



Item 1 – Cover Page

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March 2020

This Brochure provides information about the qualifications and business practices of ISC Advisors, Inc. (“ISCA”, “ISC Advisors”, “Firm”, “our” and or “us”). If you have any questions about the contents of this Brochure, please contact us at (800) 888-3520 or compliance@iscgroup.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

ISC Advisors 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 provide you with information about which you determine to hire or retain an Adviser.

Additional information about ISC Advisors also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

The date of the previous brochure of ISC Advisors, Inc. is March 2019.

Material changes to the brochure as revised from the previous version are as follows:

- Item 4 Advisory Business was amended to update the Firm's Assets Under Management for fiscal year ended 12/31/2019.
- Item 14 – Client Referrals and Other Compensation was amended to clarify and certain Firm policies related Compensation to Financial Advisors, Mutual Fund Share Classes and Fees, Cash, Money Market Funds and Sweep Accounts, and Margin Loans.

In addition to the material changes set forth above, additional changes reflected in this version of this Brochure include a number of minor editorial edits.

Currently, our Brochure may be requested by contacting Andrey Weadon, Director of Operations at (800) 888-3520 or compliance@iscgroup.com. Our Brochure is also available on our web site www.iscgroup.com also free of charge.

Additional information about ISC Advisors is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with ISCA who are registered, or are required to be registered, as investment adviser representatives of ISCA.

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Item 4 – Advisory Business

ISC Advisors is a wholly owned subsidiary of ISC Group, Incorporated (“ISC Group” or “ISCG”). ISC Group and ISC Advisors, Inc. are located at 3500 Oak Lawn Ave, Suite 400 Dallas, TX 75219. ISC Group was incorporated in 1989 and ISC Advisors, Inc. was founded in 1994. ISC Investment Management, LLC (“ISC Investment Management” or “ISC”) is the majority shareholder of ISC Group. Scott A. Hayes is the President and CEO of ISC Group and the majority shareholder of ISC Investment Management.

The names ISC Advisors, ISC Group, and ISC are often used interchangeably in the day to day operations of the Firm. All contracts, correspondence, sales literature and advertising that require registration under the Investment Advisers Act of 1940 (“Advisers Act”) are provided through registrant, ISC Advisors.

Services Offered

Financial planning

The Firm may provide financial planning services in the areas of retirement planning, financial planning, personal tax and cash flow planning, estate planning, insurance planning, divorce planning, college planning, and compensation and benefits planning, among others and such services are provided based upon a negotiated hourly rate. Once the scope of financial planning services has been agreed upon, a determination will be made as to the applicable fee to be charged. The final fee, subject to negotiation, is directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the financial plan or service(s) requested. *In limited circumstances*, the cost/time could potentially exceed the initial estimate. In such cases, the Firm will notify the Client and may request that the client pay an additional fee.

The Firm reserves the right to determine whether the financial planning fees will be waived or offset by advisory fees and/or additional compensation earned in the implementation process. The scope and complexity of the financial planning services that were provided may determine the waiver or offset of the fee.

In general, the financial plan will address the following areas of concern:

Personal: family records, budgeting, personal liability, estate information and financial goals.

Tax and Cash Flow: Income tax and spending analysis and planning for the past, current and future years. We illustrate the impact of various investments on the client's or clients' current income tax and future tax liability.

Death and Disability: Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.

Retirement: Analysis of current strategies and investment plans to help the clients achieve their retirement objectives.

Investments: Analysis of investment alternatives and their effects on client portfolios.

ISCA gathers required information through personal interviews. Information gathered includes a client's current financial status, future goals, attitudes towards risk and other relevant information. After this information is obtained, ISCA and advisor representatives make recommendations for the client. Should the client choose to implement the recommendations contained in the plan, ISCA suggests the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

Limited Services: Clients can also receive investment advice on a more limited basis. This may include advice on only isolated areas of concern such as estate planning, retirement planning, or other specific topic. ISCA also provides specific consultation and administrative services regarding investment and financial concerns of the client.

Additionally, ISCA provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice. Financial Plan recommendations are not limited to any specific product or service offered by a broker dealer or insurance company. All recommendations are of a generic nature.

Pension Consulting Services

As an investment advisor, ISCA also provides pension consulting services to employers that are contemplating starting, transferring, or amending their employer-sponsored retirement plan(s). In this capacity, ISCA meets with senior management and key personnel to design and operate retirement plans and retirement plan documents that meet the employer's needs and comply with all applicable rules and regulations.

