



## **WEALTH STRATEGIES PROGRAM**

# **PART 2A**

# **APPENDIX 1**

## **PROGRAM BROCHURE**

Current as of March 30, 2020.

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This Brochure provides information about the qualifications and business practices of Woodbury Financial Services, Inc. If you have any questions about the contents of this brochure, please contact us at (800) 800-2638. Woodbury Financial Services, Inc. is registered with the Securities and Exchange Commission (“SEC”) as a registered investment adviser. Registration does not imply any level of skill or training. The information in this brochure has not approved or verified by the SEC or by any state securities authority.

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

## **Item 2 – Material Changes**

This Item discusses only specific material changes that are made to this Brochure and provides clients with a summary of such changes. The last amendment of the Wealth Strategies Wrap Fee Program Form ADV, Part 2A (Appendix-1), was April 1, 2019. Since the last update to this Appendix-1, the following material changes have occurred:

- Item 4 - Services, Fees and Compensation: WFS ownership was updated.

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## Item 4 – Services, Fees and Compensation

The Wealth Strategies Wrap Fee Program (also referred to as, the “Program”) is sponsored by Woodbury Financial Services, Inc. Woodbury Financial Services, Inc. is a subsidiary of Advisor Group, Inc., a wholly-owned subsidiary of Advisor Group Holdings, Inc., which is owned primarily by a consortium of investors through RCP Artemis Co-Invest, L.P., an investment fund affiliated with Reverence Capital Partners LLC. The consortium of investors includes, RCP Genpar Holdco LLC, RCP Genpar L.P., RCP Opp Fund II GP, L.P., and The Berliniski Family 2016 Trust.

Woodbury Financial Services, Inc. is registered with the Financial Industry Regulatory Authority (“FINRA”) as a broker-dealer engaged in the offer and sale of securities products. Woodbury Financial Services, Inc. is also registered as an investment adviser with the Securities and Exchange Commission (“SEC”), SEC File No. 801-54905, in order to offer investment advisory products and services to its advisory clients. Such services are offered through certain Financial Advisers (“FAs”) who have registered as its Investment Adviser Representatives (“Advisory Representative”).

Henceforth, Woodbury Financial Services, Inc., in its role as Program Sponsor, will be referred to as “we”, “us”, “our” or the “Firm”. Woodbury Financial Services, Inc., in its role as securities broker-dealer, will be referred to as “Woodbury”.

The Program is presented to the client (“Client”, “you” or “your”) by Investment Adviser Representatives of a registered investment adviser (“Advisor”) that may be a “Related Person” (as defined in Form ADV) to us.

In April 2018, Woodbury Financial Services, Inc. entered into an agreement with Capital One Advisors, LLC (“COA”), a registered investment adviser, and Capital One Investing, LLC (“COI”), COA’s affiliated broker dealer, respectively, to acquire certain advisory business and investment adviser representatives (the “Transferred Accounts”). As a result of this acquisition, Woodbury and the Firm replaced COI and COA as the associated broker-dealer and registered investment adviser on the Transferred Accounts (the “Wealth Strategies Program”). The Wealth Strategies Program is not being offered to new customers and is only available to the existing owners of the Transferred Accounts.

### Program Details

The Program is a “wrap-fee” program that provides Clients with investment advisory and brokerage execution services for an all-inclusive fee through an arrangement with Envestnet Asset Management, Inc. (“Envestnet”), an unaffiliated SEC-registered investment advisor that provides investment management and investment advisory services.

The Firm is the sponsor of the Program and serves as an investment adviser for Client accounts participating in the Program (“Program Accounts”). Both the Firm and the FA receive a portion of the wrap fee for the advisory services provided.

The Firm has entered into a contractual agreement with Envestnet to provide investment management and administrative services to Program Accounts. Under the Program, Envestnet provides Clients with a range of investment product offerings (collectively, “Investment Products”) some of which may include investment advisory services performed by third-party asset managers (“Independent Managers”).

FAs recommend investment products and/or Independent Managers that are suitable for the Client’s financial situation and investment objectives, using Envestnet’s Risk Tolerance Questionnaire (“RTQ”) and platform technology.

When combined with the Client’s demographic and financial information, Envestnet’s technology assesses and assists the FA in determining an appropriate client risk profile. The risk profile is used to help identify investment products, managers, program account types and/or asset allocation that align(s) the Client’s risk

profile and the Client's Program Assets and assists the FA with the Client's Program Account construction. The Firm also utilizes Envestnet's technology platform to support performance reporting, fee calculation and billing and to support the products and services offered in connection with the Program.

Envestnet has established relationships with various Independent Managers and may establish relationships with new Managers from time to time. Envestnet evaluates Managers specializing in asset categories, including equities (both domestic and foreign), corporate debt, commercial paper, certificates of deposit, municipal securities, mutual funds, exchange traded funds ("ETFs"), real estate investment trusts, government securities, options, and futures. Mutual funds, ETFs, closed-end funds, unit investment trusts and real estate investment trusts exchange traded funds are collectively referred to throughout this document generally as a "Fund" or "Funds".

The Client directly owns the underlying securities, Funds or other investments purchased on their behalf for their Program Account. Client assets are held and transactions are executed through the Client's Woodbury fully introduced brokerage account, cleared through Pershing LLC ("Pershing"). Pershing acts as a custodian for Client assets managed under the Program ("Program Assets") and provides trade execution, clearance and settlement services. Pershing is a subsidiary of The Bank of New York Mellon Corporation ("BNYM"). BNYM is a global financial services company.

Clients participating in the Program have executed and subsequently assigned to the Firm a COA Wealth Strategies Program Client Advisory Agreement ("the Agreement"), and have executed Envestnet's Private Wealth Management Program Terms and Conditions. For existing clients, a brokerage account has been established at Woodbury in order to support the advisory relationship.

The Firm's advisory services are provided to Clients on a non-discretionary basis. However, certain Investment Products (Separately Managed Accounts, Mutual Fund and ETF programs, Fund Strategist Portfolios) require the Client to provide Envestnet, and/or the Independent Managers with investment discretion with respect to Program Assets.

