

## **Guardian Advisory Services, LLC**

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# **Guardian Strategic Advisors UMA Program, SMA Program and Representative as Portfolio Manager Program Wrap Fee Program Brochure**

This wrap fee program brochure ("Brochure") provides information about the qualifications and business practices of Guardian Advisory Services LLC. If you have any questions about the contents of this Brochure or would like to obtain a free copy of this Brochure, please contact us at (800) 879-6934. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Guardian Advisory Services, LLC is a registered investment adviser registered with the SEC and provides investment advisory services under the marketing name, Guardian Strategic Advisors.

Additional information about Guardian Advisory Services, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration as an investment adviser does not imply a certain level of skill or training.



## 2. Material Changes

### Item 2. Material Findings

Guardian Advisory Services, LLC, doing business as Guardian Strategic Advisors, is a newly formed registered investment adviser.

We encourage you to review this brochure carefully. In the future, this section will summarize any material changes that have been made to the brochure from the date of our last annual update in March of each year.

Pursuant to the United States Securities and Exchange Commission (“SEC”) requirements, we will provide a summary of any material changes to this and subsequent brochures on or before May 1 of each year. We may also provide ongoing disclosure about material changes as necessary.

You can obtain a copy of the brochure at any time, without charge, by contacting Guardian Strategic Advisors at (800) 879-6934

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## 4. Services, Fees and Compensation

### Types of Advisory Services Offered

Guardian Strategic Advisors offers a variety of investment advisory programs and services to retail investors through our investment adviser representatives (“IARs”). Based on your financial needs and objectives, your IAR (and/or our third-party managers) will advise you on the management of investments which are comprised of managed account portfolios (the “Programs”), including wrap fee programs such as IAR as portfolio manager programs, a separate managed account program and a unified managed account program.

### Understanding your Relationship with Guardian Strategic Advisors

Guardian Strategic Advisors is subject to the Investment Advisers Act of 1940 (“the Advisers Act”), and as a registered investment adviser Guardian Strategic Advisors and its IARs have a fiduciary duty to you. This generally means that Guardian Strategic Advisors and its IARs will act in your best interest when providing investment advice under the Advisers Act and will disclose or avoid all material conflicts of interest.

In providing investment advice, your Guardian Strategic Advisors IAR will select from the various products and programs offered. This includes advice and recommendations to invest in various managed account portfolio programs that may be comprised of products such as load-waived and no-load mutual funds, exchange-traded funds (“ETFs”), closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products approved for use on the Guardian Strategic Advisors platform.

Fidelity Brokerage Services LLC (“FBS”) and National Financial Services LLC (“NFS”), together with FBS, (“Fidelity”) will act as custodian of the securities held in your account.

To enroll in one of the Guardian Strategic Advisors Programs, you must establish an account through Guardian Strategic Advisors with NFS. NFS acts as the custodian for client assets within the Guardian Strategic Advisors Programs. Accordingly, all trading activity under the Guardian Strategic Advisors Programs will be processed through client accounts with NFS. In its capacity as a custodial firm NFS performs centralized custody, bookkeeping and execution functions.

FBS will act as broker-dealer of record for your account and will be responsible for the following:

- (1) Obtaining and verifying account information and documentation;
- (2) Opening and approving your account;
- (3) Acceptance of orders and other instructions from you or your Authorized agent/IAR regarding your account, and for promptly and accurately transmitting those orders and instructions to NFS;
- (4) Determining that those persons placing instructions for your account are authorized to do so. Neither NFS nor FBS will provide you advice about your investments or evaluate the appropriateness of investments made by you;
- (5) Operating and supervising your account in compliance with applicable laws and regulations, including compliance with federal, industry and NFS margin rules pertaining to any margin

- account and for advising you of margin requirements;
- (6) Maintaining the required books and records for the services it performs; and
  - (7) Investigating and responding to any questions or complaints you have about your account(s), confirmations, periodic statements or any other matter related to your account(s). FBS will notify NFS with respect to matters involving services performed by NFS.

NFS as the custodian for your account is responsible, at the direction of FBS, for:

- (1) The clearance and settlement of securities transactions;
- (2) The execution of securities transactions, in the event NFS accepts orders from FBS;
- (3) Preparing and sending transaction confirmations and periodic statements for your account (unless FBS has undertaken to do so);
- (4) Acting as custodian for funds and securities received by NFS on your behalf;
- (5) Following the instructions of FBS with respect to transactions and the receipt and delivery of funds and securities for your account;
- (6) Extending margin credit for purchasing or carrying securities on margin; and
- (7) Maintaining the required books and records for the services it performs. If you have so indicated on the application, you authorize and instruct Fidelity to accept such votes regarding proxies from any authorized individuals on your account. Fidelity does not promote day-trading strategies.