ISCA will provide the following services: Institutional accounts are typically employer sponsored qualified retirement plans under section 401(a), 401(k), 403(b), or 457 of the IRS Code. (1) ISCA may provide fiduciary and/or non-fiduciary services to such Plan Clients and such capacity shall be disclosed in writing to the Plan Client. (2) ISCA will implement the investment plan after having reviewed the applicable investment options with the client. Investment options selected may include the use of load and no-load mutual funds. In the case of load mutual funds, ISCA will attempt to waive loads whenever possible. Other products recommended and utilized may include closed-end mutual funds, fixed and variable annuities, insurance GIC products, unit investment trusts, certificates of deposit, exchange traded funds, individual stocks, bonds, government securities, and municipal securities. (3) periodic due diligence reviews of the Plan's reports, investment options and recommendations. (4) assist in

monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and will make recommendations as necessary to maintain or remove and replace investment options. (5) ISCA may also provide services to individual plan participants including education, enrollment assistance, and as requested from time to time, one on one consultations regarding investment recommendations. When providing individual plan participant consulting services, ISCA will review the plan participant's financial situation, goals, and objectives as well as the investment options available in the retirement plan. ISCA will make such recommendations from the list of available investment options in the retirement plan account as are deemed appropriate and consistent with the plan participant's stated investment objectives and risk tolerance. These services do not constitute asset management services for the participant's retirement plan account. The plan participant will determine whether or not to implement the advice provided. The implementation of any trades in the participant's retirement plan account is the participant's responsibility.

ISCA represents that it is not subject to any disqualification as set forth in Section 411 of the Employee Retirement Income Security Act ("ERISA"). In performing fiduciary services for a Plan Client, it is acting as a fiduciary of such Plan as defined in Section 3(21) under ERISA for purposes of providing non-discretionary investment advice to the Plan and plan participants. The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to participants under ERISA.

In the event that the Firm serves as a fiduciary for a particular Plan Client, the Firm may receive fiduciary fees for those services.

Managed Accounts Program

The Firm has developed a proprietary managed account program called Pathways ("the Program") to assist clients in meeting their investment goals and objectives. The Program seeks to maximize risk-adjusted returns over the long-run according to each portfolio's objectives. The Program is managed by an investment committee at the Firm that meets frequently to discuss the underlying funds, asset allocation, and forward-looking market and economic expectations.

The Program is offered through various custodial and brokerage accounts as an actively-managed overlay consisting of either mutual funds or exchange-traded funds and is managed according to one of five managed model portfolios:

- (1) Conservative Income - focused on preserving capital and attempts to protect investors with shorter time horizons from losses. The majority of this portfolio is invested in fixed income securities with a small portion in equities and is the most conservative model

available. Lower potential gains are offset by reduced volatility and investment risk. The Conservative Income Model is designed for shorter time horizon investors that tolerate minimal market fluctuation and is less concerned with long-term growth of capital.

- (2) Income – primarily attempts to avoid short-term loss, but still seeks somewhat higher returns over the long term
- (3) Balanced – intended to provide returns that are expected to outpace inflation over the long term to investors who are equally concerned with risk and return
- (4) Growth - designed to provide wealth accumulation to investors with intermediate to long term time horizons. This portfolio may have higher than average volatility and potential short-term losses to achieve desired returns.
- (5) Aggressive Growth – designed for investors who have a longer time horizon and to provide wealth accumulation. Investors may experience volatility and short-term loss in portfolio value in exchange for the chance to achieve higher returns over the long term.

Model Portfolios are managed according to the general categories of objectives and risk tolerances defined above and are not tailored to the individual needs of the clients. The Program is currently offered as a portfolio management option to the Firm's corporate clients for utilization in connection with their employer-sponsored qualified retirement plans. The Program is purely optional. Participants can start or stop this program at any time and can alternatively select to self-direct their individual retirement plan(s) rather than rely on the Firm's Managed Portfolio Program option. The Program is offered through the Firm, its registered representatives or investment advisory representatives acting in their separate capacity as Investment Advisor Representatives ("IAR(s)") of the Firm, based on the Firm's independent registration as an investment adviser with the Securities and Exchange Commission. Clients that participate in the program will receive Part 2A of the Firm's Form ADV in accordance with SEC regulations. If the disclosure brochure is not delivered to the Client at least 48 hours prior to entering into the Agreement, the Client may terminate the Agreement within five business days without penalty. After the five day period, either party may terminate the agreement by providing written notice to the other. Upon termination, any prepaid fees will be prorated to the date of termination and unearned fees will be returned to the Client.

The fees for the Managed Account Program generally range from 0% to 1.3% depending upon the Firm's negotiated arrangement with a Client.

Fee Schedule: For investment advisory services, ISCA will generally charge a fee based upon a percentage of assets under management. Fees are negotiable and will not exceed a maximum of one point three-percent (1.30%) per year. ISCA may alternatively charge an hourly fee and/or a flat rate fee. These fees may likewise be negotiated as per the executed client agreement.