The Firm as well as Envestnet and/or the Independent Manager strive to seek best execution for our Clients. By granting trading authority to Envestnet and/or the Independent Manager, Envestnet and/or the Investment Manager will accordingly have the authority to effect transactions for Program Accounts with or through Pershing or another broker, dealer or bank if they believe that "best execution" of transactions may be obtained through such other entities, including a broker-dealer that may be affiliated with a particular manager. An additional fee referred to as a trade away fee may be incurred if Envestnet and/or the Independent Manager, trades away from Pershing.

Clients should refer to Envestnet's and, if applicable, the Independent Manager's disclosure document(s) (Form ADV Part 2 or other disclosure document) for additional information regarding those entities' exercise of investment discretion and/or relevant best execution practices.

Utilizing the Envestnet platform tools, the FA and the Client compile pertinent financial and demographic information to develop an investment strategy that is consistent with the Client's financial situation, investment objectives, time horizon, risk tolerance, preferences, and any other pertinent factors. The recommended investment strategy is summarized in a Statement of Investment Selection ("SIS") that documents the Client's goals, guidelines and investment restrictions, if any, applicable to the Client's Program Assets. The Firm will seek to honor the investment restrictions within the constraints of the Program to tailor the Program to the specific needs of each Client. The SIS is acknowledged and signed by the Client and forwarded to Envestnet and, if applicable, the Independent Manager.

The FA uses demographic and financial information provided by the Client to assess the Client's risk profile and investment objectives to determine an appropriate asset allocation and portfolio construction for the Client's Program Assets. The Envestnet research team uses proprietary analytical tools and commercially available optimization software applications to develop its asset allocation strategies. Factors considered in the asset allocation process include, but are not limited to, historical rates of risk and return on various asset classes, capital market assumptions correlation across asset classes, and risk premiums. The Envestnet

research team also conducts research with respect to the evaluation and monitoring of the performance and activities of the various asset managers included within its Program, as well as evaluation of the individual investment vehicles which may be offered.

The FA is the primary contact person for all providers in connection with the Wealth Strategies Program. The FA forwards the completed SIS to Envestnet and, if applicable, Envestnet will forward the SIS to the Independent Manager. The Firm will promptly advise Envestnet of changes to the Client's investment objectives and financial situation which are in turn communicated to the Independent Managers.

### **Investment Product Offerings**

Investment strategies vary by client based on recommendations made by the FA and/or Envestnet. A general summary is provided below:

<b>Program</b>	<b>Overview</b>	<b>Investments</b>
Mutual Fund and ETF Program	FA recommends 3rd party Manager	Mutual Fund/ ETFs
Fund Strategist Portfolios	FA recommends Independent Managers or "strategists"	Mutual Fund/ ETFs
Separately Managed Accounts	FA recommends managers/funds based on a broad profile generated by Envestnet	Mutual Fund/ ETFs / Individual Securities
UMA Program	FA recommends managers/funds based on a broad profile generated by Envestnet	Mutual Fund/ETFs/Individual securities
Manager Blend Program	Envestnet designs an allocation, selects managers/funds	Mutual Fund/ ETFs/ Individual securities
Multi-Manager Program	Envestnet designs an allocation, selects managers/funds	Mutual fund/ ETFs

## **Separately Managed Accounts (“SMA”) Program Assets**

Separate managed accounts are managed by Independent Managers, as sub-managers (“Sub-Managers”), pursuant to agreements entered into by Envestnet and Sub-Managers.

Clients recommended participating in the SMA program are offered access to an actively managed investment portfolio chosen from a roster of Sub-managers from a variety of disciplines. Unlike a mutual fund, where funds from multiple clients are commingled, an SMA is a portfolio of individually owned securities that can be tailored to fit the Client's investing preferences. Envestnet will assist The Firm in identifying Sub-Managers and investment vehicles that correspond to the proposed asset classes and styles. The Firm may also independently identify Sub-Managers on its own. The Firm provides Envestnet with a list of Sub-Managers for inclusion on the Approved List for portfolio management services in connection with the SMA program. Certain are Sub-Managers acting in the role of a Model Provider (as defined in the Mutual Fund and ETF Asset Allocation Program Assets section below), whereby Envestnet implements management of a Client's account based on the investment strategy instructions of the Sub-Manager. Clients may also impose restrictions on individual securities or investments through the SMA program.

## **Unified Managed Account (“UMA”) Program Assets**

For Clients using the UMA program, the Client is offered a single portfolio allocated among multiple Investment Managers, ETFs and/or Funds, representing various asset classes. UMA investment accounts deliver the characteristics of traditional separately managed account models, mutual funds, and ETFs in a single portfolio, and allow the FA and Client to customize elements of Portfolio Composition and asset allocation and security selection.

With respect to UMAs, the FA will provide the Client with a recommendation regarding the initial asset allocation and the underlying investment vehicles or investment strategies to meet the Client's objectives. The Client accepts the recommended independent manager(s) and fund(s) by signing a SIS form.

Once established, if the FA determines that changes are needed or warranted for the underlying investment vehicles or investment strategy, the FA will provide the Client with a new recommendation. The Client is responsible for approving the recommended asset allocation and the underlying investment vehicles or investment strategies. The FA does not exercise investment discretion in the ongoing management of the asset allocation or the specific, underlying investment vehicles or investment strategies used in each sleeve of the UMA portfolio.

Envestnet provides overlay management services for UMA accounts and implements initial trade orders based on the SIS which is signed by the Client at the time of account opening. Envestnet's management monitors the account for high cash, low cash and “not in model” securities which may trigger a rebalancing of the account based on risk tolerance parameters established and agreed upon by the FA and the Client. The Client has granted Envestnet trading authority to act for the Client in all matters related to the execution of purchases and/or sales of securities related to rebalancing. Absent the events listed above, Envestnet will not perform a portfolio rebalance unless the Client has designated a periodic rebalance trigger (e.g. quarterly/annually). For more details refer to Envestnet's disclosure document(s) (Form ADV Part 2 or other disclosure document) for additional information regarding the exercise of investment discretion by Envestnet.

