Corporation (SIPC), and Municipal Securities Rulemaking Board (MSRB). However, no securities transactions for our clients will be executed through MSEC.

### Investment Companies or Other Pooled Investment Vehicles

Certain of our affiliates listed above serve as the investment manager, manager of the manager, collateral manager, investment adviser or sub-adviser to private funds, collateralized loan obligation vehicles, or warehouses (please see the Form ADV of each advisor for specific information) (collectively with separately managed accounts of our affiliates, “Affiliated Products”).

Relevant information, terms and conditions relative to the aforementioned Affiliated Products, including the investment objectives and strategies, minimum investments, qualification requirements, suitability, fund expenses, risk factors, and potential conflicts of interest, are set forth in the offering documents (which typically include confidential private offering memorandum, Limited Partnership Agreement/Limited Liability Company Agreement, or Subscription Agreement), which each investor is required to receive and/or execute prior to being accepted as an investor.

Affiliated mutual funds of the Firm, include but are not limited to, the following:

- Convergence Opportunities Fund administered by U.S. Bancorp Fund Services.
- Convergence Market Neutral Fund administered by U.S. Bancorp Fund Services.
- Palmer Square Strategic Credit Fund administered by UMB Fund Services.
- Palmer Square SSI Alternative Income Fund administered by UMB Fund Services.
- Palmer Square Income Plus Fund administered by UMB Fund Services.
- Palmer Square Ultra-Short Duration Investment Grade Fund administered by UMB Fund Services.
- Nuance Concentrated Value Fund administered by U.S. Bancorp Fund Services.
- Nuance Mid Cap Value Fund administered by U.S. Bancorp Fund Services.
- Nuance Concentrated Value Long-Short Fund administered by U.S. Bancorp Fund Services.

The Firm’s majority owner is the investment manager of certain private funds, including: WBR, LLC; Mariner Mangrove II, LLC; Mariner-Piper Senior Living Fund, LLC; Mariner-Prescient, LLC; Mariner-Store, LLC; and Mariner-FPII, LLC.

### Trust Company

We are under common control with and in certain situations refer clients to utilize the trust services provided by Mariner Trust Company, LLC. Mariner Trust Company, LLC, is a state-chartered public trust company organized under the laws of South Dakota and serves to provide its customers with administrative trust services and other related services. The entity is subject to the regulatory oversight of the South Dakota Department of Labor and Regulation.

### Tax Consulting Firm

We are under common control with and in certain situations refer clients to Mariner Consulting-Oklahoma, LLC (“Mariner Consulting”), a tax consulting, compliance and bookkeeping firm. To the extent that a client requires bookkeeping and/or tax preparation services, we recommend the services of Mariner Consulting or the services of a Certified Public Accountant, which shall be

rendered independent of Mariner pursuant to a separate agreement between the client and Mariner Consulting or the Certified Public Accountant.

#### Investment Banking Firm

We are under common control with Mariner Capital Advisors, LLC, (“MCA”) which provides investment banking, accounting, valuation advisory and forensic accounting services. To the extent that a client requires these services, we recommend MCA, all of which services shall be rendered independent of Mariner pursuant to a separate agreement between the client and MCA. Mariner receives compensation for referrals to MCA in addition to the indirect financial incentive to refer clients due to common ownership.

#### Insurance Companies or Agencies

We are under common control with Mariner Insurance Resources, LLC, an insurance agency, Enterprise Risk Strategies, LLC, a captive management insurance company, and ERS Insurance, Inc., ERS Securas, LLC, and Contego Insurance Inc., captive insurance companies.

