

**SIGNATOR FINANCIAL SERVICES, INC.**  
**Member FINRA, SIPC**  
**A Registered Investment Adviser**

**Form ADV Part 2A**

**Investment Advisory Services Brochure**

**March 31, 2015**

**197 Clarendon St., C-8**  
**1-800-469-7667**  
**[www.signatorfinancialservices.com](http://www.signatorfinancialservices.com)**

This brochure provides information about the qualifications and business practices of Signator Financial Services, Inc. (SFS). If you have any questions about the contents of this brochure, please contact us at 1-800-469-7667 or [SFScom@jhancock.com](mailto:SFScom@jhancock.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Signator Financial Services, Inc. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provides you with information about which you determine to hire or retain an Adviser.

Additional information about Signator Financial Services, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2.Summary of Material Changes**

There have been no material changes since Signator Financial Services, Inc.'s annual update in March 2014.

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## **Item 4. Advisory Business**

### **Information about Signator Financial Services, Inc.**

Signator Financial Services, Inc. (SFS) was established in 1986 and has offered advisory services to the public since 2001. SFS is an investment adviser registered with the Securities and Exchange Commission (SEC) and provides services to independent Investment Adviser Representatives (IARs) and their clients.

SFS is wholly owned by John Hancock Financial Network, Inc. John Hancock Financial Network is wholly owned by John Hancock Life Insurance Company (U.S.A), which is ultimately owned by Manulife Financial Corporation.

For more information about SFS' affiliations, please see Item 10. Other Financial Industry Activities and Affiliations.

### **Firm Management**

The following individuals serve as officers and principals of the firm. In addition, these individuals are Principal Executive Officers of the investment adviser. Their responsibility is to direct and supervise the activities of SFS:

**Christopher Maryanopolis**, born in 1964, is President of SFS. He holds a BA from SUNY at Stony Brook University of Stony Brook, New York and a Masters of Business Administration from Fordham University of New York, New York.

**Thomas J. Horack**, born in 1953, is Chief Compliance Officer of SFS. He holds a BS from Babson College of Wellesley, MA.

### **Services Offered**

SFS and its Investment Adviser Representatives ("IARs") offer the following services:

- Managed Account Programs
- Financial Planning

Please see below for a full description of the investment advisory services through SFS and its IARs.

For information about the investment advisory process for each program, please see Item 8. Methods of Analysis, Investment Strategies and Risk of Loss.

For information regarding the fees for each program, please see Item 5. Fees and Compensation.

### **Managed Account Programs**

#### **Advisor Solutions Program**

##### *Overview*

The Advisor Solutions program offers a separately managed account program, a unified managed account program, an IAR directed mutual fund, exchange traded funds, stocks and bonds managed account program and a third party strategist managed program. SFS is the sponsor. Envestnet Asset Management is a registered investment adviser providing investment management services under the Advisor Solutions program located at 35 E. Wacker Dr., Suite 2400 Chicago, IL 60601. Envestnet Asset Management's Form ADV Part 2A is given to clients and prospective clients of the Advisor Solutions program and contains specific details about Envestnet Asset Management and its investment advisory qualifications and services. For additional information about Envestnet Asset Management, please see Envestnet Asset Management Form ADV Part 2A.

Two custodians are available to hold client assets; TD Ameritrade and Pershing (the Custodians).

## *Products*

Through the Advisor Solutions program, SFS IARs may offer four products:

- Separately Managed Account Program
- Unified Managed Account Program
- Guided Pathways Program
- Advisor Pathways Program

### Separately Managed Account Program

The Separately Managed Account program provides individual investors with direct access to investment managers. The Separately Managed Account program offers a broad selection of separately managed account strategies through the custodians.

### Unified Managed Account Program

The Unified Managed Account (UMA) program allows the client access to an Envestnet Asset Management model driven program which can consist of separately managed accounts, mutual funds and exchange traded funds. The UMA models are constructed by Envestnet Asset Management, and investment discretion is granted to Envestnet Asset Management. Additionally, Asset Management in-house overlay portfolio management team supervises and aggregates the investment decisions of the multiple managers.

### Guided Pathways Program

The Guided Pathways Program is an asset allocation program which offers both taxable and tax sensitive portfolios of mutual funds and/or exchange traded funds positioned at various points along the risk/return spectrum. These portfolios are managed by third party investment advisors ("Model Provider") and SFS elects the model portfolios available in the program.

Clients acknowledge that neither SFS nor Envestnet Asset Management can guarantee the continued availability of third party model portfolios. The Model Providers are responsible for all investment selections and they may add or remove securities from their portfolios at their sole discretion.

Clients may select model portfolios offered by the following third party providers but not limited to: Astor Investment Management, LLC, Beaumont Financial Partners, LLC, Clark Capital, Morningstar Investment Services, Inc, PMC, Russell Investment Management Company, SIGMA Mutual Fund Solutions, Symmetry Partners, Vanguard and Weatherstone.

### Advisor Pathways Program

The Adviser Pathways program is an IAR directed mutual fund, exchange traded funds, stocks and bonds managed account program managed by SFS through its IARs. Envestnet Asset Management provides the technology platform on which the program functions and is only providing administrative services to SFS for this program.

This program is offered on a discretionary or non-discretionary basis as determined by the client. For discretionary accounts, client grants SFS through its IAR full authority to invest, reinvest and allocate and reallocate assets in the account that are part of the program. Such discretionary authority allows the IAR to make all investment decisions with respect to the account and when deemed appropriate and without prior consultation with the client, to buy, exchange, convert and otherwise trade in any stocks, bonds, mutual funds and other securities. If a client does not grant discretionary authority, then any transaction or investment must be reviewed and approved by the client in advance. SFS, in its sole discretion may determine certain accounts that will not be eligible for discretion and discretion may be revoked in writing.

### **Advisor Directed Program**

#### ***Overview***

The Advisor Directed Program is designed to provide clients with diversified portfolios of mutual funds, exchange traded funds, stocks and bonds managed by SFS through its IAR. Envestnet Asset Management is only providing administrative services to SFS for this program.

## ***Products***

- Advisor Directed Program (aka WELL Plan)

### **Advisor Directed Program**

The Advisor Directed program is an IAR directed mutual fund, exchange traded funds, stocks and bonds managed account program. The Advisor Directed program is offered on a discretionary or non-discretionary basis as determined by the client. For discretionary accounts, client grants SFS through its IAR full authority to invest, reinvest and allocate and reallocate assets in accounts that are part of the program. Such discretionary authority allows the IAR to make all investment decisions with respect to the account and when deemed appropriate and without prior consultation with the client, to buy, exchange, convert and otherwise trade in any stocks, bonds, mutual funds and other securities. If a client does not grant discretionary authority, then any transaction or investment must be reviewed and approved by the client in advance. SFS, in its sole discretion may determine certain accounts will not be eligible for discretion and discretion may be revoked in writing.

### **AssetMark**

#### ***Overview***

SFS offers asset allocation and advisory services sponsored by AssetMark, Inc., formerly Genworth Financial Wealth Management, Inc. (“AssetMark”). SFS and its IARs may offer AssetMark’s asset allocation system, in which clients are introduced to investment managers who provide discretionary management of individual portfolios of equity and/or fixed income securities.

SFS and its IARs do not have any responsibility to buy or sell securities or other investments for client accounts, to select broker-dealers with which such transactions will be effected, to retain other investment advisers to provide advice to AssetMark and to manage some or all of client assets, or to replace such investment advisers. All such discretion is granted by client to AssetMark or another portfolio strategist under the terms of the investment advisory agreement governing the AssetMark programs.