## **Mutual Fund and ETF Asset Allocation Program Assets (Fund Allocation Programs)**

Within the Fund Allocation Program options, Clients have access to investment managers (“Model Providers”) who create Portfolios using mutual funds, ETFs, securities and other investments. The Fund Allocation Program offers strategies that are managed directly by Envestnet's Portfolio Management Consultant division (PMC) or other third party managers using one or more investment models created by one or more independent investment advisers (the “Third Party Model Providers”). There are multiple investment options

included in the Mutual Fund and ETF Allocation Program Assets and they include: PMC Sigma Mutual Fund Solutions, PMC Select Strategic Portfolios, PMC Strategic ETF Portfolios, PMC Tactical Core ETF Portfolios, PMC Tactical ETF Portfolios, PMC/Singer Partners Dynamic ETF Portfolios and the Fund Strategist Portfolios (FSP). Some options may no longer be offered.

Generally, all Fund Allocation Program offerings share the following characteristics:

- Client Accounts are invested predominantly in mutual funds and ETFs
- All investment trading and portfolio construction rests with the Model Provider
- Portfolio construction and trading is exercised consistently across all Clients selected a given Fund Allocation Provider.

Below are unique considerations and characteristics about the Model Providers:

#### *PMC SIGMA MUTUAL FUND SOLUTIONS AND PMC ETF PORTFOLIOS*

#### **Neither PMC Sigma Mutual Fund Solutions nor PMC ETF Portfolios are offered to new Clients.**

- Portfolio Management Consultants (“PMC”) is a division of Envestnet offering advisers a broad range of investment management products and services. As such, Envestnet earns fees on both a platform level, as well as an investment manager level (e.g. PMC as Model Provider).
- PMC Select Portfolios utilize the PMC Funds (“Funds”) proprietary mutual funds – Envestnet serves as investment advisor to the PMC Funds. Envestnet and PMC intend to manage the Funds in a “manager of managers” approach by selecting and overseeing multiple managers who manage distinct segments of a market, asset class or investment style for each Fund.
- For Clients invested in the PMC Sigma Mutual Fund Solutions (“Sigma”) program, Envestnet manages a mutual fund asset allocation based on Envestnet’s recommended investment strategy. Sigma is a fully discretionary, mutual fund asset allocation program offering a series of model portfolios positioned at various points along the risk/return spectrum that corresponds to the individual Client’s goals and objectives. Once the Client’s Program Assets are invested, Envestnet may add, remove or replace mutual funds at its discretion.
- For Clients utilizing the PMC Strategic ETF Solutions, Envestnet manages portfolios of ETFs based on Envestnet’s recommended investment strategy. The PMC Strategic ETF Solutions is a fully discretionary, ETF asset allocation program offering a series of model portfolios positioned at various points along the risk/return spectrum that correspond to the individual Client’s goals and objectives. Once the Client’s assets are invested, Envestnet may add, or remove or replace ETFs at its discretion.
- For Clients invested in Enhanced Portfolio Strategies, the Client is offered a portfolio designed to provide the characteristics of alternative investments in the form of a portfolio of registered Funds. The portfolio’s attributes include little or no correlation with public equities and fixed income markets, low volatility relative to equities, a favorable return/risk profile, and the ability to enhance overall portfolio diversification. The portfolio is constructed using a diversified group of Funds spanning many different style categories, such as, bear market, world bond, domestic equities and emerging markets.
- For Clients invested in the PMC Ultra Short-Term Fixed Income Portfolio, this product is designed to provide investors with an attractive alternative to money market fund yields. The portfolio is for investors who seek higher returns than those offered by money market funds and are willing to accept some principal fluctuation risk in pursuit of higher returns. The portfolio is comprised of a diversified group of highly rated short and ultra-short-term bond funds selected by Envestnet and combined to offer a combination of liquidity, yield and quality. The portfolio is not a money market fund, nor is it FDIC insured.



## **Fund Strategist Portfolios (FSP) Program**

The Fund Strategist Portfolios are managed by Model Providers separate and distinct from Envestnet or PMC. The following summarizes the FSP Program:

- The Fund Strategist Portfolios are portfolio strategies offered by third party money managers and the strategies are broadly defined as Strategic, Dynamic and Tactical. There are also Style Specific Strategies, which primarily focus on a single asset class or investment theme incorporating various elements of strategic, dynamic, and tactical investment approaches. Examples of Style Specific Strategies include portfolios focused on Fixed Income, Global Equity, Emerging Markets, Alternatives or theme-based strategies like Income or Dividend oriented portfolios
- Strategic Portfolios utilize a long-term, buy-and-hold investment approach that attempts to achieve a risk/return profile that mimics a point along the efficient frontier. Strategic Portfolios typically rebalance to the original target allocation and are highly diversified to capture broad market capital market returns.
- Dynamic Portfolios utilize a flexible investment approach that typically combines strategic and tactical elements within the asset allocation by implementing small tactical deviations from the strategic, long-term asset allocation target. Dynamic Portfolios typically remain fully invested and diversified while attempting to take advantage of short-term macroeconomic and/or market factors to enhance returns.
- Tactical Portfolios utilize an unconstrained investment approach and generally has the ability to quickly change the risk profile of the portfolio by actively moving portfolio holdings from 100% equities to 100% defensive securities. The Tactical Strategies attempts to use short- term forecasts to actively move in and out of asset classes, sectors, or countries based on the changing market environments. Because Tactical Portfolio strategies attempt to take advantage of and/or predict short term market movements and conditions, these strategies can lead to long periods of time in which portfolios will be held in cash, more turnover, transactions and performance volatility, in addition to other risks of the market. Additionally, Tactical Portfolio performance can deviate from general market direction on both the upside and downside based upon the Portfolio Manager movement in and out of asset classes.

Note: certain investment strategies available in the FSP Program are also available as Separately Managed Accounts. SMAs are subject to different investment minimums and fee schedules.

## **PMC MMA Program Assets and Manager Blend Program Assets**

An MMA is a single account where the composition of the Program Assets are managed by Envestnet and allocated to one or more Sub-Managers. Both PMC MMA Program Assets and Managed Blend Program Assets are no longer offered to new Clients.

Clients recommended to invest in the MMA program are offered a single portfolio created and administered by Envestnet that accesses multiple managers and Funds representing various asset classes. Envestnet allocates the portfolio across investment asset classes and complementary managers to create a blend that fits the Client's investment profile and risk tolerance. Envestnet includes funds in the MMA program to complete the asset class exposure of the managers utilized. For portions of some of the MMA portfolio, Envestnet may also utilize proprietary strategies such as PMC Dynamic ETF Portfolios, Enhanced Portfolio Strategies or a PMC Fund (see more on use of PMC Funds in MMA program below). A portion of the assets that make up the MMA program may be invested in the PMC Funds, where appropriate, in conjunction with using multiple managers and other Funds that comprise the MMA portfolios.