### **Orion Advisor Technology, LLC**

Guardian Strategic Advisors has contracted with Orion, through its affiliate Orion Portfolio Solutions (“OPS”), to provide a technology structure and platform to provide a way for clients to efficiently connect with third-party portfolio managers and strategists. For the UMA/Strategist and SMA programs, OPS directs trades in your account by taking directions from the third-party portfolio manager/strategist to adjust asset allocations, add, remove or replace securities in the account, and rebalance the account as it deems necessary.

For Representative as Portfolio Manager Programs Guardian Strategic Advisors performs administrative and trading duties at the direction of your IAR.

### **Transferring an Existing Account to Guardian Strategic Advisors Programs**

There may be instances in which you have chosen to open a Guardian Strategic Advisors account that requires you to liquidate existing investment assets or accounts and transfer the proceeds to the Guardian Strategic Advisors Program in which you wish to participate. In liquidating assets and transferring proceeds, you may experience costs. These costs can include, but are not limited to, account termination charges, contingent deferred sales charges, surrender charges, and commissions on the sale of stocks, bonds, exchange traded funds, closed end mutual funds, limited partnership shares or any other securities you hold in these accounts. If you redeem, surrender or sell existing assets to fund an account you should carefully consider the costs and benefits of the transaction including any tax liability. You should also ask your IAR if the sale of the assets used to fund your account will benefit your IAR and take that into consideration before liquidating assets to fund your account. The liquidation of an investment may trigger

losses or taxable gains, or the Alternative Minimum Tax (“AMT”) and may require additional quarterly estimated tax payments. Neither Guardian Strategic Advisors nor your IAR provide tax advice or tax management services. You are responsible for any taxable consequences. You should always consult with your tax advisor for specific tax advice.

### **Tailored Client Relationships**

For Guardian Strategic Advisors Programs your IAR will request information from you regarding your financial background, investment experience, investment objectives, risk tolerance, and any reasonable restrictions that you wish to impose on investing in certain specific securities and types of securities and will provide important disclosures to you. Your IAR will work with you to help you determine your investment goals and will assist you in selecting the appropriate Programs or other services. As your goals and objectives change over time, your IAR will update your records and client file and may provide new recommendations and advice to fit your needs. You should notify your IAR promptly if there are any changes in your financial situation, risk tolerance, investment objectives or account restrictions. Your IAR will periodically review performance and other reports provided to you and will offer to meet with you at least annually to review your financial situation and investment objectives.

### **Investment Program Agreement**

If you select a Guardian Strategic Advisors Program, you will sign an Investment Program Agreement. The Investment Program Agreement will detail all the important information pertaining to your account, and you are encouraged to read all of the terms of the Investment Program Agreement.

### **Guardian Strategic Advisors Investment Advisory Programs**

Guardian Strategic Advisors is the sponsor of the Guardian Strategic Advisors Programs which offer a range of investment strategies, from conservative income to aggressive growth.

For all Guardian Strategic Advisors Programs, your IAR will analyze your individual financial situation and make recommendations as to an appropriate program based on your individual needs and investment objectives. Prior to funding a Guardian Strategic Advisors Program account, your Guardian Strategic Advisors IAR will help you complete a custodial account application and other forms in order to determine your target risk profile. Your target risk profile is described in your Proposal and is the level of risk you are willing to take with your investments. Your Proposal includes your recommended Guardian Strategic Advisors Program based on the information you have provided. The program you have selected may include closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products approved for use within the Guardian Strategic Advisors platform.

Guardian Strategic Advisors Programs include both discretionary and non-discretionary programs. In a discretionary program, your IAR or the applicable third-party manager manages your assets within the parameters of the program and model portfolio you select without requiring you to approve transactions in advance. In a discretionary program, you maintain the ability to impose reasonable restrictions or modify any existing restrictions on the management of your account.

The non-discretionary Representative as Portfolio Manager program has been designed to give you flexibility to make investment decisions in your account as you deem appropriate within certain prescribed limits. Your IAR shall make recommendations for portfolio transactions within the parameters of your strategy and target risk profile and must obtain your permission prior to effecting any transactions in your account, except for automated rebalancing, when available. If rebalancing applies to your account, Guardian Strategic Advisors will rebalance your portfolio as scheduled without your prior approval.