AssetMark is located at 1655 Grant Street, 10th Floor, Concord, CA 94520. AssetMark’s Form ADV Part 2A is given to clients and prospective clients and contains specific details about AssetMark and its investment advisory qualifications and services. For additional information about AssetMark, please see AssetMark’s Form ADV Part 2A.

## ***Products***

Through AssetMark, SFS IARs may offer the following programs:

- Mutual Fund, Exchange Traded Fund and Variable Annuity Accounts
- Privately Managed Accounts

### ***Mutual Fund, Exchange Traded Fund and Variable Annuity Accounts***

AssetMark has contracted with a number of institutional investment management firms (“Strategists”) to create a variety of asset allocation model portfolios (“Models”) from open-end mutual funds, Exchange Traded Funds (“ETFs”) or variable annuity sub-accounts from certain variable annuity companies. SFS IARs will help the client choose the Model(s) and the Strategist(s) for its account. The ultimate decision regarding choice of Strategist(s) and the Model(s), as well as the mutual funds, ETFs or variable annuity sub-accounts is made by the client. The minimum investment required is generally \$50,000 for Mutual Fund and Variable Annuity accounts and \$100,000 for ETF accounts.

### ***Privately Managed Accounts***

AssetMark has contracted with a number of institutional investment management firms (“Investment Managers”) to provide discretionary management services to clients. SFS IARs will assist the client in selecting one or more Investment Managers and/or mutual funds based on their investment objectives. The standard minimum investment per Investment Manager will generally be \$100,000 – \$250,000, and will depend on the Custodian and Investment Manager(s) selected for the account. AssetMark may accept certain investments below these minimums at its discretion. Certain Investment Managers may also require minimum investments greater than \$250,000.

## **SEI Asset Management Program**

### ***Overview***

SFS has an agreement with SEI Investments Management Corporation, SEI Investments Distribution Company and SEI Trust Company (collectively “SEI”) that allows SFS’s IARs to offer SEI’s mutual fund asset allocation programs and separate account programs to SFS clients.

SEI is located at 100 Cider Mill Road, Oaks, PA 19456. SEI’s Form ADV Part 2A is given to clients and prospective clients and contains specific details about SEI and its investment advisory qualifications and services. For additional information about SEI, please see SEI’s Form ADV Part 2A.

### ***Products***

Through SEI, SFS IARs may offer two programs:

- SEI Mutual Fund Models Program
- SEI Managed Account Program (“MAP”)

When needed, SEI will rebalance the accounts in the programs to maintain the target allocation. If there is a proposed model, strategy or portfolio manager change, SEI will notify the IAR who will, in turn, discuss the reasons for the change with the client. If the client does not agree to the change, the model, strategy or portfolio manager change will not occur.

## **SEI Mutual Fund Models Program**

### ***SEI Goal Link***

The SEI Goal Link is a fund of funds investment solution that focuses on the client’s goals. Through SEI Goal Link, SFS IARs assist clients with selecting investment strategies that aim to meet the client’s investment objectives. The program consists of SEI fund of funds that allow the client to invest in several SEI mutual funds while only owning one fund. SEI is granted investment discretion, and when necessary, SEI will rebalance the accounts to maintain the target allocation.

### ***SEI Private Client Models***

Through SEI Private Client Models, SFS IARs assist clients with selecting investment strategies that aim to meet the clients’ investment objectives. The program consists of asset allocation models that are made of SEI mutual funds and designed for wealth preservation and wealth accumulation. SEI is granted investment discretion and, when necessary, SEI will rebalance the accounts to maintain the target allocation.

### ***SEI Institutional Models***

Through the SEI Institutional Models, SFS IARs assist clients with selecting asset allocation strategies that aim to meet the clients’ investment objectives. The strategies are diversified among a wide variety of asset classes across the equity/fixed income spectrum to maximize returns relative to standard deviation. SEI mutual funds are the underlying investment vehicles.

## **SEI Managed Account Program (MAP)**

The SEI MAP is a separately managed account program that uses style specific managers. SEI appoints portfolio managers to manage the assets in accordance with the guidelines of the managed account strategy mandates. SEI is granted investment discretion and, when necessary, SEI will rebalance the accounts to maintain the target asset allocation. Clients may also elect Automated Tax Management (ATM) which coordinates activities across all equity managers selected for the portfolio.

## **Solicitation Agreements**

### **Brinker Capital**

#### ***Overview***

SFS acts as a solicitor on behalf of Brinker Capital. Brinker Capital is granted investment discretion for all of the programs offered through SFS.

Brinker Capital is located at 1055 Westlakes Drive, Suite 250, Berwyn, PA 19312. Brinker Capital’s Form ADV Part 2A is given to clients and prospective clients and contains specific details about Brinker Capital and its investment advisory

qualifications and services. For additional information about Brinker Capital, please see Brinker Capital's Form ADV Part 2A.

### ***Products***

Through Brinker Capital, SFS IARs may offer six investment solutions:

- Core Asset Manager Program
- Destinations Program
- Personal Portfolios Program
- Crystal Strategies Program
- Personal Benchmark Program
- Retirement Plan Services

For more information about the programs listed above, please see Brinker Capital's Form ADV Part 2A.

### **Curian Capital, LLC**

#### ***Overview***

SFS acts as a solicitor on behalf of Curian Capital, LLC for the Custom Style Program. The Program is available either in Custom Portfolios or Select Portfolios.

Curian Capital, LLC is located at 7601 Technology Way, Denver, CO 80237. Curian Capital, LLC's Wrap Fee Program Brochure is given to clients and prospective clients and contains specific details about Curian Capital, LLC and its investment advisory qualifications and services. For additional information about Curian Capital, LLC, please see Curian Capital LLC's Wrap Fee Program Brochure.

### ***The Pacific Financial Group, Inc.***

#### ***Overview***

SFS acts as a solicitor on behalf the Pacific Financial Group, Inc.

#### ***Products Offered***

- Variable Annuity
- Separately Managed Accounts
- Managed Mutual Fund Strategy Accounts (Institutional Class/Investor Class)
- Retirement Plan Management

The Pacific Financial Group is located at 777 108<sup>th</sup> Avenue NE Suite 2100, Bellevue, WA 98004. For more information, please see the Pacific Financial Group's Form ADV Part 2A.

### **Other Programs**

#### **Hourly or Plan-Based Financial Planning**

Qualified IARs can offer financial planning on a case by case basis for specific client needs. SFS IARs can provide services on an hourly basis and can produce a comprehensive financial plan for the client to follow. Fees for these services are set by the IAR and will vary depending on the complexity of an hour-based review or the services included in and complexity of a financial plan. Fees may be negotiated between the client and IAR.

Clients wishing to engage an IAR for hourly or plan-based financial planning will execute a Financial Planning Agreement with their IAR. The Financial Planning Agreement clearly defines the scope of expected services, the exact fee for those services and the billing schedule for the services. Upon execution of either an hourly or plan-based agreement the client will receive a copy of the agreement and will receive an invoice or invoices, as applicable, when fees are due and payable per the billing schedule in the Financial Planning Agreement. SFS may recommend, but does not have the authority to determine without obtaining specific client consent, the broker/ dealer used to execute a financial plan.