Publications of Periodicals or Newsletters

ISCA may publish free newsletters written by the company or purchased from a third-party. Newsletters may be distributed on paper or electronically. No specific information about performance, past or expected, or particular securities will be discussed except for publicly known facts such as prices and benchmark performance such as the S&P 500 Index and Dow Jones Industrial Average.

Educational Seminars/Workshops

ISCA Advisors will conduct workshops free of charge and open to the public on various topics of financial planning and investments. These are general in nature and are not meant to represent financial or tax advice for a specific person. No specific information about performance, past or expected, or particular securities will be discussed except for publicly known facts such as prices and benchmark performance such as the S&P 500 Index and Dow Jones Industrial Average.

Assets Under Management

Total Assets under management as of 12/31/2019: \$990,912,470

Accounts managed on a discretionary basis:	\$473,060,267
Accounts managed on a non-discretionary basis:	\$517,852,203

Item 5 – Fees and Compensation

All fees are subject to negotiation.

The specific manner in which fees are charged by ISCA is established in a client's written agreement with ISCA. Depending upon the platform utilized by any particular client, advisory fees may be calculated in arrears or in advance. Where fees are calculated in advance, the fees are computed at either the beginning of each period (monthly or quarterly), based upon either the average daily balance or period ending balance of the assets under management for the previous period as reflected on the custodian statement. Clients may elect to be billed directly for fees or to authorize ISCA to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimus contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

ISCA's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment managers and other third parties such as fees

charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to ISCA's fee. Affiliates of ISCA may receive other compensation, including asset-based sales charges, services fees, revenue sharing payments, 12b-1 fees or other fees, including but not limited to administrative fees.

ISC Advisors IARs may also be registered representative of Institutional Securities Corp ("Institutional Securities Corp." or "ISC"), an affiliate broker dealer. ISC is a securities Broker-Dealer that is a member of the Financial Industry Regulatory Authority ("FINRA") and SIPC. ISC and its supervised persons may accept compensation from the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds and insurance products. This practice presents a conflict of interest if the registered representative is also registered with ISCA as an IAR, and gives ISC and those registered representatives who are also associated with ISCA an incentive to recommend investment products based on the compensation received, rather than on a client's needs. In these situations, ISC generally requires that securities are purchased with the commission or markup waived; however, there could be situations where this is unavoidable. Trades are reviewed daily to ensure that they are in the best interest of the client. Client accounts are also randomly reviewed periodically for inconsistencies with investment objectives, accuracy of fee billing and deduction in accordance to the fee schedule on file, excessive trading, excessive commissions or markups and other determining factors deemed appropriate by ISC's and/or ISCA's Compliance Personnel.

Mutual Funds –The advisory, administrative, custodial and other costs of the fund make up the funds' "expense ratios." Clients invested in funds will be subject to the applicable expense ratio in addition to any purchase or redemption fees. If a fund imposes sales charges, a client may pay an initial or deferred sales charge. If the advisor representative recommends mutual funds that carry a sales load or pay 12(b)-1 fees, and receives this compensation in their capacity as a registered representative of ISC in addition to a separate advisory fee, a conflict of interest exists. Fees and expenses are detailed in each fund's prospectus and clients should accordingly consult the funds' prospectuses for information about a specific fund's expenses and fees.

Insurance Contracts – ISCA and investment advisor representatives may recommend that clients purchase fixed or variable insurance contracts when the client's tax or legal situation make such purchases suitable, or if the client determines certain living or death benefit guarantees available through insurance contracts are desirable in helping the client meet his/her investment, tax or income objectives. Clients are advised that variable insurance contracts carry fees and expenses relating to providing insurance guarantees that are in addition to the expenses associated with the investment features. These insurance related

expenses usually include mortality and expense risk fees, premium taxes (in certain states), optional riders, an annual contract administration fee and, in the case of life insurance, the cost of the life insurance risk to the insurance company. Clients are advised that the additional fees charged by insurance companies within variable contracts are separate and distinct from advisory fees charged by ISCA. In addition, these contracts may have significant withdrawal or surrender penalties if a minimum contract holding period is not met. All fees and expenses associated with the variable contract features and benefits are explained in detail in the prospectus for the product being recommended and disclosure is documented on the Firm's compliance documentation that is signed by the client.

At no time shall ISCA or an IAR of ISCA charge an advisory fee on any insurance contract or on any mutual fund that paid ISC and the IAR, in their capacity as a registered representative of ISC, a front-end or back-end sales charge. This prohibition against charging both an advisory fee and earning commissions (other than 12(b)-1 fees) mitigates the conflict of interest noted above. Additionally, ISC registered representatives are not permitted to markup or charge commissions on trades of stocks, bonds, options or ETF's that exceed the ISC's standard ticket charge.

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

ISCA does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client), nor does it engage in side-by-side management.

Item 7 – Types of Clients

ISCA provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, and other U.S. and international institutions.