For all Guardian Strategic Advisors Programs, your IAR is available on an ongoing basis to assist you in evaluating your portfolio strategy and asset allocation. Your IAR will provide you with advice and guidance that is based on the information you provide at the time you open your Guardian Strategic Advisors Program account and as you update or amend your information from time to time. To assist you in managing your account assets, Guardian Strategic Advisors will provide you with:

- Electronic periodic performance reports if electronic delivery is selected; and
- Opportunities for you to engage in periodic account reviews with your IAR to address progress toward your investment objectives.

You may transfer securities from outside accounts into your Guardian Strategic Advisors Program account; however, your IAR may recommend that you sell some or all of the securities if he or she believes that holding such securities is not appropriate for the current recommended investment strategy. Any securities held in your account that are classified as Unsupervised Assets are not managed by Guardian Strategic Advisors or your IAR but may remain in the account at your discretion.

Unsupervised Assets are not included in the periodic performance reports for your Guardian Strategic Advisors Program account. Guardian Strategic Advisors and your IAR do not provide investment advisory services regarding Unsupervised Assets, do not charge an advisory fee on such assets and do not assume responsibility for their management. Guardian Strategic Advisors, your IAR, and/or any third-party portfolio manager/strategist do not consider Unsupervised Assets when providing investment advice for your Guardian Strategic Advisors Program account.

Your account can be managed in a tax-sensitive manner; however, neither Guardian Strategic Advisors nor your IAR may provide tax advice or tax management services. You are responsible for any taxable events in all instances. You should always consult with your tax advisor for specific tax advice.

### **Guardian Strategic Advisors Wrap Fee Programs**

Under a wrap fee program, you pay a single asset-based fee for investment advisory services and execution of your transactions. Unless otherwise noted, administrative and investment advisory fees, along with transaction fees, are “wrapped” into one comprehensive fee, which is paid quarterly. A portion of the wrap fee is used to pay Guardian Strategic Advisors and your IAR for investment advisory services. A wrap fee program may cost you more or less than purchasing such services separately, depending on the level of trading activity in your account and the individual costs of the services if provided separately.

### **Guardian Strategic Advisors Unified Managed Account Program (“UMA Program”)**

The UMA Program is a discretionary investment advisory program sponsored by Guardian Strategic Advisors that provides you with access to third-party investment managers and advisory firms referred to as Investment Managers and Strategists where the Strategist and Investment Manager provides trading direction to OPS for the account through a model created and maintained by the selected Strategist or Investment Manager. Each Strategist or Investment Manager is responsible for selecting the securities for the investment model. Based upon your objectives and risk, your IAR will recommend one or multiple Strategists or Investment Managers to fulfill an investment strategy and you can elect to utilize multiple Strategist and Investment Manager models within a single custodial account, where each model allocation is assigned to a unique subaccount or “sleeve” within the overall asset allocation based on your client profile. The Strategist or Investment Manager will periodically adjust and rebalance the Model Portfolio investments to remain consistent with their investment strategies. By executing the Investment Program Agreement you grant the Strategists and Investment Managers selected the authority to buy and sell securities and investments for the account pursuant to the direction of the Strategist or Investment Manager and perform rebalancing or other such discretionary authorities you agree to. The portfolios created and maintained by the applicable Strategist and Investment Managers are held in a single unified managed account.

Strategists and Investment Managers do not possess knowledge of your individual information or investment goals and objectives. Further, the Strategists and Investment Managers do not provide personalized investment advice to you. Your IAR may periodically provide investment advice to you, including recommendations related to the management of Program Assets by one or more Strategists or Investment Managers, subject to your approval, in a manner consistent with your investment objectives and may also use their own IAR created model portfolio as a “sleeve” within the overall asset allocation based on your client profile. You have the ability to impose any reasonable restrictions on the management of your account.

Guardian Strategic Advisors may remove a Strategist or Investment Manager from the list of approved Strategists and Investment Managers at its discretion at which point the you shall be notified. Your IAR will work with you to reposition your assets into an appropriate investment option. If your UMA assets remain with an unapproved Investment Manager or Strategist, the assets will remain in-kind and unmanaged until you and your IAR select another Investment Manager or Strategist.