Certain of our associates are licensed insurance agents and in such capacity recommend the purchase of certain insurance-related products. These individuals are compensated for the sale of these insurance-related products. The recommendation that a client purchase an insurance commission product presents a conflict of interest, as the receipt of commission provides an incentive to recommend investment products based on commissions received, rather than on a particular client’s need. No client is under any obligation to purchase any commission products, including those sold by affiliates as referenced herein.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### *Overview of Code of Ethics and Personal Trading*

We have adopted a code of ethics that sets forth the standards of conduct expected of our supervised persons and requires compliance with applicable securities laws (“Code of Ethics”). In accordance with Section 204A of the Advisers Act, the Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by us or any of our supervised persons. The Code of Ethics also requires that certain of our personnel (“access persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

A conflict of interest exists to the extent the Firm and/or its related persons invest in the same securities that are recommended to clients. In order to address this conflict of interest, the Firm has implemented certain policies and procedures in its Code of Ethics, as further described herein. If an access person is aware that the Firm is purchasing/selling or considering for purchase/sale any security on behalf of a client, the access person may not directly or indirectly effect a transaction in that security until the transaction is completed for all clients or until a decision has been made not to purchase/sell such security on behalf of a client account. This does not include transactions for accounts that are executed as part of a block trade within a managed strategy or for accounts over which the access person has no direct or indirect influence or control. 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 money market funds; (iv) shares issued by other mutual funds that are not advised or sub-advised by the Firm or its affiliates; and (v) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds, none of which are funds advised or sub- advised by the Firm or its affiliates.

No supervised person may trade, either personally or on behalf of others, while in the possession of material, nonpublic information, nor may any personnel of the Firm communicate material, nonpublic information to others in violation of the law. Furthermore, all access persons are required to submit information to the Chief Compliance Officer detailing all outside business activities. The Chief Compliance Officer will review and approve these activities on a case by case basis.

Our clients or prospective clients may request a copy of our Code of Ethics by contacting us at (913) 904-5700 or [compliance@mariner-holdings.com](mailto:compliance@mariner-holdings.com).

### *Participation or Interest in Client Transactions*

If we determine that it is appropriate based on the client’s investment objectives and investor status, we recommend to clients, or buy or sell for client accounts, securities in which our related persons have a financial interest. This includes, but is not limited to, instances in which a related person acts as the general partner in a partnership or a managing member of a limited liability company in which we solicit client investments and instances in which a related person acts as an investment

adviser to an investment company that we recommend to clients. These types of transactions present a conflict of interest in that the Firm has an indirect financial incentive as revenues earned by the related person ultimately flow to the Firm's parent company. See Item 10 for additional disclosure regarding this conflict, including the policies and procedures the Firm has implemented in order to address the conflict.

To address these potential conflicts and protect and promote the interests of clients, we employ the following policies and procedures:

- If we enter into a transaction on behalf of our clients that presents either a material or nonmaterial conflict of interest, the conflict should be prominently disclosed to the client prior to the consummation of such transaction.
- Employees must comply with our policy on the handling and use of material inside information. Employees are reminded that they may not purchase or sell, or recommend the purchase or sale, of a security for any account while they are in possession of material inside information. In addition, employees may not disclose confidential information except to other employees who "need to know" that information to carry out their duties to clients.
- Employees must report securities transactions in any employee-related account.
- Employees are required to report to our Compliance Department all outside business activities. These include board/committee memberships and obligations, employment commitments, nonprofit commitments, government commitments and other outside business commitments.

In addition, we have adopted trading practices designed to address potential conflicts of interest inherent in proprietary and client discretionary trading. During periods of unusual market conditions, the Firm may deviate from its normal trade allocation practices. There can be no assurance, however, that all conflicts have been addressed in all situations.

We do not execute any principal or agency cross securities transactions for client accounts, nor do we execute cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is generally defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.