## **Assets Under Management**

As of 02/23/2015, Signator Financial Services, Inc. had \$207,973,450.13 in non-discretionary assets under management.

As of 02/23/2015, Signator Financial Services, Inc. had \$205,656,377.17 in discretionary assets under management.

## **Item 5. Fees and Compensation**

### **Signator Financial Services, Inc. (“SFS”)**

SFS receives compensation through its Managed Account Programs and Financial Planning Program and occasionally receives additional administrative fees from third party program sponsors.

As a broker dealer SFS effects securities transactions for compensation for clients. Commissions may be charged in addition to investment advisory services fees. SFS and its investment adviser representatives (“IARs”) may also receive brokerage commissions from the transactions they recommend to clients. Clients are not required to execute transactions through SFS and its IARs. SFS and its IARs do not suggest brokers to clients, therefore if a client asks an SFS IAR to execute a transaction, the transaction will be executed through SFS as a broker-dealer and a commission may be paid to the IAR/Registered Representative of SFS. For additional information regarding SFS’s brokerage practices, please see Item 12. Brokerage Practices.

SFS will solicit investment advisory services provided by other registered investment advisers. SFS will receive compensation through the solicitation arrangements it has in place with the investment advisers.

SFS is affiliated with a life insurance company and an investment company that sponsors various proprietary products such as variable life insurance, variable annuities and mutual funds. As a broker dealer SFS sells these products to clients and receives compensation when a client makes a purchase.

### **Managed Account Programs**

#### **Advisor Solutions Program**

SFS charges an annual service fee (the “program fee”) equal to a percentage of the assets invested in the client’s account. The program fee includes the “sponsor fee”, the “manager fee”, the “platform fee” and the “advisory fee.” The sponsor fee is the compensation paid to SFS for services provided to the client’s account and is not negotiable. The manager fee, where applicable, is the fee paid to the investment manager and/or strategist on the account and is not negotiable. The platform fee is the compensation paid to Envestnet Portfolio Solutions for services provided to the client’s account and is not negotiable. The advisory fee is the compensation that is paid to the IAR and is negotiable. For Asset Based programs the program fee also includes fees for clearing and custody. SFS may, in their sole discretion, pay all or a portion of the program fee to another party involved in providing services to the client’s account.

Within the Advisor Solutions Program, there are four programs: Separately Managed Account Program, Unified Managed Account Program, the Guided Pathways Program, and the Advisor Pathways Program. With the SMA and the UMA Programs, a maximum program fee of 3.00% may be charged. For assets invested in the Guided Pathways Program, a maximum program fee of 2.50% may be charged. For assets in the Advisor Pathways Program, a maximum fee of 2.00% may be charged.

Program fees are generally billed quarterly, in advance, based on the average daily balance of the account during the prior quarter. Program fees are debited from the account at the start of the quarter. All unused, pre-paid program fees will be credited (refunded) to the client’s account in the event of termination of the Advisor Solutions Program Agreement and/or account closing. The client account will only be charged for the actual days the account was managed. The client may terminate the Advisor Solutions Program Agreement for any reason. If the client wishes to terminate the agreement, he/she must deliver written notice to SFS.

Additional fees may be assessed on certain transactions. In addition to fees charged by SFS and Envestnet Asset Management, clients may be subject to fees charged by the mutual funds and ETFs in their portfolio. All investments in mutual funds are subject to the terms of each of the applicable prospectuses, including associated fees and underlying mutual fund expenses as fully described in the prospectus. 12b-1 fees are paid on certain offered mutual funds. 12b-1 fee payments are passed through to the account.

### Advisor Directed Program

SFS charges an annual service fee (the “program fee”) equal to a percentage of the assets invested in the client’s account based upon the Advisor Directed Advisory Services Agreement. The program fee includes the “sponsor fee”, the “platform fee” and the “advisory fee.” The sponsor fee is paid is the compensation paid to SFS for services provided to the client’s account and is not negotiable. The platform fee is the compensation paid to Envestnet Asset Management for reporting and billing services and is not negotiable. The advisory fee is the compensation that is paid to the IAR and is negotiable. For Asset Based programs the program fee also includes fees for clearing and custody. SFS may, in their sole discretion, pay all or a portion of the program fee to another party involved in providing services to the client’s account.

Program fees are generally billed quarterly, in advance or arrears, based on the average daily balance of the account during the prior as selected on the Advisor Directed Advisory Services Agreement. Program fees are debited from the account at the start of the quarter. If the account is billed in advance, all unused, pre-paid program fees will be credited (refunded) to the client’s account in the event of termination of the Advisor Directed Advisory Services Agreement and/or account closing. The client account will only be charged for the actual days the account was managed. The client may terminate the Advisor Directed Advisor Services Agreement for any reason. If the client wishes to terminate the agreement, he/she must deliver written notice to SFS.

Additional fees may be assessed on certain transactions. In addition to fees charged by SFS and Envestnet Asset Management, clients may be subject to fees charged by the mutual funds and ETFs in their portfolio. All investments in mutual funds are subject to the terms of each of the applicable prospectuses, including associated fees and underlying mutual fund expenses as fully described in the prospectus. 12b-1 fees are paid on certain offered mutual funds. 12b-1 fee payments are passed through to the account.

For assets invested in the Advisor Directed Program, a maximum program fee of 2.50% may be charged.

### AssetMark

As a participant in the AssetMark Mutual Fund, Exchange Traded Fund and Variable Annuity Accounts and the Privately Managed Accounts, the advisor may pay to AssetMark an annualized fee (the “consulting fee”), payable quarterly in advance. Upon establishment of each new account, Advisor may pay AssetMark an initial quarterly consulting fee with respect to the account for the quarter in which the new account is established. The consulting fee will be calculated based on the average daily value of the account assets under management during the immediately preceding calendar quarter.

### Mutual Fund / VA Portfolio Strategies Fee Schedules

Twelve Standard Mutual Fund Client Fee Schedules have been developed for AssetMark. Advisor may select from these, or create their own.

	Fee Schedule 1	Fee Schedule 2	Fee Schedule 3	Fee Schedule 4	Fee Schedule 5	Fee Schedule 6
First \$250k	1.95%	1.85%	1.75%	1.65%	1.60%	1.55%
Next \$250k	1.80%	1.70%	1.60%	1.50%	1.45%	1.40%
Next \$500k	1.60%	1.50%	1.40%	1.30%	1.25%	1.20%
Next \$1 Million	1.30%	1.20%	1.10%	1.00%	0.95%	0.90%
Next \$2 Million	1.00%	0.90%	0.80%	0.70%	0.65%	0.60%

	Fee Schedule 7	Fee Schedule 8	Fee Schedule 9	Fee Schedule 10	Fee Schedule 11	Fee Schedule 12
First \$250k	1.50%	1.45%	1.35%	1.25%	1.10%	1.00%
Next \$250k	1.35%	1.30%	1.20%	1.10%	0.95%	0.90%
Next \$500k	1.15%	1.10%	1.00%	0.90%	0.80%	0.75%
Next \$1 Million	0.85%	0.80%	0.70%	0.70%	0.65%	0.60%

Next \$2 Million	0.55%	0.50%	0.50%	0.50%	0.50%	0.50%
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#### Privately Managed Account Program