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

Institutional Accounts

The Investment Committee manages and oversees the investment of assets in accordance with an Investment Policy Statement.

- The Investment Policy Statement sets forth the investment objectives and investment guidelines that govern the activities of the Investment Committee and any other parties to whom the Investment Committee has delegated investment management responsibility for assets.
- The Investment Committee will supervise the investment of the assets and make decisions concerning selection and retention of the investment options. Accordingly, the Investment Committee will have authority both to select and monitor funds.

- Periodic evaluation and performance analysis of investment options will be conducted by the Investment Committee.

The investment objectives, risk characteristics, historical performance and expenses related to each investment are reviewed when selecting investment options. The selected investment options are intended to:

- Maximize potential returns while assuming a reasonable level of risk relative to a stated benchmark and/or peer group.
- Provide returns comparable to returns for similar investment options.
- Provide exposure to a range of investment opportunities in various asset classes.
- Control management costs

Each investment manager must:

- Be considered a bank, insurance company, investment management company or an investment adviser registered under the Advisers Act.
- Be able to disclose information on history, investment philosophy, fee schedules and other relevant investment and/or fund information.
- Be operating in good standing with regulators, with no material pending or concluded legal actions.

The investment options must meet the following criteria:

- Performance should be reasonable, compared to an appropriate, style-specific benchmark and/or peer group over a period of time.
- Specific risk and risk-adjusted return measures should be within a reasonable range relative to an appropriate, style-specific benchmark and/or peer group.
- The options should complement other available options so that when used together, they may be expected to reduce portfolio volatility or increase expected long-term portfolio returns.
- The investment options should be consistently managed by, and demonstrate adherence to, the investment objectives stated in the prospectus.
- Fees should be reasonable and competitive compared to similar investments/funds.

The monitoring of the investment options and the investment managers will be a regular and disciplined process. This monitoring provides a means of revisiting the selection process and confirming that the investment options continue to satisfy the criteria by which they were chosen. While frequent change is neither expected nor desirable, the process of monitoring investment performance relative to specified guidelines is an on-going process.

Monitoring will include evaluating if there are any unusual, notable or extraordinary events affecting the Firm and/or investment option(s). Examples of these events include:

- Performance and risk objectives are not achieved
- Unexplainable non-adherence to stated objectives
- Non-compliance with investment guidelines as detailed in the prospectus or other such document
- Organization instability and/or the departure of key relevant investment professionals
- Changes that would negatively impact the investment process
- Unusual turnover
- Unexplainable portfolio manager or team departure
- Material litigation against the Firm
- Material changes in Firm ownership structure, etc.

After review, if the investment option and/or the investment manager are deemed acceptable, no further action is required. If areas of concern exist, steps must be taken to resolve the problem(s). If over a reasonable period of time, the issue is not solved, termination of the investment manager and/or investment option may result.

An investment option may be terminated when confidence is lost in the option's ability to:

- Achieve performance objectives
- Achieve risk objectives
- Maintain a stable investment style

There are no hard and fast rules for investment option termination. However, if the investment has consistently failed to adhere to one or more of the above conditions, it is reasonable to presume a lack of adherence going forward. Failure to remedy the circumstances of unsatisfactory performance, within a reasonable time, shall be grounds for termination.

Any recommendation to terminate an investment option will be treated on an individual basis and will not be made solely based on quantitative data. In addition to those above, other factors may include investment option manager turnover, or material change to investment processes. Considerable judgment must be exercised in the termination decision process.

An investment option to be terminated shall be removed using one of the following approaches:

- Remove and replace (map assets) to an alternative investment option

- Continue the investment option, but add a competing investment option
- Remove the investment option and do not provide a replacement investment option

The Investment Committee is responsible for all investment selection, asset allocation and rebalancing decisions for Institutional Accounts previously described under the Managed Accounts Program section and all Investment Advisor Representatives are responsible for individual client recommendations under the supervision of ISCA's compliance personnel. While all model portfolios are managed according to differing objectives: Conservative Income, Income, Balanced, Growth and Aggressive Growth, all employ a similar investment strategy and differ only in the underlying asset allocations.

This investment strategy primarily buys and holds mutual funds that have differing risks and differing investment objectives, and each underlying fund allocation is weighted according to the investment committee's recommendations. Past performance does not guarantee future results. Please consider the investment objectives, risks, and charges and expenses of these mutual funds carefully, which along with other important information, will be located in the Prospectus. This prospectus can be obtained from ISCA toll free at (800) 888-3520 and should be read carefully before investing any monies. Investment in a mutual fund or security involves risk. The investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost.

