

SNS Advisory Group

FORM ADV PART 2A

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September 16, 2015

This brochure provides information about the qualifications and business practices of SNS Advisory Group. If you have any questions about the contents of this Brochure, please contact the firm at 763-421-5300 or Compliance@snsag.com. You can also send mail to our main office at 551 Coon Rapids Blvd, Minneapolis, MN 55433. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority

Additional information about SNS Advisory Group is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for SNS Financial Group, LLC is pending.

Any references to SNS Advisory Group as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.

Item 2 Material Changes

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

- 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 fiscal year, which is December 31st. We may further provide other ongoing disclosure information about material changes as necessary.
- Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting the firm at 763-421-5300. Additional information about SNS Advisory Group is also available via the SEC's website www.adviser.sec.gov. The website also provides information about any persons affiliated with SNS Advisory Group who are registered, or are required to be registered, as investment adviser representatives of SNS Advisory Group.

Item 3 Table of Contents

Item 1 Cover Page.....	1
Item 2 Material Changes.....	2
Item 3 Table of Contents.....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation	6
Item 6 Performance-Based Fees and Side-by-Side Management.....	9
Item 7 Types of Clients	10
Item 8 Methods of Analysis, Investment Strategies, and Risk of Loss	11
Item 9 Disciplinary Information.....	16
Item 10 Other Financial Industry Activities and Affiliations	17
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	18
Item 12 Brokerage Practices.....	20
Item 13 Review of Accounts.....	26
Item 14 Client Referrals and Other Compensation	27
Item 15 Custody	28
Item 16 Investment Discretion.....	29
Item 17 Voting Client Securities	30
Item 18 Financial Information.....	31

Item 4 Advisory Business

A. SNS Advisory Group

SNS Advisory Group (“SNS” and/or “the firm”) is organized as a Minnesota limited liability company and is owned and co-managed by Brian Skolte, Todd Stueve, Tyler Schelhaas, Daniel Powers, and Joseph VanDam. The firm is a newly formed investment adviser; however, members of SNS previously provided investment advisory services through the firm’s affiliate, SNS Financial Group.

The firm contracts with independent third-party advisors who may operate under a separate name for branding purposes.

B. Advisory Services Offered

B.1 Investment Advisory Services

SNS is an investment advisory firm offering a variety of advisory services customized to your individual needs. Investment Adviser Representatives (IARs) may offer one or more of the following services, but are not obligated to provide all of the following services. Services between individual IARs may vary significantly. The firm may also hire sub-advisors to actively manage investment strategies for clients.

The investment advisory services that may be available include:

- Asset allocation advice and implementation
- Investment consultation
- Discretionary or non-discretionary asset management based upon Clients’ individual needs and circumstances
- Recommendation of third-party investment managers to manage all or a portion of your investment portfolio

SNS custom-tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities. SNS will meet with you and conduct an interview and data gathering session to continue the due diligence process. The information gathered by SNS will assist SNS in providing you with the requested services and to customize the services to your financial situation. Depending on the services you have requested, SNS may gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Financial needs
- Cash flow analysis
- Cost of living needs
- Education needs
- Savings tendencies

- Other applicable financial information required by SNS in order to provide the investment advisory services requested

You are advised the investment recommendations and advice offered by SNS are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform SNS promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify SNS of any such changes could result in investment recommendations not meeting your needs.

B.2. Financial Planning Services

SNS offers financial, estate, tax, and retirement, education, business succession planning services. Additionally, SNS will provide consultation on asset allocation, and various financial related matters such as budgeting, debt reduction.

Plans may be presented orally or in writing as mutually agreed upon by you and the firm and are based on your financial situation at the time and are based on financial information disclosed by you to SNS. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. SNS cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify SNS promptly of the changes. You are advised that the advice offered by SNS may be limited and is not meant to be comprehensive. Therefore, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant.

C. Client-Tailored Services and Client-Imposed Restrictions

Each client's account will be managed on the basis of the client's financial situation and investment objectives and in accordance with any reasonable restrictions imposed by the client on the management of the account—for example, restricting the type or amount of security to be purchased in the portfolio.

D. Wrap Fee Programs

SNS does not participate in wrap fee programs. (Wrap fee programs offer services for one all-inclusive fee.)

E. Client Assets Under Management

SNS is a newly formed adviser and currently has \$0 in assets under management.