## **Item 12 – Brokerage Practices**

If the client requests us to arrange for the execution of securities brokerage transactions for the client's account, we shall direct such transactions through broker-dealers that we reasonably believe will provide best execution. We generally execute transactions for clients with the account custodian; however, transactions are cleared through other broker-dealers, when determined to be appropriate, with whom the Firm and the financial institution(s) have entered into agreements for prime brokerage clearing services. In addition, certain custodians utilized by the Firm may charge custodial clients a flat dollar amount or "trade away" fee for each trade that the Firm has executed by a different broker-dealer. This fee is in addition to the commissions or other fees paid by the client to the executing broker-dealer. We shall periodically and systematically review our policies and procedures regarding recommending broker-dealers to our clients in light of our duty to obtain best execution. It should be noted that not all investment advisers require their clients to use specific or particular broker-dealers or other custodians required by the Investment Adviser and/or affiliated broker dealer. The fees charged by other broker-dealers may be higher or lower than those charged by those broker/dealers or custodians that have been approved by the Firm.

### *Directed Brokerage*

The Firm does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and we will not seek better execution services or prices from other broker-dealers or be able to "batch" client transactions for execution through other broker-dealers with orders for other accounts managed by us (as described below). As a result, the client could pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to our duty of best execution, we will decline a client's request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

### *Trade Aggregation and Allocation*

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. In certain situations, we will (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among our clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among our clients pro rata to the purchase and sale orders placed in a particular block. It should be noted that there can be multiple blocks for the same securities in a day. The average and allocation may not be among all blocks in a day. To the extent that we determine to aggregate client orders for the purchase or sale of securities, including securities in which our affiliate(s) invests, we shall generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the SEC. We shall not receive any additional compensation or remuneration as a result of the aggregation. In the event that we determine 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, we 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.

### *Research and Additional Benefits*

The Firm, in its capacity as investment adviser to client accounts, if and to the extent consistent with current SEC interpretation and guidance, may pay a broker commissions for effecting client transactions in excess of the amount another broker might have charged, in recognition of the overall value of brokerage or research products or services provided or paid for by the broker that the Firm considers to be of benefit to its clients, provided that such products and services fall within the safe harbor created by Section 28(e) of the US Securities Exchange Act of 1934. This means, among other things, that the Firm must determine that (1) each particular brokerage or research product or service received constitutes eligible "research" or eligible "brokerage", (2) each particular brokerage or research product or service received provides lawful and appropriate assistance to the Firm in carrying out its investment decision-making responsibilities, and (3) the amount of so-called "soft-dollar" commissions paid to each such broker is reasonable in light of the value to the Firm's clients of the brokerage and research products and services received from that broker. The Firm believes that it is important to its investment decision-making process to have access to, among other things, independent research (i.e., research generated by third parties outside the Firm), and accordingly may use soft-dollar commissions to pay for products and services that fall within the scope of Section 28(e).

Eligible products and services may include, for example, research reports on particular companies, industries, sectors or macroeconomic themes; quantitative, statistical or economic surveys and analyses; analyses of technical market action; pricing and appraisal services; credit, risk measurement and performance analyses; accounting and tax law interpretations; analyses of political and legal developments that might affect portfolio securities; and analyses of corporate responsibility issues. Such research products and services are generally received primarily in the form of written reports, telephone contacts, and personal meetings with analysts. Additionally, if and to the extent consistent with current SEC interpretation and guidance, such services may also be provided in the form of access to computer-generated data; computer software; and meetings arranged with economists, academics, and government representatives. In some cases, research services are generated by third parties but provided to the Firm by or through brokers

To the extent the Firm receives eligible products or services, the Firm receives a benefit because it does not need to produce or otherwise pay for such research services. Additionally, research services obtained from a broker could benefit all clients, and not only those having brokerage transactions with such broker. The Firm's selection of brokers on the basis of considerations which are not limited to applicable commission rates may at times result in the Firm's clients being charged higher transaction costs than they could otherwise obtain.

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, the Firm may receive from Schwab, Fidelity or TD Ameritrade (or another broker-dealer/custodian, investment platform and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service client accounts maintained at such institutions. Possible support services the firm receives includes: 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, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by the Firm in furtherance of its investment advisory business operations.