Fee Schedule 1					
Asset Level	AssetMark Fee	Advisor Fee	Total Advisory Fee	Inv. Mgr. Fee (Est)	Total (*) Client Fee
First \$1 million	0.45%	1.10%	1.55%	0.50%	2.05%
Next \$2 million	0.40%	0.85%	1.25%	0.50%	1.75%
Next \$2 million	0.35%	0.70%	1.05%	0.50%	1.55%
Over \$5 million	0.25%	0.60%	0.85%	0.50%	1.35%
Fee Schedule 2					
Asset Level	AssetMark Fee	Advisor Fee	Total Advisory Fee	Inv. Mgr. Fee (Est)	Total (*) Client Fee
First \$1 million	0.45%	1.00%	1.45%	0.50%	1.95%
Next \$2 million	0.40%	0.75%	1.15%	0.50%	1.65%
Next \$2 million	0.35%	0.60%	0.95%	0.50%	1.45%
Over \$5 million	0.25%	0.50%	0.75%	0.50%	1.25%
Fee Schedule 3					
Asset Level	AssetMark Fee	Advisor Fee	Total Advisory Fee	Inv. Mgr. Fee (Est)	Total (*) Client Fee
First \$1 million	0.45%	0.90%	1.35%	0.50%	1.85%
Next \$2 million	0.40%	0.60%	1.00%	0.50%	1.50%
Next \$2 million	0.35%	0.50%	0.85%	0.50%	1.35%
Over \$5 million	0.25%	0.40%	0.65%	0.50%	1.15%
Fee Schedule 4					
Asset Level	AssetMark Fee	Advisor Fee	Total Advisory Fee	Inv. Mgr. Fee (Est)	Total (*) Client Fee
First \$1 million	0.45%	0.80%	1.25%	0.50%	1.75%
Next \$2 million	0.40%	0.60%	1.00%	0.50%	1.50%
Next \$2 million	0.35%	0.50%	0.85%	0.50%	1.35%
Over \$5 million	0.25%	0.40%	0.65%	0.50%	1.15%
Fee Schedule 5					
Asset Level	AssetMark Fee	Advisor Fee	Total Advisory Fee	Inv. Mgr. Fee (Est)	Total (*) Client Fee
First \$1 million	0.45%	0.70%	1.15%	0.50%	1.65%
Next \$2 million	0.40%	0.50%	0.90%	0.50%	1.40%
Next \$2 million	0.35%	0.40%	0.75%	0.50%	1.25%
Over \$5 million	0.25%	0.30%	0.55%	0.50%	1.05%

Note: The Investment Manager Fee Schedule (estimated at 0.50% above) is not part of the Advisory Fee and is billed separately and disclosed in Program documents. In addition, custody and trading costs are not included above, and are billed separately by the Custodian, pursuant to the Custodian's fee schedule.

#### SEI Asset Management

As a participant in the SEI Goal Link, Private Client Models and Institutional Models, the client will pay an advisory fee to SFS and the IAR. The advisory fee is the compensation that is paid to SFS and the IAR for services provided to the account.

Clients in the SEI Managed Account Program will pay a program fee which consists of an advisory fee and a management fee. The advisory fee is the compensation paid to SFS and the IAR for services provided to the account. The advisory fee is negotiable. The management fee is compensation paid to SEI for services provided to the account. SEI may, in their

sole discretion, pay all or a portion of the fees received to another party involved in providing services to the client's account.

Fees are charged quarterly, in arrears and are deducted directly from the account. The program and advisory fees are based on percentage of the market value of the assets in the client account.

The client may also incur certain charges imposed by SEI, in connection with investments made through a program account. These charges include:

- SEI Custodial fee of \$60 per year for accounts under \$50,000
- SEI Fund management fees and administrative servicing fees
- SEI Account Maintenance Fees
- Other fees charged by SEI and IRA and Qualified Retirement Plan fees

SFS does not determine, administer or retain any portion of the additional SEI fees listed above. Further information regarding charges and fees assessed by an SEI Fund are available in the appropriate prospectus. A list of charges that may be imposed by SEI are described in the SEI Client Agreement.

A maximum allowable program fee of 2.00% may be charged for those assets in the SEI Mutual Fund Models Program. For assets in the SEI Managed Account Program, the maximum allowable program fee is 3.35%.

Clients may be subject to fees charged by the mutual funds in their portfolio, which are in addition to the program fees discussed above. All investments in mutual funds are subject to the terms of each of the applicable prospectuses, including associated fees and underlying mutual fund expenses as fully described in the prospectus. Please see SEI's ADV Part 2A for more information.

### **Solicitation Arrangements**

#### **Brinker Capital**

Clients in the Brinker Capital programs pay a program fee and a solicitor's fee. The program fee is charged by Brinker Capital for services provided to the account. The solicitor's fee is the compensation that is paid to SFS and the IAR. SFS' portion of the solicitor's fee is not negotiable. The IAR's portion of the solicitor's fee is negotiable. The program fee and solicitor's fee is equal to a percentage of the net asset value of the client's account. Fees are generally billed quarterly, in advance, based on the average daily balance of the account during the prior quarter and are debited from the account at the start of each quarter. The program fee does not cover any fees charged by the Securities and Exchange Commission ("SEC") or U.S. or foreign stock exchanges based on the sale of a security, wire transfer fees, costs associated with temporary investment of client funds in a money market account, transfers of assets upon termination of the account or any internal management or operating fees or expenses imposed or incurred by a mutual fund, ETF or other pooled investment vehicle in which the client's account may be invested or any special requests by the client.

The program fee for accounts over \$100,000 for the Brinker Destinations Program is 0.25%. For accounts under \$100,000, the maximum program fee for the Brinker Destinations program is 0.75%. The mutual funds available in the Destinations program may incur management fees and other operating fees and expenses, which are in addition to the program fee paid to Brinker Capital by the client. For accounts with net asset values of less than \$100,000, Brinker Capital charges an additional annual fee of \$200 payable in four equal installments with the quarterly fee based on the net asset value of the account.

The program fee charged to clients in the Core Asset Manager program is a blended fee based upon asset allocation, portfolio manager selection and total account value. Fees may be discounted or negotiated at Brinker Capital's discretion. For assets in the Brinker Core Asset Manager program, the maximum program fee is 1.40% for equity and balanced portfolios and 0.88% for fixed income portfolios. Brinker Capital's fee does not include the management fee paid to portfolio managers for assets invested in privately placed hedge funds, real estate investment trusts or other pooled investment vehicles, publicly traded mutual funds or exchange traded funds or index-linked debt securities. Such alternative investments may also incur operating fees and expenses. These fees are disclosed in the prospectus or offering

documents of the investments. Brinker Capital's fee is calculated quarterly based on the market value of a client's assets and is either paid through redemption of mutual fund shares or deducted from the client's separately managed accounts, based on the weighted average of the managed account market values.

Clients who participate in the Personal Portfolios program pay a program fee, which covers the investment advisory services provided by Brinker Capital and the portfolio manager(s), all custodial services and brokerage commissions, and the portfolio implementation and coordination services provided by the coordinating sub-adviser. Brinker Capital's program fee for the Personal Portfolios program is based upon the investment strategy selected by the client (which reflects the allocation between equities and fixed income assets) and the size of client's account. The program fees range from 0.45% to 1.05% for the conservative capital preservation model and from 0.85% to 1.15% for moderately aggressive to aggressive models. The program fee is not negotiable. However, in certain circumstances, accounts with assets in excess of \$5 million, fees may be discounted. For accounts using the tax transition features, the fee ranges from 0.90% to 1.05% for the growth and income models and from 0.90% to 1.00% for an all equity growth model.