Item 5 Fees and Compensation

A. Methods of Compensation and Fee Schedule

A.1. Percentage Fee Based on the Value of the Account

Generally, clients will be charged a percentage based fee for assets under management. Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds. The fee listed below is a maximum annual fee which is negotiable; actual fees are based on several factors including type of strategy, type of services, sophistication of the client, number of accounts, amount of assets being managed and related matters.

Account Size	Maximum Annual Fee
All Assets	2.0%

SNS aggregates all of your managed accounts together to determine the maximum annual fee. Cash balances are included in asset values for percentage based fee billing purposes. Clients are advised that some strategies may have large cash balances for extended periods.

Alternatively, clients can be charged a fixed fee as described below, at SNS' discretion. (See Fixed Annual Fee section below).

Asset-based fees are always subject to the investment advisory agreement between the client and SNS. Such fees are payable quarterly in advance. The fees will be prorated if the investment advisory relationship commences otherwise than at the beginning of a calendar quarter. Adjustments for significant contributions to a client's portfolio are prorated for the quarter in which the change occurs. No fee adjustments will be made for partial withdrawals or for additional deposits to a financial account during a calendar quarter unless the deposit or withdrawal in a single financial account is at least \$75,000 or more based on an aggregate of transactions in that account during a quarter. Furthermore, there will be no fee adjustments for account appreciation or depreciation.

A client investment advisory agreement may be canceled at any time by the client, or by SNS with 30 days' prior written notice to the client. A financial planning agreement may be terminated by either party for any reason upon receipt of written notice. Upon termination of any account, any unearned, prepaid fees will be promptly refunded. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

A.2. Fixed Annual Fee

For clients who wish to participate in multiple services or who have complex situations, clients can be charged a quarterly fixed fee up to a maximum of \$65,000 annually. The average client fee for this service is between \$5,000 and \$10,000 annually. The fee is determined for each client based on the following factors: value of assets being monitored, complexity of the client's situation, services to be rendered (i.e. strictly consultative, consultative and implementation, research, etc.), and complexity of the assets in the account (mutual funds versus individual equity and bond accounts and options). Clients will be provided a quote prior to execution of the advisory agreement. Fees are negotiable.

Fees will be due to SNS quarterly in advance and will generally be deducted from the client's account. Client authorization for SNS to deduct its fees will be granted in the advisory agreement. Clients will receive a statement directly from the account custodian reflecting the

amount of the fee deducted from the account and provided to SNS. Fees are billed in equal installments and are not prorated for partial quarterly periods, since the fee is considered earned after the quarterly consultation. However, SNS reserves the right to prorate fees upon inception and termination of the account. If fees are prorated, SNS will divide the quarterly fee by the number of days remaining in the quarter to determine a refund or inception billing amount.

A client investment advisory agreement may be canceled at any time by the client, or by SNS with 30 days' prior written notice to the client. Upon termination of any account, any unearned, prepaid fees will be promptly refunded. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

A.3. Fixed Planning Fee Schedule

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees for additional services obtained such as asset management or products purchased such as securities or insurance.

Fees are negotiable. Your fees will be dependent on several factors including time involved, research services, number of meetings, staff resources, number of parties and professionals involved, complexity of the situation, number of areas of the financial situation requiring review and evaluation, and expenses incurred by SNS.

Typically, you will be quoted a project fee. However, for consultative services or services where SNS is not able to define the work, research, time, etc. involved to provide the services, you may be charged on an hourly fee basis. In such cases, SNS and/or you may set a maximum fee requiring your authorization to continue with services if time and research exceed the initial quoted fee.

Fee Type	Maximum Fee	Payable
Fixed Fee	\$10,000	Fees are generally due and payable upon execution of the advisory agreement with SNS, unless otherwise negotiated.
Hourly Fee	\$250 per hour	Payable at the end of each month based upon time spent by SNS or upon completion of the services.

You will be billed directly for such services. Invoices will be mailed out on a periodic basis reflecting completed work performed.

You may terminate financial planning services within five (5) business days after entering into the advisory agreement without penalty. After five (5) business days of entering into the agreement, you may terminate the agreement with SNS at any time prior to completion of the services upon written notice of termination of services being delivered and received by SNS. Any refund of pre-paid fees will be calculated based on the amount of time spent by SNS and multiplied by the hourly rate of \$250 per hour.