Since Envestnet serves as the investment advisor to the PMC Funds, the amount that Envestnet receives with respect to MMA program assets that are invested in the PMC Funds may be greater than just the portion of the MMA program fee remitted to Envestnet. In order to address the economic incentive that Envestnet may have in investing MMA Program assets in PMC Funds, when PMC Funds are utilized in an MMA portfolio,

Envestnet makes a corresponding fee reduction to the fee that Envestnet normally charges for managing the MMA portfolios in order to offset the fees it receives as a result of those MMA assets being invested in the PMC Funds. Envestnet may still recognize ancillary benefits in investing MMA assets in PMC Funds.

Manager Blend Program Assets (MBPA) delivers broader diversification by combining multiple managers across style and asset classes into one portfolio, and by this, it can deliver broader diversification than a single manager within an individual style category or asset class. However, please note that this is not offered to our new Clients. Existing Clients invested in MBPA are offered portfolios consisting of investment models from multiple managers created and managed by Envestnet.

### **BlackRock Guided Portfolios MMA ETF Blend Program Assets**

A BlackRock Guided Portfolio is a single account where the composition of the Program Assets are managed by Envestnet and allocated to multiple BlackRock ETFs and/or mutual funds.

Clients recommended to invest in the BlackRock Guided program are offered a single portfolio created by BlackRock, Inc. and administered by Envestnet that may access multiple ETFs and/or mutual funds representing various asset classes. BlackRock allocates the portfolio across investment asset classes to create a blend that fits the Client's investment profile, risk tolerance and accumulation or decumulation needs.

BlackRock has three models that it uses for its Guided Portfolios. BlackRock will use both BlackRock mutual funds and BlackRock iShares within their portfolios based upon their own proprietary risk models. The three model portfolios are:

- Target Allocation Models look for long term comprehensive allocation solutions for customers early in the accumulation phase of their retirement lifecycle.
- Target Income Models look for regular amounts of income in their solutions for customers nearing or in retirement, the decumulation phase of their retirement lifecycle.
- Balanced Income Models look for income with protection against market and interest risks for customers in the decumulation phase of their retirement lifecycle.

### **Fees and Compensation**

As detailed in your account agreements and disclosures, the Firm's fee for these services is based on a percentage of the value of the assets in your account.

We believe that this type of compensation model is an effective way to align our interests with yours, since both parties would benefit from increasing the value of your assets. However, this model could create conflicts of interest, since the Firm and your FA will only be compensated if you became a client. Accordingly, VISION2020 has adopted policies and procedures that are intended to address these potential conflicts of interest and to avoid a misalignment of our interests with your interests as a client.

The Firm believes that most advisory clients benefit from ongoing, professional investment advice that is designed to help them meet their investment goals through an advisory program. While it's possible that the advisory program fees you may incur could exceed the costs incurred in a non-advised brokerage account, or the costs associated with your current arrangements, by enrolling in the advisory program you will receive professional investment advice from the Firm and your representative on your account's assets. This investment advice includes investment management and monitoring services provided by your representative, the Firm or third-party investment managers.

The Firm charges Clients a "wrap-fee" for participation in the Program (the "Program Fee"). Clients pay a single fee for advisory services and certain brokerage services. The Program Fee is charged quarterly, in advance, as a percentage of assets invested in the Program, calculated based upon the statement value of the account at the end of the prior quarter. Transactions in the Program are effected "net" (i.e., without commission), and a portion

of the wrap fee is generally considered to be in lieu of commission. The Firm does not charge or accept any fees based on a share of capital gains on, or capital appreciation of, Program Assets (i.e. performance fees).

There may also be additional costs that are not part of the Program Fee that could occur within the investment or account, including, but not limited to the following:

- i) dealer markups, markdowns or spreads charged on transactions in over-the-counter securities;
- ii) costs relating to trading in certain foreign securities;
- iii) the internal charges and fees that may be imposed by any Funds, (such as fund operating expenses, management fees, redemption fees, 12b-1 fees and other fees and expenses. Further information regarding charges and fees assessed by Funds may be found in the appropriate prospectus or offering document) or other regulatory fees;
- iv) brokerage commissions or other charges imposed by broker-dealers or entities other than the custodian if trades are cleared by another broker-dealer;
- v) the charge to carry tax lot information on transferred mutual funds or other investment vehicles, postage and handling charges, returned check charges, transfer taxes; stock exchange fees or other fees mandated by law; and
- vi) trade away fees if Envestnet and/or the Independent Manager trades away from Pershing; and
- vii) Based upon the terms and conditions of the Envestnet Programs, Envestnet and/or an Investment Manager may liquidate assets transferred into a Program in its sole discretion. Clients should be aware that if they transfer in-kind assets into a Program, Envestnet may liquidate such assets immediately or at a future point in time and Clients may incur a brokerage commission or other charges. Also, Clients may be subject to taxes when Envestnet liquidates such assets. Accordingly, Clients should consult with their tax consultant before transferring in-kind assets into a Program.

In addition to the redemption fees described above, a Client may incur redemption fees when the portfolio manager to an investment strategy determines that it is in the Client's overall interest, in conjunction with the stated goals of the investment strategy, to divest from certain Funds prior to the expiration of the minimum holding period of such Funds.

Some mutual fund families also assess redemption fees to investors upon the short-term sale of their funds. Depending on the particular mutual fund, this may include sales for rebalancing purposes. Please see the prospectus for the specific mutual fund for additional information regarding such fees.