Retail/Private Client Accounts

Retail clients engage the Firm's IARs by entering into an Investment Advisory Agreement. Each IAR gathers information needed to make recommendations through in-depth personal interviews. Information gathered includes, among others, a client's current financial status, future goals and attitudes towards risk. Once this information is gathered, the IAR makes investment recommendations based on his or her own research, and may include allocations to a range of financial products and services that may include mutual funds, stocks, bonds, options, exchange traded funds and other financial instruments that are aligned with each customer's unique needs and tolerance for risk. IAR's management styles can incorporate fundamental analysis or technical analysis, and can include strategic and tactical asset allocation strategies. Investment Advisor Representatives are charged with continually monitoring clients' portfolios along with changes in clients' needs, objectives and tolerances for risk that may dictate a change in strategy or recommendations. All IAR activity is monitored by ISCA's compliance personnel to ensure that recommendations are in the clients' best interests.

Investing in securities involves risk of loss that clients should be prepared to bear.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of ISCA or the integrity of ISCA's management. ISCA has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

In addition to the services provided under this agreement, the Firm's management is actively involved in the management and supervision of the registered representatives of Institutional Securities Corp., affiliate broker dealer, and the direct management of accounts of individual clients of the Firm. In its capacity as an introducing broker-dealer, Institutional Securities Corp., affiliate broker dealer, has a fully disclosed clearing relationship with Hilltop Securities, Inc. ("Hilltop Securities") to clear brokerage transactions for the Firm. ISCA also has arrangements with other qualified custodians including without limitation, Mid-Atlantic Trust Company, TD Ameritrade, Fidelity Brokerage Services, Charles Schwab, MG Trust, and MATRIX to provide clearance and settlement services. TD Ameritrade, Charles Schwab and Fidelity Brokerage Services may also provide clearing services for certain accounts.

As previously indicated, ISCA representatives may also be registered with Institutional Securities Corp. If a client chooses to implement the advisory recommendations of their IAR, and then elects to execute such transactions through ISC as a broker-dealer, such registered representatives may receive commissions as a result of such transactions in their capacity as a registered representative of ISC, which are exclusive of and in addition to the advisory fee. This presents a conflict of interest to the extent the representative in their capacity with ISCA recommends a client invest in a security which results in a commission being paid to the IAR in their capacity as a registered representative with ISC which is in addition to the advisory fee which may in turn result in higher overall transactions costs to the client. Commissions and/or transaction costs may be higher through ISC than those charged by other broker-dealers. Thus, clients in some cases will be paying higher commissions and transactions costs for executing transactions through ISC or other broker dealers listed vs. through other executing broker-dealers and in most cases, executing those same transactions through a discount broker-dealer. Although the commissions and/or transaction fees paid by ISC's clients shall comply with our duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to execute the same transaction where ISCA determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates and responsiveness. Accordingly, although ISCA will strive to seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions.

The Firm, through the affiliated broker dealer, Institutional Securities Corp., may trade certain debt instruments through outside dealers and transfer them into the broker dealer's inventory account at the clearing firm to be allocated to customers at our clearing firm on a principal basis.

ISCA has related persons, in their individual capacities, acting as agents and/or brokers for various insurance companies. As such, these individuals will be able to receive separate commission compensation resulting from implementing product transactions (including transaction in certain GI contracts) on behalf of advisory clients. Clients are not under any obligation to engage these individuals for these services and no advisory fees are charged on these products (See Fees and Compensation).

ISCA's affiliated company, Investment Sales Corporation, is a pension consulting and administration firm, and these services may be provided to clients by the affiliated company for separate fees. No client is obligated to use the affiliated company for these services and no advisory fees are charged on these products (See Fees and Compensation).

The principals of ISCA may also act as a broker or agent of ISC, affiliate broker dealer, in effecting securities transactions for compensation from the Firm's clients. The activities and compensation of any related person would be fully disclosed to the client. Any such activities must be approved by ISCA before being entered into by any related persons. Information regarding advisory fees is disclosed in the Advisory Agreement between the client and ISCA.

ISCA addresses this inherent conflict of interest in a couple of ways. First, ISCA requires that representatives acting in their capacities of registered representative with ISC purchase securities with the commission or markup waived when possible, but there could be situations where this is unavoidable. Trades are reviewed daily by compliance personnel to ensure that they are in the best interests of the client. Client accounts are also randomly reviewed quarterly for inconsistencies with investment objectives, accuracy of fee billing and deduction in accordance to the fee schedule on file, excessive trading, excessive commissions or markups and other determining factors deemed appropriate by ISCA Compliance Personnel.

Item 11 – Code of Ethics

ISCA has adopted a Code of Ethics for all supervised persons of the Firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at ISC must acknowledge the terms of the Code of Ethics annually, or as amended.

ISCA anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which ISCA has management authority to effect, and will

recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which ISCA, its affiliates and/or clients, directly or indirectly, have a position of interest. ISCA's employees and persons associated with ISCA are required to follow ISCA's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of ISCA and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for ISCA's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of ISCA will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of ISCA's clients. Additionally, the Code does not require pre-clearance of personal trades, but does require that personal trades not be executed on the same day as client trades, unless they are traded on an aggregated basis, as described below. You should note that because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between ISCA and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with ISCA's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. ISCA will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the

Order.