B. Client Payment of Fees

SNS requires clients to authorize the direct debit of fees from their accounts. Exceptions may be granted subject to the firm's consent for clients to be billed directly for our fees. For directly

debited fees, the custodian's periodic statements will show each fee deduction from the account. Clients may withdraw this authorization for direct billing of these fees at any time by notifying us or their custodian in writing.

SNS will deduct advisory fees directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account.

The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

C. Additional Client Fees Charged

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds, mutual funds, sub-advisors and separate account managers, private placement, pooled investment vehicles, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, each private placement or pooled investment vehicle's confidential offering memoranda, and by any broker-dealer or custodian retained by the client. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using SNS may be precluded from using certain mutual funds or separate account managers because they may not be offered by the client's custodian.

Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

D. Prepayment of Client Fees

SNS generally requires fees to be prepaid on a quarterly basis. SNS's fees will either be paid directly by the client or disbursed to SNS by the qualified custodian of the client's investment accounts, subject to prior written consent of the client. The custodian will deliver directly to the client an account statement, at least quarterly, showing all investment and transaction activity for the period, including fee disbursements from the account.

A client investment advisory agreement may be canceled at any time by the client, or by SNS with 30 days' prior written notice to the client. Upon termination of any account, any unearned, prepaid fees will be promptly refunded. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

You may terminate financial planning services within five (5) business days after entering into the advisory agreement without penalty. After five (5) business days of entering into the agreement, you may terminate the agreement with SNS at any time prior to completion of the services upon written notice of termination of services being delivered and received by SNS. Any refund of pre-paid fees will be calculated based on the amount of time spent by SNS and multiplied by the hourly rate of \$250 per hour.

E. External Compensation for the Sale of Securities to Clients

SNS's advisory professionals are compensated primarily through a salary and bonus structure. SNS's advisory professionals may receive commission-based compensation for the sale of insurance products. Please see Item 10.C. for detailed information and conflicts of interest.

Item 6 Performance-Based Fees and Side-by-Side Management

SNS does not charge performance-based fees and therefore has no economic incentive to manage clients' portfolios in any way other than what is in their best interests.

Item 7 Types of Clients

SNS offers its investment services to various types of clients including individuals and high-net-worth individuals, institutions, and pension and profit sharing plans.

SNS generally requires a minimum account size of \$5,000. SNS, in its sole discretion, may waive the required minimum.

Item 8 Methods of Analysis, Investment Strategies, and Risk of Loss

A. Methods of Analysis and Investment Strategies

SNS uses a variety of sources of data to conduct its economic, investment and market analysis, such as financial newspapers and magazines, economic and market research materials prepared by others, conference calls hosted by mutual funds, corporate rating services, annual reports, prospectuses, and company press releases. It is important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

SNS and its investment adviser representatives are responsible for identifying and implementing the methods of analysis used in formulating investment recommendations to clients. The methods of analysis may include quantitative methods for optimizing client portfolios, computer-based risk/return analysis, technical analysis, and statistical and/or computer models utilizing long-term economic criteria.

- Optimization involves the use of mathematical algorithms to determine the appropriate mix of assets given the firm's current capital market rate assessment and a particular client's risk tolerance.
- Quantitative methods include analysis of historical data such as price and volume statistics, performance data, standard deviation and related risk metrics, how the security performs relative to the overall stock market, earnings data, price to earnings ratios, and related data.
- Technical analysis involves charting price and volume data as reported by the exchange where the security is traded to look for price trends.
- Computer models may be used to attempt derive the future value of a security based on assumptions of various data categories such as earnings, cash flow, profit margins, sales, and a variety of other company specific metrics.

In addition, SNS reviews research material prepared by others, as well as corporate filings, corporate rating services, and a variety of financial publications. SNS may employ outside vendors or utilize third-party software to assist in formulating investment recommendations to clients.

You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by SNS will require you to be prepared to bear the risk of loss and fluctuating performance.

A.3. Material Risks of Investment Instruments

While the firm manages portfolios with a long-term focus, investing in securities involves a risk of loss that clients should be prepared to bear.