### **Wealth Strategies Program Fees**

The current standard Program fee schedule for Program services is as follows. Portfolios utilize a flexible investment approach that typically combines strategic and tactical elements within the asset allocation by implementing small tactical deviations from the strategic, long-term asset allocation target. Dynamic Portfolios typically remain fully invested and diversified while attempting to take advantage of short-term macroeconomic and/or market factors to enhance returns; and is subject to change:

Investment Amount	Program Sponsor Advice & Guidance
\$1-\$999,999	0.90%
\$1,000,000-\$1,999,999	0.80%
\$2,000,000-\$2,999,999	0.60%
Above \$3,000,000	0.40%

### Separately Managed Account – Equity and Balanced

Envestnet / PMC Pershing			Investment Manager	Total Annual Fee (%)
Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management+	
First \$500,000	0.18% to .20%	0.06% - 0.09%	0.35% - 0.50%	1.49% - 1.69%
Next \$500,000	0.15%	0.05%	0.35% - 0.50%	1.35% - 1.50%
Above \$1MM	0.12%	0.04%	0.35% - 0.50%	1.11% - 1.26%
Above \$2MM	0.11%	0.03%	0.35% - 0.50%	1.09% - 1.24%

*+If the manager uses mutual funds or ETFs, there will be additional mutual fund (expense ratio) management fees charged.*

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$200 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

### Separately Managed Account – Fixed Income

Envestnet / PMC Pershing			Investment Manager	Total Annual Fee (%)
Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management+	
First \$500,000	0.14% to .15%	0.06% - 0.09%	0.35% - 0.53%	1.45% - 1.67%
Next \$500,000	0.14%	0.05%	0.35% - 0.53%	1.44% - 1.52%
Above \$1MM	0.11%	0.04%	0.35% - 0.53%	1.30% - 1.48%
Above \$2MM	0.11%	0.03%	0.35% - 0.53%	1.09% - 1.27%

*+If the manager uses mutual funds or ETFs, there will be additional mutual fund (expense ratio) management fees charged.*

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$150 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in custody fee.

## Unified Managed Accounts

Envestnet / PMC Pershing			Investment Manager	
Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management+	Total Annual Fee (%)
First \$500,000	0.18% to .20%	0.06% - 0.09%	0.00% - 0.53%	1.14% - 1.72%
Next \$500,000	0.15%	0.05%	0.00% - 0.53%	1.10% - 1.63%
Above \$1MM	0.12%	0.04%	0.00% - 0.53%	0.96% - 1.49%
Above \$2MM	0.10%	0.03%	0.00% - 0.53%	0.73% - 1.26%

*\*An additional .02 per SMA Manager is added to the Envestnet fee component. Fee is based on percentage of the SMA allocation within UMA Account and only applied when an SMA is a component(s) of a portfolio.*

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$225 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

## Fund Allocation Portfolio and Fund Strategist Portfolio

Envestnet / Pershing PMC			Investment Manager	
Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management+	Total Annual Fee (%)
First \$500,000	0.14% to .15%	0.06% - 0.09%	0.35% - 0.53%	1.10% - 1.64%
Next \$500,000	0.13%	0.05%	0.35% - 0.53%	1.09% - 1.59%
Above \$1MM	0.12%	0.04%	0.35% - 0.53%	0.96% - 1.46%
Above \$2MM	0.10%	0.03%	0.35% - 0.53%	0.73% - 1.23%

*\*On occasion, certain Investment Managers are willing to negotiate the Portfolio Management fee for the services provided.*

**Billing Mode: Bill in advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$50 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

## PMC Multi-Manager Account and Manager Blend Program Assets

Envestnet / PMC Pershing		Investment Manager		
Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management+	Total Annual Fee (%)
First \$500,000	0.60% to .75%	0.06% - 0.09%	<i>included in Platform Fee</i>	1.56% - 1.71%
Next \$500,000	0.55% to .70%	0.05 %	<i>included in Platform Fee</i>	1.50% - 1.65%
Above \$1MM	0.50% to .65%	0.04 %	<i>included in Platform Fee</i>	1.34% - 1.49%
Above \$2MM	0.45% to .60%	0.03 %	<i>included in Platform Fee</i>	1.08% - 1.23%

**\*\* The Firm's fee is dependent on the Investment Manager Fee. The Firm's fee will be the net fee after expenses incurred for services provided by Envestnet, Pershing and the Investment Managers.**

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$300 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

## BlackRock Guided Portfolios Multi-Manager Account *(No longer offered to new Clients)*

Envestnet / PMC Pershing		Investment Manager		
Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management+	Total Annual Fee (%)
First \$500,000	0.13%	0.06% - 0.09%	0.12% - 0.27%	1.21% - 1.39%
Next \$500,000	0.13%	0.05%	0.12% - 0.27%	1.20% - 1.35%
Above \$1MM	0.11%	0.04%	0.12% - 0.27%	1.07% - 1.22%
Above \$2MM	0.11%	0.03%	0.12% - 0.27%	0.86% - 1.01%

**\*\* The Firm's fee is dependent on the Investment Manager Fee. The Firm's fee will be the net fee after expenses incurred for services provided by Envestnet, Pershing and the Investment Managers.**

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$300 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

**PMC SIGMA Mutual Fund Solutions (*No longer offered to new Clients*)**

Envestnet / PMC		Pershing	
Investment Amount	Investment Management & Platform Fee	Custody and Trading Fee	Total Annual Fee (%)
First \$500,000	0.23%	0.06% - 0.09%	1.19% - 1.22%
Next \$500,000	0.21%	0.05%	1.16%
Above \$1MM	0.20%	0.04%	1.04%
Above \$2MM	0.15%	0.03%	0.78%

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$140 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

**PMC Select Strategic Portfolios (*No longer offered to new Clients*)**

Envestnet / PMC Pershing			
Investment Amount	Investment Management	Custody and Trading Fee	Total Annual Fee (%)
First \$500,000	0.00%	0.06% - 0.09%	0.96% - 0.99%
Next \$500,000	0.00%	0.05%	0.95%
Above \$1MM	0.00%	0.04%	0.84%
Above \$2MM	0.00%	0.03%	0.63%

**Billing Mode: Bill in Advance**

**Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$140 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

**PMC Strategic ETF Portfolios (No longer offered to new Clients)**

Envestnet/PMC

Pershing

Investment Amount	Platform Fee	Custody and Trading Fee	Total Annual Fee (%)
First \$500,000	0.25%	0.06% - 0.09%	1.21%-1.24%
Next \$500,000	0.20%	0.05%	1.15%
Above \$1MM	0.17%	0.04%	1.01%
Above \$2MM	0.15%	0.03%	.78%

**Billing Mode: Bill in Advance****Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$125 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

**PMC Tactical Core ETF Portfolios (No longer offered to new Clients)**

Envestnet

Pershing

PMC

Investment Amount	Platform Fee	Custody and Trading Fee	Investment Management Fee	Total Annual Fee (%)
First \$500,000	0.15%	0.06% - 0.09%	0.30%	1.41-1.44%
Next \$500,000	0.13%	0.05%	0.30%	1.38%
Above \$1MM	0.11%	0.04%	0.30%	1.25%
Above \$2MM	0.10%	0.03%	0.30%	1.03%

**Billing Mode: Bill in Advance****Billing Cycle: Quarterly**

**Note:** A minimum annual custody fee of \$90 will be applied if minimum fee threshold is not met. Transactions fees are included in custody fee.