ISCA's clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting Andrey Weadon at (800) 888-3520.

Item 12 – Brokerage Practices

In most cases, ISCA will recommend that ISC, an affiliated broker dealer, execute trade recommendations to clients. The advisor may also recommend the use of broker dealers such as Charles Schwab, TD Ameritrade, Fidelity Brokerage Services, Mid Atlantic Trust Company, MATRIX, or Hilltop Securities. Typically, the broker dealer used is a function of the type of account. A large percentage of the advice we provide to individuals is in regard to their employer sponsored retirement plans and it is their employer that determines the custodial relationship. Most individual client accounts are executed through ISC, an affiliated broker dealer, if they hold exclusively mutual funds and through Hilltop Securities if they hold other

types of securities (stocks, bonds, options, etc.). ISC will generally seek competitive commission rates but will not necessarily attempt to attain the lowest possible commission for transactions for client accounts. Commissions and transactions costs may be higher through ISC than those charged by other broker-dealers.

Soft dollar Arrangements

Soft dollar arrangements are a common practice in the Investment advisory industry. The U.S. Congress created a “safe harbor” under Section 28(e) of the Securities and Exchange Act of 1934, which establishes strict standards by which soft dollar arrangements are allowed. Under this safe harbor, an advisor can consider the provision of research, as well as execution services, in evaluating the cost of brokerage services without violating its fiduciary responsibilities. ISCA follows the safe harbor available under Section 28(e) in arranging and executing its soft dollar arrangements.

Our custodians make available to ISCA products and services that benefit ISCA but may not directly benefit its client’s accounts. Some of these products and services assist ISCA in managing and administering clients’ accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of ISCA’s fees from its clients’ accounts; and assist with back-office functions, recordkeeping and client reporting.

While as a fiduciary, ISCA endeavors to act in its clients’ best interests, while we recommend that clients maintain their assets in accounts at our custodians, that recommendation is based in part on the benefit to ISCA of the availability of some of the foregoing products and services, and not solely on the nature, cost or quality of custody and brokerage services provided by the respective custodians, which creates a potential conflict of interest. ISCA mitigates that conflict of interest through disclosures made in this Brochure, client agreements, and in reports and conversations with clients.

Block Trading

The Firm and/or or IARs utilize trade aggregation for the purpose of giving equal price to clients when the transaction is for the same security in multiple accounts located at the same custodian on a given day. By doing so, all clients participating in the transaction will receive the same price. Therefore, IARs will be allowed to aggregate discretionary securities transactions, if needed. In addition, securities transactions of IARs’ personal or related accounts can be included in aggregated securities transactions. In addition, by doing so, neither the Firm nor IARs will favor one client over another in placing the securities transactions order. In other words, it will help to eliminate any conflict of interest raised when IARs also participate in the

same securities transactions with clients. Please note that when/if not possible to aggregate transactions (i.e., system failure or technical difficulty), IARs may enter securities transactions one at a time. In this case, each transaction will or can receive different price. However, the Firm's policy prohibits IARs from exercising their favoritism of one client over another client in order entry. IARs are responsible for providing their customers a list of all prices executed for their customers' accounts on the same day for the same security and the same side of transactions if requested by their customers.

Item 13 – Review of Accounts

Frequency of Reviews. The underlying securities in clients' portfolios are under regular and continuous review by ISCA. Formal reviews are generally conducted at least annually or more or less frequently depending upon the needs of the client. A statement, at least quarterly, from the individual investment companies is forwarded to each associate of the advisor for review.

Causes for review. In addition to the investment monitoring noted above, each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Each quarter, the clients' portfolios are reviewed to determine if they are in alignment with their investment objectives. If it is determined that rebalancing is required, such action will be taken. In the event of a major market correction in excess of 30%, the advisor will immediately review the client accounts to determine if action is required. Additionally, accounts may be reviewed as a result of known changes in the Client's financial situation, and/or large deposits or withdrawals in a Client's account. The Client is encouraged to notify the Firm if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

Review reports. Clients will receive brokerage statements no less than quarterly from the trustee or custodian. These statements are sent directly from the trustee or custodian to the Client. ISCA urges Clients to carefully review their custodial statements for accuracy of the management fee calculation as well as holdings and activity. Clients should contact ISCA directly if they believe that there may be an error in their statement, or have any questions about any of the transactions, activity, holdings, or fees deducted. All institutional accounts are provided with a quarterly account analysis and report. Individual accounts of the advisor are provided with reports regarding their holdings, allocations, and performance at least semi-annually. This reporting is in addition to the account statements provided by the trustee or custodian.