Clients who participate in the Crystal Strategies program pay a program fee and each component of Brinker's services is priced based upon the size of the account, investment vehicles and portfolio manager(s) (if any) selected. The resulting annual all inclusive fee calculated on account value consists of the following: Brinker's fee for managing the account, including the selection, purchase and sale of investment vehicles, selection of portfolio managers and implementation of investment strategies. Brinker receives an annual fee of equal to a percentage of account value: 0.60% for Crystal Strategy I and 0.50% for Crystal Diversified Income. The base brokerage, clearing and custody charges are a percentage of account value and tiered based upon account size. Fees for Crystal Strategy I start at 0.23% for the first \$250,000 and decline to 0.05% for assets in excess of \$5 million, with a minimum annual charge of \$350. Fees for Crystal Diversified Income start at 0.15% for the first \$250,000 and decline to 0.05% for assets in excess of \$5 million, with a minimum annual charge of \$200 for equity and balanced accounts, the average annual fee is 0.50% of the portion of the account allocated to a separate portfolio manager. Actual fees may range from 0.40% to 1.00% of account value, depending on the portfolio manager selected and the size of the account. For fixed income accounts, the average annual fee is 0.35% of account value. Actual fees may be higher or lower (depending on the portfolio manager selected and the size of the account) and are passed through to the client. This fee is only charged if, and to the extent, any portion of the client's account is allocated to a portfolio manager. There is no separate investment management fee component for the portion of the assets (if any) invested in mutual funds, ETFs and other pooled investment vehicles.

Clients who participate in the Personal Benchmark Program pay a program fee, which covers all investment advisory services provided by Brinker Capital, all custodial services and brokerage commissions, and the portfolio implementation and coordination services provided by the coordinating sub-adviser and style managers. Brinker Capital's fee is 0.70% for accounts under \$500,000, 0.65% for accounts between \$500,000 and \$750,000, 0.60% for accounts between \$750,000 and \$1 million, and 0.55% for accounts \$1 million or more.

Client fees for the Retirement Services Program are paid in arrears based on the plan's account value as of the last business day of the quarter. Brinker's maximum annual fee is 1.25% and does not include any fees charged by Administrator.

Brinker Capital may recommend the use of managed separate accounts, registered mutual funds or ETFs depending on their suitability and the overall benefits each may provide to the particular allocation. Mutual funds and ETFs incur management fees and other operating fees and expenses as disclosed in the prospectuses for such funds. These fees and expenses are in addition to Brinker Capital's program fee.

The fee schedule may be changed by Brinker Capital provided they inform the client of the changes 30 days prior to the change of the fee schedule. The above Brinker Capital program fees do not include the solicitor's fee, which is negotiable and is equal to a percentage of the net asset value of clients account. The solicitor's fee is determined by the soliciting SII IAR and fall generally within a range of 0.20% to 2.00%.

Fees are payable on the opening of the account (with the exception of Retirement Plan Services), based on the market value of the client's account assets when the account is opened and prorated for the number of days remaining in the calendar quarter. From then on, the quarterly fee is paid in advance, based on the market value of the account as of the last

business day of the previous calendar quarter, and is due the following business day. A pro-rata portion of any prepaid fees will be returned on termination of the client's Investment Advisory Agreement. The final fee amount will be based on the account value at the time the account is closed. The client will be entitled to a prorated refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after the termination date.

### Curian Capital, LLC

Clients in the Curian Capital, LLC's ("Curian") Program will pay an all-inclusive fee ("total program fee") that consists of two parts, a program fee and the financial professional fee ("solicitor's fee"). The Curian fees are for certain program services, the Model Manager's services in managing their respective Model Manager Portfolios, and clearing costs associated with securities transaction execution, clearing and custody services on Program Account assets, except with respect to direct trades, and assets held in non-Program cash management account options. See below for tables that show Curian's standard fee structure for the Custom and Select Portfolios.

#### Custom Portfolios

Tier	From	Up to	Moderate to Maximum Growth <sup>1</sup>	Conservative to Moderate Conservative <sup>2</sup>	Very Conservative
First \$99,000	-	\$99,999	1.25%	1.15%	0.70%
Next \$150,000	\$100,000	\$249,999	1.15%	1.05%	0.70%
Next \$250,000	\$250,000	\$499,999	1.05%	0.95%	0.55%
Next \$500,000	\$500,000	\$999,999	0.95%	0.90%	0.50%
Next \$1 Million	\$1,000,000	\$1,999,999	0.84%	0.79%	0.36%
Next \$3 Million	\$2,000,000	\$4,999,999	0.74%	0.69%	0.33%
Above \$5 Million	\$5,000,000	-	0.64%	0.59%	0.30%

#### Select Portfolios:

Tier	Advisory Fee	Clearing and Custody	Total Curian Fees
All Asset Levels	0.25%	0.40%	0.65%

**Curian may charge additional fees for other services associated with the Client's account. There may be other expenses associated with certain accounts in Curian's program. Please see Curian Capital's Wrap Fee Program Brochure for more specific information regarding the fees and expenses associated with Curian's programs.**

The solicitor's fee is the portion paid to SII and SII's IAR. SII's portion of the solicitor's fee is not negotiable. The SII IAR's portion of the solicitor's fee is negotiable and will not exceed 1.50% on an annual basis.

The total program fee is assessed monthly in arrears and is based on the average daily market value of the assets in the client's account. This fee is due on the first day of the month following establishment of the Client's account and will be deducted from the Client's account after it becomes due. The day fees are deducted may vary to accommodate trading activity that may be occurring. If the client's account is closed during a month the total program fee will be adjusted on a pro rata basis to reflect only those days in which the Client's account was invested.



## The Pacific Financial Group

The Pacific Financial Group typically pays advisory fees quarterly in advance. Advisory fees are based on the value of the account at the beginning of each calendar quarter.

### Variable Annuity and Separately Managed Accounts

Total Assets	Total Fee Annual Fee	Broker/Dealer Fee	TPFG Fee
\$0 to \$500,000	2.00%	1.00%	1.00%
\$500,001 to \$3,000,000	1.50%	0.75%	0.75%
\$3,000,000 to \$5,000,000	1.00%	0.50%	0.50%
\$5,000,000 to \$10,000,000	0.80%	0.40%	0.40%
\$10,000,000+	Subject to Negotiation		

### For Managed Mutual Fund Strategy Accounts Institutional Class

Total Assets	Total Fee Annual Fee	Broker/Dealer Fee	TPFG Fee
\$0 to \$500,000	1.50%	1.00%	0.50%
\$500,001 to \$3,000,000	1.125%	0.75%	0.375%
\$3,000,000 to \$5,000,000	0.80%	0.50%	0.30%
\$5,000,000 to \$10,000,000	0.65%	0.40%	0.25%
\$10,000,000+	Subject to Negotiation		

### For Managed Mutual Fund Strategy Accounts Investor Class

Total Assets	Total Fee Annual Fee	Broker/Dealer Fee	TPFG Fee
Flat Fee of Up to:	1.00%	1.00%	0.00%

From 0 to 0.50% from client's account (management fee) and/or from 0.50% up to 1.00% from 12-b1 fees. The Pacific Financial Group assesses a \$40.00 annual administrative fee on all Separately Managed and Variable Annuity accounts.

For more information, please see the Pacific Financial Group's Form ADV Part 2A.