**PMC Tactical ETF Solution (No longer offered to new Clients)**

Investment Amount	Envestnet's Fee for Core-Total Return (%)	Custody and Clearing Fees (%)	Total Annual Fee (%)
First \$250,000	0.45%-0.55%	0.08% -0.09%	1.43%-1.54%
Next \$250,000	0.45%-0.55%	0.06%-0.07%	1.41%-1.52%
Next \$500,000	0.43%-0.53%	0.04%	1.37%-1.47%
Next \$500,000	0.41%-0.51%	0.04%	1.25%-1.35%
Next \$500,000	0.41%-0.51%	0.03%	1.24%-1.34%
Over \$2MM	0.40%-0.50%	0.03%	1.03%-1.13%

**Note:** No minimum Envestnet annual fee. Minimum custody fees \$180.



**PMC/Singer Partners Dynamic ETF Portfolios (No longer offered to new Clients)**

Envestnet/PMC      Pershing      Investment Manager

Investment Amount	Platform Fee (%)	Custody and Clearing Fees (%)	Portfolio Management	Total Annual Fee (%)
First \$500,000	0.45%	0.05% - .09%	<i>Incl. in Platform Fee</i>	1.40%-1.44%
Next \$500,000	0.43%	0.05%	<i>Incl. in Platform Fee</i>	1.38%
Next \$500,000	0.41%	0.04%	<i>Incl. in Platform Fee</i>	1.25%
Next \$500,000	0.41%	0.04%	<i>Incl. in Platform Fee</i>	1.25%
Above \$2MM	0.40%	0.03%	<i>Incl. in Platform Fee</i>	1.03%

**Billing Mode: Bill in Advance****Billing Cycle: Quarterly**

**Note:** A minimum annual custody fee of \$90 will be applied if minimum fee threshold is not met. Transactions fees are included in custody fee.

**PMC ETF Solution (No longer offered to new Clients)**

Envestnet/PMC      Pershing      Investment Manager

Investment Amount	Platform Fee (%)	Custody and Clearing Fees (%)	Portfolio Management	Total Annual Fee (%)
First \$500,000	0.25%	0.06% - 0.09%	<i>Incl. in Platform Fee</i>	1.21%-1.24%
Next \$500,000	0.20%	0.05%	<i>Incl. in Platform Fee</i>	1.15%
Next \$500,000	0.17%	0.04%	<i>Incl. in Platform Fee</i>	1.02%
Next \$500,000	0.17%	0.04%	<i>Incl. in Platform Fee</i>	1.02%
Above \$2MM	0.15%	0.03%	<i>Incl. in Platform Fee</i>	0.78%

**Billing Mode: Bill in Advance****Billing Cycle: Quarterly**

**Note:** A minimum annual platform fee of \$125 will be applied if the minimum Program fee threshold is not met. A minimum annual custody fee of \$90 will be applied if the minimum custody fee threshold is not met. Transactions fees are included in the custody fee.

## **Additional Information about Wrap Fees**

### *Wrap Fees in General*

The cost of investment advisory services provided through the Program may be more or less than the cost of purchasing similar services separately. Among the factors impacting the relative cost of the Program to a particular Client include:

- the size of the account;
- the type of account (i.e., equity or fixed income);
- the size of the assets devoted to a particular strategy; and
- the manager(s) selected

Clients should note that similar advisory services may be available from other registered investment advisers for similar or lower fees. In evaluating the Program, Clients should consider that, depending upon the level of the Program Fee charged, the amount of portfolio activity in their account, the broker-dealer's standard commission rates, as well as other factors, the Program Fee may be more or less than the aggregate cost of such services if they were to be provided separately and if the Firm were to negotiate commissions and seek best price and execution of transactions for the Client's Program Account.

Further, Clients should be aware that the FA recommending the Program may receive compensation as a result of the Client's participation in the Program. Additionally, the amount of this compensation may be more or less than what the FA would receive if the Client participated in other programs offered by the Firm or paid separately for investment advice, brokerage, and other services.

### *Negotiability of Fees and Account Minimums*

The Firm may group together certain related Client accounts for the purposes of determining the annualized fee and attaining an account minimum. In addition, certain of the Firm's affiliated persons and the family members and personal acquaintances of the Firm's affiliated persons may receive advisory services at a discounted rate that is not available to advisory Clients generally.

### *For New York Residents*

Each Client fee schedule is negotiated with the Firm, on a client by client basis. Client facts, circumstances and needs determine the fee schedule. These include the complexity of the Client's account, assets to be placed under management, portfolio style, reports and other factors. The specific annual fee schedule will be identified in the contract between the adviser and each Client.

### *Fee Calculation:*

The Program Fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory Client, pursuant to Section 205(a)(1) of the Investment Advisers Act or similar state provisions.

### *Other Fees and Expenses:*

All fees paid to the Firm for participation in the various programs are separate and distinct from the fees and expenses charged by a Fund to its shareholders. These fees and expenses are described in each Fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

A Client could invest in a Fund directly, without the services of the Firm. In that case, the Client would not receive the services provided by the Firm which are designed, among other things, to assist the Client in determining which Funds are most appropriate to each Client's financial condition and objectives. In this regard, the Firm believes that advisory clients typically benefit from ongoing, professional advice designed to help them meet their financial goals through an advisory program. Accordingly, the Client should review both the fees charged by the Fund and the fees charged by the Firm to fully understand the total amount of fees to be paid by the Client and to thereby evaluate the advisory services being provided.

Program Clients pay a single fee for advisory services and certain brokerage services. Transactions in the Program are effected "net," (i.e., without commission), and a portion of the wrap fee is generally considered to be in lieu of commission.