### **Guardian Strategic Advisors Separately Managed Account Program (“SMA Program”)**

The SMA program is a discretionary investment advisory program sponsored by Guardian Strategic Advisors that provides you with access to the investment strategies of third-party investment managers and advisory firms referred to as Investment Managers and “Strategists. Guardian Strategic Advisors provides SMA Program clients with the ability to access one or more Investment Managers or Strategists using a separately managed account for each one selected where the Investment Manager and/or Strategist trades directly for the account through a model created and maintained by the selected Investment Manager or Strategist. Based upon your investment objectives and risk, your IAR will recommend Investment Managers and/or Strategists to fulfill an investment strategy and may also select load-waived and no-load mutual funds, exchange-traded funds (“ETFs”), closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products to round out your asset allocation strategy.



An SMA Program account may contain one or multiple Investment Managers or Strategists, but each will be held in a separate custodial account. By executing the Investment Program Agreement, you grant the Investment Managers and/or Strategists selected the authority to buy and sell securities and investments for the SMA Program account and to perform rebalancing or other such discretionary authorities agreed upon by you. Each Investment Manager and Strategist is responsible for selecting the securities for your investment in the investment strategy, including the share class if the investment strategy contains mutual funds. You grant Guardian Strategic Advisors authority to open multiple custodial accounts based upon the initial account application for each Investment Manager and/or Strategist you choose. You also grant OPS the necessary authority to access and trade the models in the account based on the instructions received from the Strategist or Investment Manager.

Guardian Strategic Advisors may remove an Investment Manager or Strategist from the list of approved Investment Managers and Strategists at its discretion at which point you shall be notified. Your IAR will work with you to reposition your assets into an appropriate investment option. If your SMA assets remain with an unapproved Investment Manager or Strategist, the assets will remain in-kind and unmanaged until you and your IAR select another Investment Manager or Strategist.

#### **Guardian Strategic Advisors Representative as Portfolio Manager Program (“Rep as PM”)**

Guardian Strategic Advisors Discretionary Representative as Portfolio Manager Program (“Discretionary Rep as PM”) is an asset allocation program managed on a fully discretionary basis. Your selected IAR shall act as the portfolio manager in this Program. Based on your objectives and risk, your IAR shall build a portfolio constructed with a variety of securities that satisfy an asset allocation based on your portfolio objectives.

Guardian Strategic Advisors Non-Discretionary Representative as Portfolio Manager Program (“Non-Discretionary Rep as PM”) is an asset allocation program managed on a non-discretionary basis. Your selected IAR shall act as the portfolio manager in this Program. Based on your objectives and risk, your IAR shall assist you in selecting securities that satisfy an asset allocation based on your portfolio objectives. Your IAR must obtain your prior approval before submitting any orders.

If you select the non-discretionary option, the transactions in your Guardian Strategic Advisors non-discretionary account will take place only upon your specific approval. You assume full responsibility for all trading decisions. In the non-discretionary program, you may initiate transaction with your IAR, however, please be aware of the following:

- You may request your IAR to execute transactions that are initiated solely by you without a recommendation from your IAR (client-initiated transactions). These client-initiated transactions are solely your responsibility. Guardian Strategic Advisors will not be responsible for the performance of these client-initiated transactions; however, Guardian Strategic Advisors will include such assets in the advisory fee calculation. The advice of your IAR is a key service of the Rep as PM Program. A pattern of client-initiated transactions may indicate that this program is no longer appropriate for you as you would not be utilizing the advice of your IAR.

- If you have completed a client-initiated transaction and have acquired a security without the advice of your IAR, so long as you hold the position in your Guardian Strategic Advisors Rep as PM account, Guardian Strategic Advisors will take that asset into consideration:
  - as part of the overall account assets.
  - when Guardian Strategic Advisors gives you periodic asset allocation advice.
  - when Guardian Strategic Advisors values your account holdings.
  - when Guardian Strategic Advisors provides analyses and reports on the account's performance.
- Guardian Strategic Advisors may also recommend that you consider selling the asset if, and when Guardian Strategic Advisors deems it appropriate.

### **Guardian Strategic Advisors Program Fees and Compensation**

Fees paid to Guardian Strategic Advisors are based on the value of the assets within your account and may be individually negotiated by the client. At its discretion, Guardian Strategic Advisors pays a portion of the fee it receives to IARs. Fees earned by an IAR vary by program. Therefore, an IAR has an incentive to recommend one program over another.