### **Item 6. Performance-Based Fees and Side-by-Side Management**

SFS and its IARs do not charge performance-based fees for any programs or services listed above. The fees are charged on the basis of a percentage of assets under management. Fees related to financial planning are based on the complexity of the plan, time needed to complete the plan and the client's financial objectives and needs. Please refer to Section 5. Fees and Compensation for more information.

SFS IARs are also Registered Representatives of SFS, a registered broker dealer. SFS advisory clients may also have brokerage accounts with a SFS Registered Representative who recommends and executes securities trades on the client's behalf. Trades executed in the brokerage accounts may conflict with the trades recommended for advisory accounts.

### **Item 7. Types of Clients**

Signator Financial Services, Inc. (SFS) offers investment advisory services to individuals, pensions and profit sharing plans, corporations and other business organizations, trusts, estates and charitable organizations. Clients may have both advisory and brokerage accounts. IARs may offer you brokerage services, advisory services or both.

#### Requirements for Opening and Maintaining an Account

To open an account, clients must complete an investor profile questionnaire. The questionnaire assists the IARs and/or the third-party asset management firms in determining the investment allocation for the portfolio. Additionally, clients must meet the minimum investment amount for the specific managed account program they select. Below please find a table which lists the account minimums for the programs offered through SFS.

SFS generally will not accept accounts that do not meet all applicable minimums. However, exceptions to the account minimum may be made at SFS discretion. If an account falls below the minimum amount, the account is subject to termination at our discretion. Clients may add acceptable assets at any time.

Program Name	Product Name	Account Minimum
Advisor Solutions	Separately Managed Accounts	Greater of \$100,000 or minimum determined by the individual Investment Managers
	Unified Managed Accounts	\$150,000
	Guided Pathways Accounts	Greater of \$25,000 or minimum determined by the third party strategist
	Advisor Pathways Accounts	\$50,000
Advisor Directed	Advisor Directed	\$25,000
SEI	SEI Private Client Models – Mutual Fund Wrap Accounts	\$25,000
		\$25,000
	Goal Link – Mutual Fund Wrap Accounts	\$25,000
	SEI Managed Accounts Program (MAP)	Minimum determined by the individual Investment Managers
AssetMark	Mutual Fund and Variable Annuity Accounts	\$50,000 per individual Model
	Privately Managed accounts	\$250,000 per individual Investment Manager \$2,000,000 per multi-manager Strategist models

SFS acts as a solicitor on behalf of Brinker Capital, Curian Capital and the Pacific Financial Group. Exceptions to the account minimums listed below may be made at the direct of Brinker Capital, Curian Capital or Pacific Financial Group.

Program Name	Product Name	Account Minimum
Brinker Capital	Brinker Destinations – Mutual Fund Wrap Account Program	\$50,000
	Brinker Core Asset Manager – Separately Managed Account Program	\$1,000,000
	Brinker Personal Portfolios – Unified Managed Account Program	\$250,000
	Brinker Crystal Strategies – Unified Managed Account Program	\$100,000
	Brinker Personal Benchmark – Unified Managed Account Program	\$250,000
	Brinker Retirement Plan Services	At Brinker’s discretion
Curian Capital, LLC	Curian Custom Style Program	\$25,000



The Pacific Financial Group	Variable Annuity	\$10,000
	Separately Managed Accounts	\$100,000
	Managed Accounts For Managed Mutual Fund Strategy Accounts (Institutional / Investor Class)	\$10,000
	Retirement Plan Management	No Minimum

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

Below please find descriptions of the methods of analysis for investment advice that is furnished by SFS investment advisor representatives (“IARs”). SFS IARs may rely on research services of various money managers, corporate press releases and annual reports, SEC filings, corporate rating services, prospectuses and financial industry periodicals when making recommendations.

For additional specific information regarding the methods of analysis or investment strategies used by the third-party asset management firms mentioned below, please see the Form ADV Part 2A of the respective third party asset management firms.

#### **Managed Account Programs**

##### Advisor Solutions

In the Guided Pathways, UMA, and SMA programs, the client provides the IAR with information regarding investment objectives, investment time horizon, risk tolerance and other relevant information. The IAR then inputs this information into Envestnet Asset Management’s proprietary investment allocation system, which in turn provides the client and the IAR with a number of investment options that have been determined to be appropriate choices for the client. To make this determination, Envestnet Asset Management, evaluates available investments based on their proprietary criteria.

In the Advisory Pathways program, the client provides the IAR with information regarding investment objectives, financial needs, investment time horizon, risk tolerance and other relevant information. The IAR inputs this information into the Envestnet platform to build a model portfolio for the client, recommend an appropriate asset allocation among the investment options in the Program and select appropriate investment vehicles for the Client’s account coinciding with the Client’s risk tolerance parameters.

##### Advisor Directed

In the Advisor Directed program, the client provides the IAR with information regarding investment objectives, investment time horizon, risk tolerance and other relevant information. The IAR then completes a risk tolerance questionnaire to determine the appropriate asset allocation to recommend to the client. The IAR then builds and/or uses an existing model for the client’s account coinciding with the Client’s risk tolerance parameters.

##### AssetMark

For AssetMark programs, the client provides SFS with information about investment objectives, financial needs, investment time horizon, risk tolerance and other relevant information. SFS then furnishes the information to AssetMark through AssetMark’s proprietary proposal system or by contacting AssetMark directly. AssetMark will then propose an overall strategy that includes asset allocation and investment style recommendations.

Please see AssetMark’s Form ADV Part 2A for more information about AssetMark’s specific methods of analysis and investment strategies.

#### **SEI Asset Management Program**

For the SEI Private Mutual Fund Models Program, the IAR will assist the client in selecting a specific asset allocation portfolio appropriate for the client by discussing the various levels of risk and by helping the client complete a

questionnaire. The questionnaire helps the IAR learn specific information about the client including but not limited to the client's annual income, net worth, long-term goals and investment objectives. This information is furnished to SEI who constructs and maintains asset allocation portfolios comprised of SEI mutual funds.

For the SEI Managed Account Program, the IAR will assist the client in completing a questionnaire that will identify specific information about the client's financial situation. The information including but not limited to the client's annual income net worth, long-term goals and investment objectives is provided to SEI. SEI then recommends one or more sub-advisers to manage individual portfolios of stocks and bonds based on a specific investment style. The SFS IAR with the client then chooses the sub-adviser(s) from the SEI recommendations.

Please see SEI's Form ADV Part 2A for more information about SEI's specific methods of analysis and investment strategies.

### **Solicitation Arrangements**

#### **Brinker Capital**

For the programs offered by Brinker Capital, the client provides SFS with information about investment objectives, financial needs, investment time horizon, risk tolerance and other relevant information. SFS then furnishes the information to Brinker through Brinker's proprietary proposal system or by contacting Brinker directly. Brinker will then propose an overall strategy that includes asset allocation and investment style recommendations.

Please see Brinker Capital's Form ADV Part 2A for more information about Brinker Capital's specific methods of analysis and investment strategies.

#### **Curian Capital, LLC**

For the programs offered by Curian Capital, LLC ("Curian"), the client provides SFS with information about investment objectives, financial needs, investment time horizon, risk tolerance and other relevant information. SFS then furnishes the information to Curian through Curian's proprietary proposal system. Curian will then propose an overall strategy that includes asset allocation and investment style recommendations.

Please see Curian Capital, LLC's Wrap Fee Program Brochure for more information about Curian Capital's specific methods of analysis and investment strategies.