### *Fee Payment*

The Firm management fee is typically directly debited from Program Accounts, in advance, at the beginning of each calendar quarter based upon the statement value of the account at the end of the prior quarter. If there is insufficient cash in a Program Account, the Client understands and acknowledges that Envestnet or the Independent Manager may sell an amount of Program Assets to generate sufficient cash to pay the Program Fee. At inception, fees are billed from the date the account is opened through the end of that calendar quarter, in advance.

If a Client invests or withdraws \$10,000 or more in any Program Account after the inception of a calendar quarter, the Program Fee for that quarter will be recalculated and pro- rated as of the day of the additional investment or withdrawal.

### **Trade Execution**

As discussed above, our affiliate, Woodbury, is a registered broker-dealer. Our business model is based on our ability to execute trades on behalf of clients at low cost. Our ability to use Woodbury for this purpose is central to our services and is important given the wrap-fee nature of the Program. Accordingly, clients must establish brokerage accounts with our affiliate, Woodbury, to participate in the Program.

As noted, clients in the Program must establish a brokerage account with Woodbury. Since Woodbury is an affiliate we have an incentive to utilize Woodbury based on our business needs. Clients should be aware that brokerage costs may be lower if trades are executed through an unaffiliated broker dealer. We seek for the executions obtained on transactions under the Program to represent the best execution available at the time the order was routed to Pershing, in light of existing market conditions and other relevant factors. In light of this, we have policies in place to monitor the execution of trades through Woodbury and Pershing. Woodbury and Pershing are also obligated to seek best execution.

Due to the nature and purpose of the Program and the manner in which the model portfolios are managed, when Client requests a withdrawal or liquidation of Program assets or has a change in risk profile that results in the selection of a different Model Portfolio, in accordance with normal industry processing it will take some days to effect the transactions. The Firm's order construction process typically requires one or two days to build and submit the sell orders to Woodbury. Similar timeframes could also result in connection with the purchase of securities. In addition, it typically takes several days for transactions to clear and settle and for the proceeds of the transactions to be processed and sent to Client. Accordingly, liquidation and withdrawal requests will not result in the immediate liquidation of securities in the Account and the distribution of cash proceeds may be accordingly delayed.

## **Item 5 – Account Requirements and Types of Clients**

### **Wealth Strategies Program Clients**

The Firm makes its investment advisory program available, where appropriate, to interested persons and advisory Clients, including individuals, trusts, estates, corporations or other business entities and charitable organizations through Envestnet, and/or one or more Independent Managers.

Minimum initial investments for investment products are currently set as follows:

### **Wealth Strategies Program**

Separately Managed Accounts (SMA)	\$100,000 and no minimum subsequent investment
Multi-Manager Account (MMA)	\$250,000 and no minimum subsequent investment

Unified Managed Account (UMA)	\$150,000 and no minimum subsequent investment
SIGMA Mutual Fund and PMC Select	\$ 50,000 and no minimum subsequent investment ETF
Tactical Wrap Programs	\$ 50,000 and no minimum subsequent investment
PMC/Singer Dynamic ETF	\$ 30,000 and no minimum subsequent investment PMC
Strategic ETF Solution	\$ 25,000 and no minimum subsequent investment FSP
Accounts	\$ 25,000 and no minimum subsequent investment

Minimum initial investments are subject to change.

## Item 6 – Portfolio Manager Selection and Evaluation

### Portfolio Manager Selection and Evaluation

Please note that neither the Firm nor any of our related persons or supervised persons covered under our investment advisor registration acts as an investment manager for any Program described in this Wrap Fee Program Brochure.

The Firm selects Independent Managers and all Independent Managers are subject to a due diligence process which includes annual reviews designed to determine if a manager meets a sufficient level of quality and stability through their policies and practices. Independent Managers are evaluated using a variety of data and information from one or more resources, which may include: public or private independent databases, responses to periodic due diligence questionnaires, quantitative and qualitative information, research, performance reports, and other pertinent information concerning the manager. Your Advisor Representative is responsible for determining whether any particular Independent Manager or investment strategy is appropriate based on your stated risk tolerance and investment objectives.

The Firm does not review or verify the accuracy of any marketing or other materials, including investment performance history, that Independent Managers may provide to you or your Advisor Representatives. As a result, performance information and presentations may not be uniform or consistent between Independent Managers.

An explanation of how your Advisor Representative selects an Independent Manager can be found in Item 4 of this brochure under Program Details. If your situation changes and your Advisor Representative determines that a particular selected Independent Manager's asset allocation model is not consistent with your current goals and investment objectives, your Advisor Representative will contact you to discuss different investment options."

On an ongoing basis, Envestnet reviews Independent Managers participating in the Program to determine whether they continue to meet Envestnet's guidelines and evaluation criteria. If Envestnet detects relevant information at any time (including qualification and/or performance concerns), we will generally follow Envestnet's recommendation as to whether to continue to include the Independent Manager as an investment suitable for the Program or add an Independent Manager to the Program. We receive research, performance information and other information from Envestnet about Independent Managers but do not independently verify or guarantee the accuracy or validity of this information received from Envestnet, or any other source. Further, there is a chance the performance information that we receive from Envestnet may not be calculated on a uniform or consistent basis.

For approved Independent Managers, Envestnet employs a multi-phase approach in its evaluation ("Due Diligence"). As part of the Due Diligence, certain types of information are analyzed, including historical performance, investment philosophy, investment style, historical volatility and correlation across asset classes. Also reviewed are the Independent Manager's Form ADV Part 2 disclosure events, as well as

portfolio holdings reports that help demonstrate the Independent Manager's securities selection process and the prospectuses of the Funds.

Neither we nor your Advisor Representative make any representations regarding the future performance of any investment strategy of, or security recommended by, any Independent Manager participating in the Program. As always, past performance is not a guarantee of future results.

Clients should refer to the disclosure documents (Form ADV Part 2 or other disclosure document) of Envestnet and/or the selected Independent Manager for additional information regarding the security analysis methods, sources of information, investment strategies, and due diligence used by those parties in the management of Program Accounts.

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

Once the Client accepts the recommendation made by the FA for an Investment Product(s), Model(s) and/or Independent Manager(s), the FA will assist the Client with opening a Woodbury brokerage account as well as the completion of all necessary paperwork required with Envestnet and the Firm for participation in the Program. The Firm is responsible for transmitting Client information to Envestnet, Pershing and/or any other related firm that is required to establish the Program Account. This information may include, but is not limited to, Client name, address, tax identification number, current income and expenses, assets and liabilities, tax situation, investment objectives and risk tolerance.