There is no guarantee that the Guardian Strategic Advisors investment advisory services offered will result in the client's goals and objectives being met. Nor is there any guarantee of profit or protection from loss. The fees and expenses in connection with these advisory services may be higher than the cost of similar services offered through other financial firms or the fees associated with other financial services. Use of asset-based fee or "wrap fee" programs may result in the payment of fees by clients in excess of the combined total of separate advisory fees and brokerage commissions paid on an individual transaction basis. In investment advisory accounts, the Guardian Strategic Advisors IAR is not paid a sales commission or trail commission. Please note that a client may be able to purchase recommended no-load mutual funds outside of a Guardian Strategic Advisors Program at little or no transaction cost and without the payment of advisory fees; however, the client will not receive the benefit of the investment advice and other services that Guardian Strategic Advisors provides to clients participating in its advisory programs.

In general, compensation payable to Guardian Strategic Advisors in connection with investment advisory services is comparable to compensation charged by other full-service firms for the same services. In some cases, similar services may be available from other sources at lower fees and charges (which may have the effect of lowering the cost to the customer and/or increasing the return on the product). Often, but not always, firms that offer such products and services (which include, among others, discount brokers and direct marketers) do not provide the same level of personalized advice and/or service as Guardian Strategic Advisors seeks to provide.

Guardian Strategic Advisors and its IARs provide investment management advice to a variety of different clients. Certain types of clients and fee arrangements create conflicts of interest for Guardian Strategic Advisors. Some IARs provide advice or manage accounts "side by side" with accounts that have different characteristics. As such, these IARs have an incentive to favor some accounts over others.

Guardian Strategic Advisors IARs may also provide advisory services to retail clients via other Guardian Strategic Advisors programs. You should carefully review the description of each program and the related fees and consider which program may be more appropriate. If you want a description of all advisory programs, please contact Guardian Strategic Advisors or, alternatively, you may go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) to view all of the Form ADVs available for Guardian Strategic Advisors.

Guardian Strategic Advisors is conscious of these potential conflicts. Overall, where we are providing fiduciary services, the goal of our policies and procedures is to act in good faith and to treat all client accounts in a fair and equitable manner over time, regardless of their strategy, fee arrangements or the influence of their owners or beneficiaries. These policies include those addressing the fair allocation of investment opportunities across client accounts and the best execution of all client transactions.

### **Advisory and Transaction Fees**

The maximum annual client fee is 3%. Generally speaking, fees are negotiable from client to client, and are tailored to the specific type of services that Guardian Strategic Advisors provides to that client, however you and your IAR may select from a standard fee schedule applicable to the program you have selected. Discounts on the minimum advisory fee that Guardian Strategic Advisors may charge are not generally available to clients but are made in very limited situations. The advisory fee for Guardian Strategic Advisors Programs is based on the average daily balance of assets in your account during the previous calendar quarter and is payable in advance for the following quarter. You will pay one total fee for the services provided in the program you have selected. Unless indicated below, fees are based on the average daily account balance ("ADB") for the previous quarter. If your account was not open for the entire quarter, then the fee will be prorated.

If you choose a standard fee schedule rather than a negotiated flat fee, and your assets exceed a fee breakpoint or fall below a fee breakpoint, your advisory fee will be adjusted to the appropriate fee tier schedule in the subsequent quarter. The advisory fee does not include any investment management or other fees and expenses charged by the ETFs and/or mutual funds in which account assets are invested, all of which are fully disclosed in the ETF's and/or mutual fund's prospectus. If cash or cash-equivalent funds in your account are not sufficient to pay the fee or any of the other fees charged in connection with your account or transactions for your account, investments in your account may be liquidated in order to pay the outstanding fees. If your account is managed for only a portion of the quarter, the fee will be prorated accordingly.

The advisory fee also excludes other related charges, including but not limited to, express postage and handling charges, returned check charges, short-term mutual fund trading fees, fees listed in a mutual fund prospectus, checking account fees, costs associated with exchanging foreign currencies, odd lot differentials, activity assessment fees, transfer taxes, exchange fees, legal transfer fees, safekeeping fees, valuation fees, wire or transfer fees, foreign clearing, settlement and custodial fees, transfer taxes, exchange fees, other fees mandated by law, non-brokerage related fees such as Individual Retirement Account ("IRA") trustee or custodian fees and tax qualified retirement plan account fees, each of which is charged separately.

The Total Client Fee is located in your proposal. This advisory fee does not include underlying expense

ratios of any mutual funds and/or ETFs recommended for your account. Information concerning these expense ratios may be found in the prospectus for each mutual fund or ETF.