See Item 14 for further disclosure and clarification on the conflict of interest that exists through the Firm's prior participation in the Schwab Advisor Network. Additionally, a conflict of interest exists through the Firm's majority owner's current participation in the Fidelity Wealth Advisor Solutions<sup>®</sup> Program and the Schwab Advisor Network with respect to utilization of Fidelity and Schwab for brokerage services. (Please see the Form ADV of Mariner, LLC for specific information on the Firm's participation and utilization of these programs.)

#### *Trade Error Policy*

The Firm has a policy to minimize the occurrence of trade errors and, should they occur, detect such trade errors and take steps to resolve the error to make the client whole. Upon the timely discovery of a trade error, the Firm corrects the trade error. The method of correction depends on the broker-dealer and whether the Firm maintains an error account with that broker-dealer.

For clients custodied at Fidelity, the Firm corrects trade errors through its trade error account with Fidelity. The account keeps a balance of trade errors, which nets the losses and gains each month. The error account is shared by the Firm and certain subsidiaries. If the monthly net is a gain, it is donated to the charity of the Firm's choice. If the Firm is unable to correct the trade in the trade error account due to Fidelity's policies and procedures, the trade is corrected in the client's account. In that case, the gains are retained by the client and clients are made whole by the Firm for any losses.

For clients custodied at Schwab, the Firm corrects trade errors through Schwab's trade error account. The error account is shared by the Firm and certain subsidiaries. A trade error resulting in a loss of \$100 or less is absorbed by Schwab. A trade error resulting in a loss of more than \$100 is charged to the Firm. If the trade error results in a gain, gains of \$100 or less are retained in Schwab's trade error account. If the trade error results in a gain of over \$100, the client has the option to retain the proceeds of the gain. In that case, the trade error is corrected in the client's

account and not in the trade error account. If the client wants to forgo the proceeds of the gain of over \$100, the client must submit the request in writing to Schwab. This allows the Firm to process the error in the trade error account. Gains in Schwab's trade error account are donated to the charity of Schwab's choice.

For clients custodied at TD Ameritrade, the Firm corrects trade errors through its trade error account with TD Ameritrade. The account keeps a balance of trade errors, which nets the losses and gains each day. The error account is shared by the Firm and certain subsidiaries. If the daily net is a gain, it is swept to the designated TD Ameritrade error account and donated to the charity of TD Ameritrade's choice. If the Firm is unable to correct the trade in the trade error account due to TD Ameritrade's policies and procedures, the trade is corrected in the client's account. In that case, the gains are retained by the client and clients are made whole by the Firm for any losses.

For other client accounts that are not custodied at Fidelity, Schwab or TD Ameritrade, the Firm does not maintain trade error accounts. The trade error is corrected in the client's account. Clients are made whole by the Firm for losses resulting from trade errors. Clients retain gains resulting from trade errors.

### **Item 13 – Review of Accounts**

For investment advisory and employer sponsored retirement plan clients, we monitor our investment strategies as part of an ongoing process while regular client account reviews are conducted on at least an annual basis. For those clients to whom we provide financial planning and/or consulting services, reviews are conducted on an “as needed” basis or as agreed to within the terms of the agreement. Such reviews are conducted by one of our wealth advisors or a member of our Investment Committee. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with us and to keep us informed of any changes thereto. We shall contact ongoing investment advisory clients at least annually to review our previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

See Item 15 for information on the frequency of client reports.

## Item 14 – Client Referrals and Other Compensation

We have entered into and are currently a party to numerous referral agreements whereby we pay referral fees to solicitors/introducers, in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. All such referral fees are paid solely from our advisory fee, and do not result in any additional charge to the client. For clients who are introduced to us by an unaffiliated solicitor, the client is given, prior to or at the time of entering into any advisory contract with the client, (1) a copy of our written disclosure statement which meets the requirements of Rule 204-3 of the Advisers Act, and (2) a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of ours shall disclose the nature of his/her relationship to prospective clients at the time of the solicitation.