Reviewers: The Institutional accounts of ISCA are reviewed by Mrs. Terry L. Blythe, Chief Compliance Officer, other Compliance Personnel and the Firm's Investment Committee. The Investment Committee normally meets two times per month for this purpose. The individual

IARs of the Firm will review their individual accounts on at least an annual basis and oversight reviews are conducted by Compliance Personnel.

Item 14 – Client Referrals and Other Compensation

ISCA receives referrals from third parties that are not affiliated with ISCA. The third parties may be paid a flat fee for referrals, or a percentage of fees that the client pays to ISCA. In accordance with SEC Rule 206(4)-3 under the Advisers Act, an agreement is executed between ISCA and the third-party solicitor. The third-party solicitor will also provide a Solicitor's Separate Written Disclosure Statement to clients at the time of the solicitation or referral, disclosing the nature of the relationship with ISCA and the amount of referral fees paid.

Advisory Representative Due Diligence and Seminars

Advisory Representatives are invited from time to time by product sponsors to due diligence and educational meetings or seminars hosted by the product sponsor. The Firm must grant permission to our Advisory Representatives to attend any meeting or seminar hosted by a product sponsor. The Firm approves those events that are limited to education only and allows the product sponsor to reimburse the Advisory Representative through the Firm for travel expenses only.

Compensation to Financial Advisors

A portion of the advisory fees payable to us in connection with your account is allocated on an ongoing basis to your financial advisor. The rate of compensation we pay financial advisors with respect to advisory services may be higher than the rate they can earn with respect to transaction-based brokerage accounts. Your financial advisor may therefore have a financial incentive to recommend advisory services set forth in this Brochure instead of the brokerage services of our broker-dealer affiliate.

Finally, if you elect to utilize the advisory services described in this Brochure, your financial advisor may agree to charge a fee less than the maximum fee stated above. The amount of the fee you pay is a factor we use in calculating the compensation we pay your financial advisor. Therefore, your financial advisors may have a financial incentive not to reduce fees.

Mutual Fund Share Classes and Fees

Mutual funds typically offer different ways to buy fund shares. Some mutual funds offer only one share class, while most funds offer multiple share classes. Each share class represents an investment in the same mutual fund portfolio, but assesses different fees and expenses. Many mutual funds have developed specialized share classes designed for various advisory programs ("Advisory Share Classes"). In general, Advisory Share Classes are not subject to either sales loads or ongoing marketing, distribution and/or service fees (often referred to as "12b-1 fees"), although some may assess fees for record keeping and related services. ISC Advisors typically utilizes Advisory Share Classes that provide no 12b-1 fees or other compensation to us. To the

extend we inadvertently receive service fees on an Advisory Share Class, those fees will be rebated to clients.

Notwithstanding the above, in certain circumstances we may offer non-Advisory Share Classes of mutual funds (i.e., those that are subject to 12b-1 fees). For example, where a fund does not offer an Advisory Share Class that is equivalent to those offered there. In these situations, ISC Advisors will rebate to the respective clients any such 12b-1 fees that we receive.

If you hold non-Advisory Share Classes of mutual funds in your advisory account or seek to transfer non-Advisory Share Classes of mutual funds into your advisory account, we may elect to convert those shares to Advisory Share Classes to the extent they are available. This will typically result in your shares being converted into a share class that has a lower expense ratio, although exceptions are possible.

Investments in both Advisory Share Class and non-Advisory Share Class of mutual funds have inherent conflicts of interests based upon the potential payment of 12b-1 fees and or servicing fees to Institutional Securities Corp. We have mitigated that conflict of interest primarily by typically recommending Advisory Share Classes of mutual funds, and waiving servicing fees; however, we have also mitigated that conflict of interest by rebating all 12b-1 and servicing fees charged to your account, in the event we are paid same.

Cash, Money Market Funds and Sweep Accounts

Generally, some portion of your account will be held in cash. This can be a result of an asset allocation investment strategy, in light of current market conditions, defensive portfolio purposes, portfolio trading purposes, or for other cash management purposes. Should your portfolio assets be custodied with Hilltop Securities, ISC Advisors' selection of money market mutual funds, cash sweep accounts or comparable investments in which to hold cash reserves in the client's account is limited to certain investments. The selection typically includes money-market, municipal money-market and government money-market funds, and bank insured deposit accounts. To this end, ISC Advisors will effect "sweep" transactions of free credit balances in your account into interest-bearing deposit accounts or investment vehicles established by your respective custodian. In certain circumstances, the issuers of such funds pay Institutional Securities Corp. a distribution fee in its capacity as a broker-dealer. This compensation is in addition to other fees, etc. received from client accounts.