SNS primarily uses exchange traded funds (ETFs), stocks, and fixed income. For certain clients, SNS may effect transactions in the following types of securities:

- Equity securities
- Mutual fund securities
- Exchange-traded funds
- Fixed income securities
- Corporate debt obligations

- Variable annuities

A.3.a. Equity Securities

Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

A.3.b. Mutual Fund Securities

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

A.3.c. Exchange-Traded Funds ("ETFs")

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs[®], streetTRACKS[®], DIAMONDSSM, NASDAQ 100 Index Tracking StockSM ("QQQsSM") iShares[®] and VIPERs[®]. The funds could purchase an ETF to gain exposure to a portion of the U.S. or foreign market. The funds, as a shareholder of another investment company, will bear their pro-rata portion of the other investment company's advisory fee and other expenses, in addition to their own expenses.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

A.3.d. Fixed Income Securities

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds have liquidity and currency risk.

A.3.e. Corporate Debt Obligations

Corporate debt obligations include corporate bonds, debentures, notes, commercial paper and other similar corporate debt instruments. Companies use these instruments to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than nine months. In addition, the firm may also invest in corporate debt securities registered and sold in the United States by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

B. Investment Strategy and Method of Analysis Material Risks

Our investment strategy is custom-tailored to the client's goals, investment objectives, risk tolerance, and personal and financial circumstances.

SNS does not represent, warranty or imply that the services or methods of analysis used by SNS can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by SNS will provide a better return than other investment strategies.

B.1. Margin Leverage

Although SNS, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, other separate account managers and, in very limited circumstances, SNS will utilize leverage. In this regard please review the following:

The use of margin leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment.

The use of margin leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers who carry customer accounts require a minimum equity requirement when clients utilize margin leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of margin leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

B.2. Short-Term Trading

Although SNS, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. In this regard, please read the following:

There is an inherent risk for clients who trade frequently in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

B.3. Short Selling

SNS generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales is the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

B.4. Technical Trading Models

Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.

B.5. Option Strategies

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities. In addition, options allow investors to hedge security positions held in the portfolio. For detailed information on the use of options and option strategies, please contact the Options Clearing Corporation for the current Options Risk Disclosure Statement.

SNS as part of its investment strategy may employ the following option strategies:

- Covered call writing
- Long call options purchases
- Long put options purchases

B.5.a. Covered Call Writing

Covered call writing is the sale of in-, at-, or out-of-the-money call option against a long security position held in the client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be

reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

B.5.b. Long Call Option Purchases

Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

B.5.c. Long Put Option Purchases

Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

C. Security-Specific Material Risks

There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

Item 9 Disciplinary Information

A. Criminal or Civil Actions

There is nothing to report on this item.

B. Administrative Enforcement Proceedings

There is nothing to report on this item.

C. Self-Regulatory Organization Enforcement Proceedings

There is nothing to report on this item.

Item 10 Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

Neither SNS nor its affiliates, employees, or independent contractors are registered broker-dealers and do not have an application to register pending.

B. Futures or Commodity Registration

Neither SNS nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

C.1. SNS Financial Group, LLC

SNS Financial Group, LLC ("SNSFG") is a registered investment adviser and an affiliate of SNS Advisory Group, LLC ("SNSAG"). Depending on the needs of the client, SNSAG may recommend, its affiliate, SNSFG as either a separate account manager or sub-adviser for client advisory assets. This creates a potential conflict of interest in that the recommendation of SNSFG may be viewed as being in the best economic interests of the firm as opposed to the best interests of its clients. We manage this conflict by disclosing such conflict to the client and by ensuring our recommendations are made in the best interests of the client, given the client's personal and financial circumstances.

C.2. Insurance Sales

Certain managers, members, and registered employees of SNS are licensed insurance agents. With respect to the provision of financial planning services, SNS professionals may recommend insurance products offered by such carriers for whom they function as an agent and receive a commission for doing so. Please be advised there is a potential conflict of interest in that there is an economic incentive to recommend insurance and other investment products of such carriers. Please also be advised that SNS strives to put its clients' interests first and foremost, and clients may utilize any insurance carrier or insurance agency they desire.

D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest

SNS does not recommend separate account managers or other investment products in which it receives any form of referral or solicitor compensation from the separate account manager or client. SNS does engage in solicitor arrangements; please see Item 14 for additional disclosure.

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

A. Code of Ethics Description

In accordance with the Advisers Act, SNS has adopted policies and procedures designed to detect and prevent insider trading. In addition, SNS has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of SNS's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of SNS. SNS will send clients a copy of its Code of Ethics upon written request.

SNS has policies and procedures in place to ensure that the interests of its clients are given preference over those of SNS, its affiliates and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

B. Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

SNS does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, SNS does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

SNS, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase the same securities as are purchased for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which SNS specifically prohibits. SNS has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner

- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow SNS's procedures when purchasing or selling the same securities purchased or sold for the client.