As previously described in Item 10, if we determine that it is appropriate based on the client's investment objectives and investor status, we will recommend the services of an affiliate to provide services or manage a portion of a client's assets. These affiliates charge fees in addition to and separate from the fees charged by the Firm. Clients are advised that a conflict of interest exists to the extent we recommend the services of an Advisory Affiliate.

We may also compensate our employees for business development activity, including the attraction or retention of client assets.

From time to time, we may receive indirect compensation from service providers or third-party vendors in the form of gifts and/or entertainment. When received, these occasions are evaluated to ensure they are reasonable in value and customary in nature to ensure their occurrence does not present any conflicts of interest.

### *Participation in the Schwab Advisor Network<sup>®</sup>*

The Firm previously received client referrals from Charles Schwab & Co., Inc. ("Schwab") through the Firm's participation in the Schwab Advisor Network<sup>®</sup> ("the Service"). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with the Firm. Schwab did not supervise the Firm and had no responsibility for the Firm's management of clients' portfolios or the Firm's other advice or services. Although the Firm continues to pay Schwab fees for client referrals through the Service pursuant to the terms described herein, no new clients are referred to the Firm, and instead are referred to the Firm's majority owner. The Firm's prior participation in the Service may raise potential conflicts of interest described below.

For past referrals, the Firm pays Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by the Firm is a percentage of the fees the client owes to the Firm or a percentage of the value of the assets in the client's account subject to a minimum Participation Fee. The Firm pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to the Firm quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by the Firm and not by the client. The Firm has agreed

not to charge clients referred through the Service fees or costs greater than the fees or costs the Firm charges clients with similar portfolios who were not referred through the Service.

The Firm generally pays Schwab a Non-Schwab Custody fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees the Firm generally would pay in a single year. Thus, the Firm will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of the Firm's clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, the Firm will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit the Firm's fees directly from the accounts.

For accounts of the Firm's clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from the Firm's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, the Firm may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. The Firm nevertheless, acknowledges, its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for the Firm's other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

## **Item 15 – Custody**

The Firm is deemed to have custody of client assets where the Firm operates under a standing letter of authorization or instructs custodians on a client's instruction to move assets to third parties. In such cases, we would undergo an annual surprise examination of client assets by an independent auditor if required.

In addition, in many cases we have the authority to debit our clients' custodial accounts for advisory fees. We are deemed to have custody of those assets if, for example, we are authorized and instructed by a client's custodian to deduct our advisory fees directly from the account or if we are granted authority to move money from a client's account to another person's account. At all times, the custodial bank maintains actual custody of those assets.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge clients to carefully review such statements and compare such official custodial records to the account statements that we provide to clients. To the extent requested by our clients, our statements can vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.



## **Item 16 – Investment Discretion**

### *Discretionary Authority*

We typically receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. For certain clients, their assets may be invested in one or more centrally managed model portfolios. Generally, there are no limitations on the securities we will purchase or sell, the amount of the securities we will purchase or sell, the broker or dealer we will use to execute a transaction and commission rates paid.

Clients may impose reasonable restrictions, limitations or other requirements with respect to their individual accounts. Any limitations on our discretionary authority to manage securities accounts on behalf of clients would be initiated and imposed by the client. Examples of common guideline restrictions include limitations prohibiting the purchase or sale of a particular security or type of security. Specific client investment restrictions may limit our ability to manage those assets like other similarly managed portfolios. This may impact the performance of the account relative to other accounts and the benchmark index. These clients are informed that their restrictions may impact performance.

Employer sponsored retirement clients can determine to engage the Firm to provide investment management services on a discretionary basis as provided for in Section 3(38) of ERISA. Prior to the Firm assuming discretionary authority over the management of a Plan's assets, the client shall be required to execute an Agreement setting forth the scope of the services to be provided.