Typically, we mitigate the conflicts of interest inherent in our recommending the utilization of various sweep account alternatives for your cash balances by neither us, or our affiliated broker-dealer, sharing in any interest revenue or participating in any revenue sharing relationships related to the interest earned on such cash deposits. In situations where we are inadvertently paid a distribution fee by an issuer of a money market fund or instrument, we will credit the respective clients account. As such, neither ISC Advisors, nor our affiliated broker-dealer, will retain any additional compensation related to your utilization of a cash sweep

account for assets custodied with Hilltop Securities, through our broker-dealer affiliate, Institutional Securities Corp.

Additionally, cash balances arising from the sales of securities, redemption of debt securities, dividend and interest payments and funds received from clients are so invested automatically on a daily basis. When securities are sold, funds are deposited on the first business day after settlement date. Funds placed in a client's account by personal check usually will not be invested until the second business day following the day that the deposit is credited to the client's account. Due to the foregoing practices, Institutional Securities Corp. may obtain federal funds prior to the date that deposits are credited to client accounts and thus may realize some economic benefit because of the delay in investing these funds. This compensation is historically minimal in relation to all other compensation earned by ISC Advisors and its affiliates. Where an unaffiliated broker-dealer or other entity acts as custodian of the client's account assets, we have no control over the manner in which the cash reserves will be handled, and the client and custodian will make that determination.

It is important to note that free credit balances and allocations to cash including assets invested in sweep investments are included in your account's fee calculations hereunder and you may experience negative performance on the cash portion of the assets held in your account if our advisory fee charged on your cash is higher than the return you receive on your cash investments and any investments or sweep accounts structured to hold cash reserves.

Margin Loans

To the extent you utilize Hilltop Securities for margin loan financing, our broker-dealer affiliate, Institutional Securities Corp., will receive interest sharing compensation based upon the interest paid by your accounts for any such margin loans. Due to the foregoing practice, Institutional Securities Corp. will realize some economic benefit as a result of any margin loan utilized as a part of your investment strategy. To mitigate the conflict of interest created as a result of the interest sharing compensation earned by our affiliate on margin lending, we have disclosed the conflict in this Brochure, and also in the conversations between you and your financial advisor regarding a margin strategy being utilized by you for your investment portfolio.

Item 15 – Custody

Custody Rule

The Custody Rule provides that it is a fraudulent, deceptive or manipulative act, practice or course of business within the meaning of Section 206(4) of the Advisers Act for an investment adviser that is registered or required to be registered under the Advisers Act to have custody of client funds or securities unless they are maintained in accordance with the requirements of the rule. In this regard, where an investment adviser has custody of client funds or securities,

it must obtain a surprise examination of client assets by an independent public accountant registered with the Public Company Accounting Oversight Board.

Invoicing

ISCA is deemed to have custody of the funds and securities as a consequence of its authority to make withdrawals from client accounts to pay its advisory fee. However, a surprise examination is not required because ISCA has written authorization from each client to deduct advisory fees from the account held with the qualified custodian and each time a fee is directly deducted from a client account, we concurrently: (i). sends the qualified custodian an invoice or statement of the amount of the fee to be deducted from the client's account; and (ii). sends the client an invoice or statement itemizing the fee. The itemization includes the formula used to calculate the fee, the value of the assets under management on which the fee is based, and the time period covered by the fee.

Standing Letters of Authority

ISCA has been deemed to have inadvertent custody as a result of your providing us with Standing Letters of Authorization ("SLOA(s)") to withdraw funds from your portfolio account to pay third parties. Notwithstanding that, a surprise examination is not required as we are relying on the conditions set forth in the No-Action letter issued by the SEC on February 21, 2017. Pursuant to the conditions set forth in the No-Action Letter, ISCA confirms that (1) you provide an instruction to the qualified custodian, in writing, that includes the your signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed; (2) you authorize us, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time; (3) your custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the your authorization, and custodian provides a transfer of funds notice to you promptly after each transfer; (4) you have the ability to terminate or change the instruction to custodian; (5) we have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the your instruction; (6) we maintain records showing that the third party is not a related party of ISCA or located at the same address as ISCA; and (7) custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Item 16 – Investment Discretion

ISCA allows certain representatives to maintain discretionary accounts in accordance with the firm's written supervisory procedures. Discretion is allowed in terms of the dollar amount and the securities to be bought or sold and the commission rate paid as long as a valid client authorization is on file and the account has been approved in writing for discretionary account activity by the appropriate supervisor. Representatives are expressly prohibited from

transferring or authorizing the withdrawal of assets on behalf of the client or otherwise to the customer, the representative, or to another entity.

ISCA usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. Such discretionary authority generally obtained through your execution of a limited trading authority with your custodian for the purpose of directing and or effecting investments for your managed account. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, ISCA observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to ISCA in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, ISCA does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. ISC may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

We are required in this Item to provide you with certain financial information or disclosures about ISCA's financial condition which would impede our ability to provide the advisory services described herein. ISCA has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.