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

SNS, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other SNS clients. SNS will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation (please refer to Item 12.B.3 Order Aggregation). It is the policy of SNS to place the clients' interests above those of SNS and its employees.

Item 12 Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions

A.1. Custodian Recommendations

SNS participates in the institutional customer program of TD Ameritrade Institutional, a division of TD Ameritrade, Inc. (“TD Ameritrade” and/or “custodian”), member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance, and settlement of transactions. SNS receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 of this Brochure.)

SNS may also recommend that clients establish brokerage accounts with Scottrade, Inc. (“Scottrade” and/or “custodian”), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients’ assets and to effect trades for their accounts. Although SNS may recommend that clients establish accounts at the custodian, it is the client’s decision to custody assets with the custodian. SNS is independently owned and operated and not affiliated with custodian. For SNS client accounts maintained in its custody, the custodian generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodian accounts.

SNS considers the financial strength, reputation, operational efficiency, cost, execution capability, level of customer service, and related factors in recommending broker-dealers or custodians to advisory clients.

In certain instances and subject to approval by SNS, SNS will recommend to clients certain other broker-dealers and/or custodians based on the needs of the individual client, and taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by SNS will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

A.1.a. Soft Dollar Arrangements

SNS does not utilize soft dollar arrangements. SNS does not direct brokerage transactions to executing brokers for research and brokerage services.

A.1.b. Institutional Trading and Custody Services – TD Ameritrade

The custodian provides SNS with access to its institutional trading and custody services, which are typically not available to the custodian’s retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain minimum amount of the advisor’s clients’ assets are maintained in accounts at a particular custodian. These services are not contingent upon SNS committing to a custodian any specific amount of business (assets in custody or trading commissions). The

custodian's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

A.1.c. Other Products and Services

Custodian also makes available to SNS other products and services that benefit SNS but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of SNS's accounts, including accounts not maintained at custodian. The custodian may also make available to SNS software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data
- facilitate payment of SNS's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

The custodian may also offer other services intended to help SNS manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

The custodian may also provide other benefits such as educational events or occasional business entertainment of SNS personnel. In evaluating whether to recommend that clients custody their assets at the custodian, SNS may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

A.1.d. Independent Third Parties

The custodian may make available, arrange, and/or pay third-party vendors for the types of services rendered to SNS. The custodian may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to SNS.

A.1.e. Additional Compensation Received from Custodians

SNS may participate in institutional customer programs sponsored by broker-dealers or custodians. SNS may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between SNS's participation in such programs and the investment advice it gives to its clients, although SNS receives economic benefits through its participation in the programs that are typically not available to retail investors.

These benefits may 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 SNS 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
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to SNS by third-party vendors

The custodian may also pay for business consulting and professional services received by SNS's related persons, and may pay or reimburse expenses (including travel, lodging, meals and entertainment expenses for SNS's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit SNS but may not benefit its client accounts. These products or services may assist SNS in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are intended to help SNS manage and further develop its business enterprise. The benefits received by SNS or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

SNS also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require SNS to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, SNS will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by SNS's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for SNS's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, SNS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SNS or its related persons in and of itself creates a potential conflict of interest and may indirectly influence SNS's recommendation of broker-dealers for custody and brokerage services.

A.2. Brokerage for Client Referrals

SNS does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

A.3. Directed Brokerage

A.3.a. SNS Recommendations

SNS typically recommends TD Ameritrade and Scottrade as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf.

A.3.b. Client-Directed Brokerage

Occasionally, clients may direct SNS to use a particular broker-dealer to execute portfolio transactions for their account or request that certain types of securities not be purchased for their account. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage SNS derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. SNS loses the ability to aggregate trades with other SNS advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

B. Aggregating Securities Transactions for Client Accounts

B.1. Best Execution

SNS, pursuant to the terms of its investment advisory agreement with clients, has discretionary authority to determine which securities are to be bought and sold, and the amount of such securities. SNS recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. SNS will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, SNS seeks to ensure that clients receive best execution with respect to clients' transactions by blocking client trades to reduce commissions

and transaction costs. To the best of SNS's knowledge, these custodians provide high-quality execution, and SNS's clients do not pay higher transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, SNS believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

B.2. Security Allocation

Since SNS may be managing accounts with similar investment objectives, SNS may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by SNS in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

SNS's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. SNS will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

SNS's advice to certain clients and entities and the action of SNS for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines and circumstances. Thus, any action of SNS with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of SNS to or on behalf of other clients.