### *Non-Discretionary Authority*

To the extent the Firm manages a client's account on a non-discretionary basis, the Firm will make investment recommendations to the client as to which securities are to be purchased or sold, and the amounts to be purchased or sold. Upon approving the recommended transactions, the client may request that the Firm direct the execution of purchase or sale orders to implement the recommended transactions for the client's account. The Firm then may be given authority to determine the brokers or dealers through which the transactions will be executed, and the commission rates, if any, paid to effect the transactions. As described above with respect to discretionary accounts, the client may direct that transactions be effected with specific brokers or dealers. As noted in Item 4, the Firm will require clients to approve any third-party managers who require a separate agreement and are not retained as sub-advisers for the account by the Firm or private fund allocations on a non-discretionary basis.

Employer sponsored retirement clients can determine to engage the Firm to provide investment advisory services on a non-discretionary basis as provided for in Section 3(21) of ERISA. Prior to the Firm assuming discretionary authority over the management of a Plan's assets, the client shall be required to execute an Agreement setting forth the scope of the services to be provided.

### *Consulting Services*

If so elected in your Agreement, we will provide recommendations related to the assets that you designate for consulting services, but will not be responsible for the execution of the recommendations unless you have directed us to do so. We will periodically monitor and review these accounts, but we will not be responsible for the continuous and regular supervision or management of accounts categorized as consulting services.

## **Item 17 – Voting Client Securities**

The Firm will vote client proxies, where such responsibility has been properly delegated to and assumed by the Firm. We cast proxy votes in a manner consistent with the best interest of our clients. In the event that the Firm has authority to vote proxies for a client, the Firm will delegate the responsibility to review proxy proposals and make voting recommendations to a non-affiliated third party vendor. Proxies will be voted consistent with our Proxy Voting Policies and Procedures. At any time, clients may contact us to request information about how we voted proxies for that client's securities or to get a copy of our Proxy Voting Policies and Procedures.

Our Proxy Voting Policies and Procedures authorize the Firm to delegate certain proxy voting functions to service providers, and we have contracted with Broadridge Financial Solutions ("Broadridge") to utilize their Proxy Edge® platform ("PE"). At this time, the Firm votes all proxies for its advisory clients using the PE platform. Under the terms of its arrangement with Broadridge, the Firm will generally follow the recommendations from Glass Lewis & Co. ("Glass Lewis") a third-party proxy advisory company. The Firm can instruct PE to vote either for or against a particular type of proposal or the Firm can instruct PE to seek instruction with respect to that particular type of proposal from the Firm on a case-by-case basis ("Voting Instructions"). PE receives all proxy statements and sorts the proposals according to the Firm's Voting Instructions. Proposals for which a voting decision has been pre-determined are automatically voted by PE pursuant to the Voting Instructions. Case-by-case decisions are generally made by the Chief Investment Officer.

On occasion, the Firm may determine not to vote a particular proxy. This may be done, for example where: (1) the cost of voting the proxy outweighs the potential benefit derived from voting; (2) a proxy is received with respect to securities that have been sold before the date of the shareholder meeting and are no longer held in a client account; (3) despite reasonable efforts, the Firm receives proxy materials without sufficient time to reach an informed voting decision and vote the proxies; (4) the terms of the security or any related agreement or applicable law preclude the Firm from voting; or (5) the terms of an applicable advisory agreement reserve voting authority to the client or another party.

Additional information on our Proxy Voting Policies and Procedures is set forth below:

- The Firm's policy is to vote client shares primarily in conformity with Glass Lewis' recommendations, in order to limit conflict of interest issues between The Firm and its clients. Glass Lewis is neutral and issues recommendations based upon its own internal guidelines.
- The Firm may vote client shares inconsistent with Glass Lewis' recommendations if the Firm believes it is in the best interest of its clients.
- The Firm votes client shares via PE which retains a record of proxy votes for each client.
- The Firm's Compliance Department will periodically review proxy votes to ensure consistency with its procedures.