The Firm will also notify Envestnet, and/or the Independent Manager as updated information is received from the Client. The Firm contacts Clients, at least annually, to determine whether the Client's financial situation or investment objectives have changed. In such an event, the Firm will communicate such changes to Envestnet and/or the Independent Manager.

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

The Firm does not impose any restrictions on a Client's ability to contact and consult with their designated FA or any associate of Envestnet and/or the Independent Managers. Clients should refer to the applicable disclosure document (Form ADV Part 2 or other disclosure document) for information on specific policies regarding Client's access to portfolio managers adopted by Envestnet, and/or the Independent Manager.

## **Item 9 – Additional Information**

### **Disciplinary Information**

Not applicable. Neither we, nor any of our management personnel have been involved in any disciplinary events that are material to your evaluation of our Program or the integrity of our management.

### **Other Financial Industry Activities and Affiliations**

Advisors that offer the Program may be Related Persons to us. You should see the ADV Part 2A of your Advisor that will be provided to you for information regarding any of their other financial industry affiliations and for any associated conflicts of interest.

## **Code of Ethics**

We have adopted a Code of Ethics (the “Code”) to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes our policies and procedures developed to protect your interests in relation to the following topics:

- The duty at all times to place your interests first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility;
- The principle that investment adviser personnel should not take inappropriate advantage of their positions;
- The fiduciary principle that information concerning the identity of security holdings and your financial circumstances is confidential; and
- The principle that independence in the investment decision-making process is paramount.

We provide a copy of the Code to any client or prospective client upon request to their Advisory Representative. In limited circumstances, and in compliance with the Investment Adviser’s Act of 1940, Section 206(3) and the Rules hereunder (collectively, the “Act”), we perform principal or agency cross transactions as such activities are described in the Act.

Individuals who are covered by our Code (“Access Persons”) can buy or sell securities identical to those recommended to you for their personal accounts. In addition, any of our Related Person(s) may have an interest or position in securities which are recommended to you. Our Code requires Access Persons to report their personal securities holdings for review by us.

## **Participation and Interest in Client Transactions**

Your Advisor, who may be a Related Person to us, can recommend or buy and sell securities that it or its Related Persons’ have a financial interest in. Please see the ADV Part 2A of your Advisor for further details on these financial interests and associated conflicts of interest.

## **Trade Confirmation Suppression in Wrap Fee Accounts**

Because your Program Account is managed on a discretionary basis and is offered using the Wrap Account, you will have the option to request that we suppress trade-by-trade confirmations and present a periodic account statement, not less often than monthly. The periodic account statement must contain the same information as is required pursuant to Rule 10b-10 (“Trade Confirmation Suppression Option”). If you choose the Trade Confirmation Suppression Option, you will have the opportunity to signify this request by providing your initials as designated in the “Acknowledgement” section of the SIS.

## **Review of Accounts**

Your Advisor periodically reviews your account and contacts you annually. For further account review details, please see the ADV Part 2A of your Advisor.

## **Client Referrals and Other Compensation**

As Program Sponsor, we receive a portion of the Account Fee as described in Item 4 above and as disclosed in our Revenue Sharing Disclosure below. For further details on compensation and other economic benefits that your Advisor receives, please see their ADV Part 2A.

## **Revenue Sharing Disclosure**

The Advisor Group Firms maintain revenue sharing arrangements with certain mutual funds, (referred to as “Strategic Partner(s)”). Strategic Partners pay up to 30 basis points (0.30%) of your total purchase amount of a mutual fund. Additionally, some Strategic Partners make a quarterly payment or additional quarterly payment

based on the assets you hold in the fund over a period of time of up to 18 basis points (0.18%) per year. Alternatively, the Advisor Group Firms may receive compensation from the mutual fund as: (1) a flat fee regardless of the amount of new sales or assets held in client accounts; or (2) the greater of such flat fee or amount based on assets and/or new sales as referenced above and any ticket charge payments referenced below.

The Advisor Group Firms do not accept the aforementioned mutual fund Strategic Partner revenue sharing payments on sales or assets held in investment advisory accounts of a plan subject to Title I of the Employee Retirement Income Security Act of 1974, described in section 4975(e)(1)(A) of the Internal Revenue Code ("Code") or an individual retirement account or annuity described in Internal Revenue Code section 4975(e)(1)(B) – (F) ("Qualified Advisory Accounts"). Instead mutual fund Strategic Partners will pay a fixed dollar amount annual partnership fee of up to approximately \$475,000 in exchange for certain marketing and services provided by Broker-Dealers in connection with these account types.

Though Advisory Representatives do not receive additional compensation in connection with sales of these products, the Strategic Partners do have greater access to Advisory Representatives to provide training and other educational presentations and product information so that they can serve clients better.

You do not pay more to purchase Strategic Partner investment products through the Advisor Group Firms than you would pay to purchase those products through another broker-dealer. Additionally, revenue-sharing payments received by the Advisor Group Firms are not paid to or directed to Advisory Representatives, and Advisory Representatives do not receive additional compensation for selling Strategic Partner products. Nevertheless, a potential conflict of interest may exist, in that the Advisor Group Firms are paid more if you purchase a Strategic Partner product, and Advisory Representatives may indirectly benefit from Strategic Partner payments when the money is used to support costs of product review, marketing or training, or for waiver of mutual fund ticket charges.

We maintain policies and procedures to ensure recommendations are suitable and require that Advisory Representatives always act in your best interest. We also maintain a supervisory structure to monitor the advisory activities of your Advisory Representative to reduce potential conflicts of interest. You are encouraged to ask us about any conflict presented.

For additional information, please refer to the "Client Information and Disclosures" section of our affiliate website ([www.joinwoodbury.com](http://www.joinwoodbury.com)).

*This information is current as of May 30, 2018. We will update information regarding revenue sharing arrangements as necessary and contact clients as required.*

### **Financial Information**

Your Program assets will be custodied at Pershing, LLC. The Program does not allow, require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We have no financial condition that might impair our ability to meet our contractual commitments to clients, and has never been the subject of a bankruptcy proceeding.

## **Item 10 – Requirements for State-Registered Advisers**

Not Applicable. We are an SEC registered investment adviser. We are not registered with any state securities authority.