B.3. Order Aggregation

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, "strategy" trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if SNS believes that a larger size block trade would lead to best overall price for the security being transacted.

B.4. Allocation of Trades

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is "over-filled."

SNS acts in accordance with its duty to seek best price and execution and will not continue any arrangements if SNS determines that such arrangements are no longer in the best interest of its clients.

Item 13 Review of Accounts

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Accounts are reviewed by SNS's investment advisor representatives on at least a quarterly basis. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. SNS will monitor for changes or shifts in the economy, changes to the management and structure of a security or company in which your assets are invested, and market shifts and corrections.

If you are participating in Financial Planning and Consulting Services you will not receive regular reviews. SNS recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews is solely your decision. Other than the initial plan or analysis, there will be no other reports issued.

You are advised that you must notify your advisory representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the portfolio allocation and make recommendations for changes.

B. Review of Client Accounts on Non-Periodic Basis

SNS may perform ad hoc reviews on an as-needed basis if there have been material changes in the client's investment objectives or risk tolerance, or a material change in how SNS formulates investment advice.

C. Content of Client-Provided Reports and Frequency

SNS reports to the client on a quarterly basis or at some other interval agreed upon with the client, information on contributions and withdrawals in the client's investment portfolio, and the performance of the client's portfolio measured against appropriate benchmarks (including benchmarks selected by the client).

The client's independent custodian provides account statements directly to the client no less frequently than quarterly. The custodian's statement is the official record of the client's securities account and supersedes any statements or reports created on behalf of the client by SNS.

Item 14 Client Referrals and Other Compensation

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

A.1. TD Ameritrade

As disclosed under Item 12, SNS participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade Institutional to clients for custody and brokerage services. There is no direct link between SNS's participation in the program and the investment advice it gives to clients, although the firm 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 either 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 our clients
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to our client's accounts)
- The ability to have advisory fees deducted directly from our client's
- 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
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to our firm by third-party vendors

TD Ameritrade may also have paid for business consulting and professional services received by SNS's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit SNS but may not benefit its clients' accounts. These products or services may assist SNS in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help SNS manage and further develop its business enterprise. The benefits received by SNS 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, SNS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by SNS or its related persons in and of itself creates a potential conflict of interest and may indirectly influence SNS's choice of TD Ameritrade for custody and brokerage services.

B. Advisory Firm Payments for Client Referrals

SNS may enter into agreements with solicitors who will refer prospective advisory clients to SNS in return for a portion of the ongoing investment advisory fee. Such arrangements will comply with the Minnesota cash solicitation requirements. Generally, these requirements require the solicitor to have a written agreement with SNS. The solicitor must provide the client with a

disclosure document describing the fees it receives from SNS, whether those fees represent an increase in fees that SNS would otherwise charge the client, and whether an affiliation exists between SNS and the solicitor.

Item 15 Custody

Clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances and portfolio holdings in the client's account. Clients are urged to compare billing statements provided by SNS to the custodian statement for accuracy. Any discrepancies should be brought to the firm's attention. The custodian's statement is the official record of the account.

Item 16 Investment Discretion

Clients may grant a limited power of attorney to SNS with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In those cases, SNS will exercise full discretion as to the nature and type of securities to be purchased and sold, and the amount of securities for such transactions. Investment limitations may be designated by the client as outlined in the investment advisory agreement.

Item 17 Voting Client Securities

SNS does not take discretion with respect to voting proxies on behalf of its clients. SNS will endeavor to make recommendations to clients on voting proxies regarding shareholder vote, consent, election or similar actions solicited by, or with respect to, issuers of securities beneficially held as part of SNS supervised and/or managed assets. In no event will SNS take discretion with respect to voting proxies on behalf of its clients.

Except as required by applicable law, SNS will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies.

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. SNS has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. SNS also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, SNS has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where SNS receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

Item 18 Financial Information

A. Balance Sheet

SNS does not require the prepayment of fees of \$500 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

SNS does not have any financial issues that would impair its ability to provide services to clients.

C. Bankruptcy Petitions During the Past Ten Years

There is nothing to report on this item.