- In situations where there is a conflict of interest in the voting of proxies due to business or personal relationships that the Firm maintains with persons having an interest in the outcome of certain votes, the Firm will take appropriate steps to ensure that our proxy voting decisions are made in the best interest of our clients.
- The Firm will follow the provisions of any ERISA plan's governing documents in the voting of plan securities, unless it determines that to do so would breach its fiduciary duties under ERISA.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and have not been the subject of a bankruptcy proceeding.

## MARIRNER WEALTH ADVISORS PRIVACY POLICY

<b>FACTS</b>	<b>WHAT DOES MARINER WEALTH ADVISORS DO WITH YOUR PERSONAL INFORMATION?</b>	
<b>WHY?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
<b>WHAT?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <p>■ Name; ■ Social Security number; ■ Address; ■ Assets; ■ Income; ■ Account Balances; ■ Account Transactions; ■ Transaction History; ■ Transaction or Loss History; ■ Investment Experience; ■ Risk Tolerance; ■ Retirement Assets; ■ Checking Account Information; ■ Employment Information; ■ Wire Transfer Instructions.</p> <p>If you decide at some point to either terminate our services or become an inactive customer, we will continue to adhere to our privacy policy, as may be amended from time to time.</p>	
<b>HOW?</b>	All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Mariner Wealth Advisors ("MWA") chooses to share; and whether you can limit this sharing.	
<b>Reasons we can share your personal information</b>	<b>Does MWA share?</b>	<b>Can you limit this sharing?</b>
<b>For our everyday business purposes</b> — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes. MWA may share personal information described above for business purposes with a non-affiliated third party if the entity is under contract to perform transaction processing or servicing on behalf of MWA and otherwise as permitted by law. Any such contract entered by MWA will include provisions designed to ensure that the third party will uphold and maintain privacy standards when handling personal information. MWA may also disclose personal information to regulatory authorities as required by applicable law.	No.
<b>For our marketing purposes</b> — to offer our products and services to you	Yes. MWA shares personal information for our marketing purposes as permitted by law.	Yes.
<b>For joint marketing with other financial companies</b>	No.	We don't share.
<b>For our affiliates' everyday business purposes</b> — information about your transactions and experiences	Yes. MWA shares personal information with affiliates as permitted by law.	No.
<b>For our affiliates' everyday business purposes</b> — information about your creditworthiness	No.	We don't share.
<b>For nonaffiliates to market to you</b>	No.	We don't share.
<b>QUESTIONS?</b>	Call (913) 904-5700 or email <a href="mailto:compliance@mariner-holdings.com">compliance@mariner-holdings.com</a>	
<b>Who is providing this notice?</b>	Mariner Wealth Advisors	

<b>How does MWA protect my personal information?</b>	<p>To protect your nonpublic personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>MWA limits access to personal information to individuals who need to know that information in order to service your account.</p>
<b>How does MWA collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <p>Complete account paperwork; ■ Seek advice about your investments; ■ Direct us to buy securities; ■ Direct us to sell your securities; ■ Enter into an investment advisory contract; ■ Give us your contact information.</p> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>■ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <p>■ MWA may share personal information described above for business purposes as permitted by law with our affiliates. Our affiliates include financial intermediaries such as investment advisers. MWA does not share confidential information with affiliates so that they can market their services or products to you.</p>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <p>■ MWA may share personal information described above for business purposes with non-affiliated third parties performing transaction processing or servicing on behalf of MWA and otherwise as permitted by law. Such companies may include broker-dealers, banks, investment advisers, mutual fund companies and insurance companies. MWA may also share personal information with parties who provide technical support for our hardware and software systems and our legal and accounting professionals. MWA does not share with non-affiliates so that they can market their services or products to you.</p>
<b>Joint marketing</b>	<ul style="list-style-type: none"> <li>■ A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</li> <li>■ MWA does not jointly market with nonaffiliated financial companies.</li> </ul>