#### **The Pacific Financial Group, INC**

For the program offered by the Pacific Financial Group, INC, the client provides SFS with information about investment objectives, financial needs, investment time horizon, risk tolerance and other relevant information. SFS then furnishes the information to the Pacific Financial Group, INC who will then propose an overall strategy that includes asset allocation and investment style recommendations.

Please see the Pacific Financial Group, INC's Form ADV Part 2A for more information about the Pacific Financial Group, INC's specific methods of analysis and investment strategies.

### **Risk of Loss**

Investments are subject to various market, political, currency, economic, business and other risks, and may not always be profitable. All investment programs carry the risk of loss and there is no guarantee that any investment strategy will meet its objective. Certain strategies, methods of analysis and underlying securities may carry more risk than others. SFS does not develop the investment strategies offered by the third-party asset management firms.

The material risks associated with the financial plans are (1) that the generic recommendations are derived from historical data and forward looking assumptions that may not continue in the future or may not completely or accurately capture all the possible scenarios of future financial markets, and (2) asset allocations may not be optimal as market environments continue to evolve.

The projections and simulations are based on a variety of assumptions that may prove, in the future, to be erroneous. The results that clients obtain may vary significantly from the projections. In addition, the results of the simulation may under-

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compensate or over-compensate for the impact, if any, of certain market factors and may underestimate the impact of market extremes and the related risk of loss.

For additional specific information regarding the risk of loss associated with investment strategies, methods of analysis and underlying securities used by the third-party asset management firms mentioned above please see the Form ADV Part 2A of the respective third party asset management firm.

### **Item 9.Disciplinary Information**

There are currently no pending legal or disciplinary events that SFS deems to be material to a client's evaluation of its advisory services or the integrity of its management. More information about SFS can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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

#### **Other Financial Activities**

Signator Financial Services ("SFS") is a registered investment adviser with the SEC. SFS is also a broker/dealer registered with the Financial Industry Regulatory Authority (FINRA) and an insurance agency. SFS' principal business is that of a registered broker/dealer offering securities including mutual funds and variable insurance products. SFS has its clearing relationship with Pershing, LLC and is licensed to operate in all 50 states plus the District of Columbia.

SFS is wholly owned by John Hancock Financial Network, Inc. John Hancock Financial Network is wholly owned by John Hancock Life Insurance Company (U.S. A.), which is ultimately owned by Manulife Financial Corporation.

IARs may affect securities transactions for clients as Registered Representatives of SFS' broker/dealer and as such, receive commissions for those activities. Products sold may include variable insurance products offered by SFS's affiliates. Commissions for transactions through SFS' broker/dealer are separate from, and may be in addition to, fees charged by SFS for any investment advisory services provided to those clients. Clients have the option of purchasing the investment product recommended by their IAR through other brokers, not affiliated with SFS.

#### **Affiliations**

There are a group of SFS employees that are dual registered representatives and IARs with Signator Investors, Inc. ("SII") an affiliated registered broker dealer and investment adviser. These SFS employees provide services to SII. SII does not pay any direct compensation to the SFS employees so there is no explicit incentive for the SFS employees to provide services to SII over SFS.

#### **Other Related Parties**

John Hancock Distributors, LLC  
197 Clarendon Street  
Boston, MA 02117

John Hancock Funds, LLC  
601 Congress St.  
Boston, MA 02110

Signator Investors, Inc.  
197 Clarendon St. C-8  
Boston, MA 02116

Manulife Asset Management (US)  
197 Clarendon Street  
Boston, MA 02116

Hancock Capital Investment Management , LLC  
197 Clarendon Street  
Boston, MA 02116

Manulife Asset Management Trust Company  
197 Clarendon Street  
Boston, MA 02116

Hancock Venture Partners, Inc.  
197 Clarendon Street  
Boston, MA 02116

Declaration Management & Research LLC  
197 Clarendon Street  
Boston, MA 02116

AZ/GP (DC) LLC  
197 Clarendon Street  
Boston, MA 02116

AZ/GP (IL) LLC  
197 Clarendon Street  
Boston, MA 02116

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

##### **Code of Ethics**

SFS is responsible for ensuring compliance with Rule 204A-1 of the Advisers Act, which requires a registered investment adviser to establish, maintain and enforce a written code of ethics. Consistent with this obligation, SFS has adopted a Code of Ethics that, at a minimum, seeks to promote compliance with fiduciary standards and the means to address conflicts of interest arising from the personal securities transactions of its employees and its IARs. The Code of Ethics describes the standards of conduct that is expected of its employees and IARs. A copy of SFS's Code of Ethics is available to clients upon request.

#### **Item 12.Brokerage Practices**

IARs may affect securities transactions for clients as Registered Representatives of SFS' broker/dealer and as such, receive commissions for those activities. Commissions for transactions through SFS' broker/dealer are separate from, and may be in addition to, fees charged by SFS for any investment advisory services provided to those clients. Clients have the option of purchasing the investment product recommended by their IAR through other brokers not affiliated with SFS.

SFS participates in the institutional adviser program (the Program) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (TD Ameritrade ), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. SFS receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, SFS participates in TD Ameritrade's institutional customer program and SFS may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between SFS' participation in the program and the investment advice it gives to its clients, although SFS receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving SFS participants;

access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to SFS by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by SFS' related persons. Some of the products and services made available by TD Ameritrade through the program may benefit SFS but may not benefit its client accounts. These products or services may assist SFS in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help SFS manage and further develop its business enterprise. The benefits received by SFS or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, SFS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SFS or its related persons in and of itself creates a potential conflict of interest and may indirectly influence SFS' choice of TD Ameritrade for custody and brokerage services.

#### Advisor Solutions Program

Advisor Solutions program accounts are established with either Pershing, LLC. or TD Ameritrade Institutional. Certain trades for the Advisor Solutions Program accounts are entered by SFS' IARs and routed through SFS' trade desk for execution at either Pershing LLC. or TD Ameritrade. The trades executed through SFS' trade desk are not aggregated so each client account will receive an individual execution price that may be lower or higher than other clients trading the same security. SFS acknowledges that by directing brokerage, clients may not receive best execution on transactions for their accounts. SFS does not receive client referrals from any of its directed brokerage arrangements. Sub-Managers of the separately managed accounts will have the authority to effect transactions for SFS' accounts with or through another broker, dealer or bank if the Sub-Manager believes that "best execution" of transactions may be obtained through such other broker, dealer or bank, including any broker-dealer that is affiliated with the Advisor or Sub-Manager. Please see Envestnet Portfolio Solutions' Form ADV Part 2A for more information regarding Envestnet Portfolio Solutions' brokerage practices.

#### Advisor Directed Program

Advisor Solutions program accounts are established with either Pershing, LLC. or TD Ameritrade Institutional. Certain trades for the Advisor Solutions Program accounts are entered by SFS' IARs and routed through SFS' trade desk for execution at either Pershing LLC. or TD Ameritrade. The trades executed through SFS' trade desk are not aggregated so each client account will receive an individual execution price that may be lower or higher than other clients trading the same security. SFS acknowledges that by directing brokerage, clients may not receive best execution on transactions for their accounts. SFS does not receive client referrals from any of its directed brokerage arrangements. Sub-Managers of the separately managed accounts will have the authority to effect transactions for SFS' accounts with or through another broker, dealer or bank if the Sub-Manager believes that "best execution" of transactions may be obtained through such other broker, dealer or bank, including any broker-dealer that is affiliated with the Advisor or Sub-Manager.

#### AssetMark

Please see AssetMark's Form ADV Part 2A for information regarding AssetMark's brokerage practices.

#### SEI

SEI accounts are established with SEI's Private Trust Company for custody and trade execution. Please see SEI's Form ADV Part 2A for more information regarding SEI's brokerage practices.

#### **Solicitation Agreements**

##### Brinker Capital

Please see Brinker Capital's Form ADV Part 2A for information regarding Brinker Capital's brokerage practices.

##### Curian Capital, LLC

Please see Curian Capital, LLC's Wrap Fee Program Brochure for information regarding Curian Capital, LLC's brokerage practices.

### The Pacific Financial Group, INC

Please see the Pacific Financial Group, INC's Form ADV Part 2A for information regarding the Pacific Financial Group, INC's brokerage practices.

## **Item 13. Review of Accounts**

### **Review of Managed Accounts**

SFS reviews a sample of its managed client accounts on a quarterly basis. The managed client accounts are reviewed to proactively identify any potential account irregularities.

To conduct its review of accounts, SFS selects a sample of accounts and acquires specific account information and documentation that is examined during the review. After the review is completed a report of findings are presented to various members of the SFS management team. Findings are reviewed and addressed to make certain that issues are addressed in a timely manner. These reports are not issued to the respective account owners. If SFS becomes aware of a matter that requires the client's attention in order to resolve, SFS will promptly notify the client.

SFS IARs meet at least annually with the clients to determine if there have been any changes to stated needs and objectives, or if there have been any significant changes in their financial situation that would warrant a change to the way their account is invested. Clients are encouraged to contact the IAR when these changes occur.

Clients invested under the SFS managed account programs receive monthly or quarterly written custodial statements. Quarterly performance reports are printed and sent from the respective programs.

## **Item 14. Client Referrals and Other Compensation**

IARs may act as Solicitors under some programs. Solicitors are individuals who introduce clients to an investment adviser with which the solicitor is not affiliated. Solicitor's arrangements allow the individual to receive compensation for referring a client. The compensation paid to a solicitor is a portion of the advisory fee paid by the client. All solicitation arrangements must be pre-approved by SFS.

SFS IARs have the ability to refer, or "solicit," clients to other investment advisers. IARs can solicit advisory business for both affiliated investment advisers and unaffiliated investment advisers. Unaffiliated investment advisers must be approved by us before any IARs are permitted to refer clients to them. If IARs are soliciting advisory business for any investment adviser, this will be disclosed to you through a disclosure statement and a written acknowledgement. The investment advisers that we solicit for provide a variety of management services, as outlined in each investment adviser's disclosure brochure. In general, they provide management strategies and investment models to advisory clients. The investment adviser will pay a portion of the advisory fee, as disclosed in the written acknowledgement, to SFS for soliciting clients. SFS will share a portion of this fee with the client's IAR. In exchange for this fee, the IAR is providing services including investor profiling, selection of managers, and ongoing account monitoring.

## **Item 15. Custodial Arrangements**

### Advisor Solutions Program

Neither SFS nor Envestnet Asset Management will maintain custody of account holdings owned by each client. Clearing and custody services are performed by either TD Ameritrade (TDA) or Pershing, LLC (Pershing). Administrative fees and the investment choices offered by each Custodian may differ. Clients should discuss the various services offered by each Custodian as well as the potential fees associated with each with their IAR in order to select the Custodian that best fits their needs. Each client will be the registered owner of his or her shares held by TDA or Pershing. SFS and Envestnet Portfolio Solutions have a type of custody because they may instruct TDA or Pershing to directly charge quarterly and pro-rated quarterly fees, as needed, and may deduct funds to cover such fees without separate authorization from the client. Monthly custodial statements are prepared and delivered to the client by either TDA or Pershing. Quarterly Performance Reports are generated by Envestnet Asset Management and delivered to the client by Signator Financial



Services, Inc. Clients are encouraged to carefully review the information contained in the statements and to promptly report any discrepancies.

#### Advisor Directed Program

Neither SFS nor Envestnet Asset Management will maintain custody of account holdings owned by each client. Clearing and custody services are performed by either TD Ameritrade (TDA) or Pershing, LLC (Pershing). Administrative fees and the investment choices offered by each Custodian may differ. Clients should discuss the various services offered by each Custodian as well as the potential fees associated with each with their IAR in order to select the Custodian that best fits their needs. Each client will be the registered owner of his or her shares held by TDA or Pershing. SFS and Envestnet Asset Management have a type of custody because they may instruct TDA or Pershing to directly charge quarterly and pro-rated quarterly fees, as needed, and may deduct funds to cover such fees without separate authorization from the client. Monthly custodial statements are prepared and delivered to the client by either TDA or Pershing. Quarterly Performance Reports are generated by Envestnet Asset Management and delivered to the client by Signator Financial Services, Inc. Clients are encouraged to carefully review the information contained in the statements and to promptly report any discrepancies.

#### AssetMark

SFS will not maintain custody of the client account holdings. Custody services will be offered by AssetMark. Please refer to AssetMark's Form ADV Part 2A for more information regarding AssetMark's current custody arrangements.

#### SEI Asset Management Program

SFS will not maintain custody of the client account holdings. Custody services will be performed by SEI. Each client will be the registered owner of his or her shares held by SEI. SFS has a type of custody because SFS may instruct SEI to directly charge quarterly and pro-rated quarterly fees, as needed, and may deduct funds to cover such fees without separate authorization from the client. Monthly custodial and quarterly statements are produced and delivered to the clients by SEI Private Trust. Clients are encouraged to carefully review the information contained in the statements and to promptly report any discrepancies.

#### **Solicitor Arrangements**

##### Brinker Capital

SFS acts as a solicitor on behalf of Brinker Capital and does not have an advisory relationship with Brinker Capital. Please refer to Brinker Capital's Form ADV Part 2A for more information regarding Brinker Capital's current custody arrangements.

##### Curian Capital, LLC

SFS acts as a solicitor on behalf of Curian Capital, LLC and does not have an advisory relationship with Curian Capital, LLC. Please refer to Curian Capital, LLC's Wrap Fee Program Brochure for more information regarding Curian Capital, LLC's current custody arrangements.

##### The Pacific Financial Group, LLC

SFS acts as a solicitor on behalf of the Pacific Financial Group, INC and does not have an advisory relationship with the Pacific Financial Group, INC. Please refer to the Pacific Financial Group, INC's, Form ADV Part 2A for more information regarding the Pacific Financial Group, INC's current custody arrangements.

### **Item 16. Investment Discretion**

If the client selects the Advisor Pathways or the Advisor Directed program, the client may execute a separate limited discretion authorization form. Limited discretionary authority granted by the client and, if approved by SFS, allows the IAR to invest, reinvest, and otherwise manage the client's investments consistent with the investment strategy selected, including authority to direct Envestnet to perform trade implementation and other program account administration services.

SFS retains the right to limit or prohibit the grant of discretion by any client to any Adviser.

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### **Item 17.Voting Client Securities**

Signator Financial Services, Inc. does not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

SFS IARs may provide clients with consulting assistance regarding proxy issues if they contact the SFS with questions at the principal place of business. SFS may also recommend the use of a third party proxy voting service if the client does not wish to vote their own proxies.

### **Item 18.Financial Information**

This item is not applicable to SFS.