You should be aware that, in addition to the advisory fee paid by you for advisory services under a Guardian Strategic Advisors Program, each investment company (i.e., mutual fund) in the program also has its own separate investment management fees and other expenses. These funds may include funds managed as a sub-adviser by Park Avenue Institutional Advisers LLC ("PAIA"), an affiliate of Guardian Strategic Advisors. Further, certain "load" mutual funds may be purchased in a client's account at net asset value ("NAV") without a sales charge to a client ("NAV Funds"). Certain mutual funds available through the Guardian Strategic Advisors Programs may make payments to broker-dealers with respect to sales of fund shares pursuant to Rule 12b-1 under the Investment Company Act of 1940 ("Rule 12b-1 Service/Distribution Fees") or otherwise as administrative service fees. These fees are described in the prospectus for the respective mutual fund. Such payments are made from fund assets and have the effect of reducing fund performance. Guardian Strategic Advisors does not negotiate these payments, which are made solely at the discretion of the fund.

### **Mutual Fund Share Class Selection in Guardian Strategic Advisors Programs**

Fidelity may make various share classes of mutual funds available to Guardian Strategic Advisors and its clients. Even though multiple share classes are available from a mutual fund sponsor, Fidelity may only make available a single share class or a limited number of share classes on its platform. Guardian Strategic Advisors will select for purchase only share classes that are no-load or load-waived share classes and therefore not subject to any upfront sales charge paid to the mutual fund sponsor, but may be subject to a transaction fee paid to Fidelity. Fidelity may not choose to offer the least expensive share class that a mutual fund sponsor makes available, but instead may select a share class that pays Fidelity compensation for the administrative and recordkeeping services that the custodian provides to the investment product sponsor. Other custodians and financial services firms may offer the same mutual fund at a lower overall cost to the investor than is available through Guardian Strategic Advisors or a particular custodian and the client should consider these factors in deciding between types of investments, types of investment products and types of investment accounts. In reviewing mutual fund share class holdings in existing portfolios, Guardian Strategic Advisors evaluates the transaction costs of switching between share classes and the investment horizon of the client to determine whether a client will benefit from a particular transaction.

### **Non-Purpose Loan Program**

Fidelity makes non-purpose loans (each an "NPL") available to clients through agreements with third party financial institutions. You may apply using your account as collateral and must enter into an NPL agreement directly with the financial institution providing the NPL (the "Loan Provider"). These eligible securities accounts may include one or more of your Guardian Strategic Advisors Program accounts.

Due to the fact your Guardian Strategic Advisors Program account will be pledged to support any loans extended under the Non-Purpose Loan Program, you will not be permitted to withdraw any of the assets in the account unless there is a sufficient amount of collateral otherwise supporting the loans (as determined by Guardian Strategic Advisors in its sole discretion).

In certain circumstances, for example to avoid tax consequences or to allow for potential appreciation of assets, your IAR may recommend an NPL in your advisory account. Your IAR will benefit from a NPL because you don't have to liquidate assets in your account to pay for things with cash, which would diminish the assets held in the account and the potential fees and commissions that could be earned by your IAR from holding or engaging in future transactions with those assets. For example, with a fee-based account, by recommending a NPL to fund some purchase or financial need rather than liquidate securities, Guardian Strategic Advisors and your IAR continue to earn fees on the full account value and may also earn revenue from the new loans.

If you participate in the NPL Program, you will pay interest to the Loan Provider on the loan value in addition to any Program advisory fees charged in the Guardian Strategic Advisors Program account being used as collateral. Guardian Strategic Advisors and its IARs do not receive any portion of the interest paid by clients for non-purpose loans.

You must meet certain eligibility requirements and complete loan documentation prior to applying for a non-purpose loan. Specifically, you will be required to execute loan documents with the lender.

The decision to use Guardian Strategic Advisors Program account assets as collateral rests with you and should only be made if you understand:

- the risks of borrowing and the impact of the use of borrowed funds on advisory accounts;
- how the use of loans may affect your ability to achieve investment objectives;
- the risk that you may lose more than your original investment; and
- the possibility you may not benefit from collateralizing your account for a non-purpose loan in a Program account if the performance of your account does not exceed the interest expense being charged on the loan plus the additional advisory fees incurred by your account as a result of the deposit of the loan proceeds.

*Defaults* – Non-purpose loans are full recourse, demand loans and clients with non-purpose loan accounts may need to deposit additional cash or collateral or repay part or all of the loan if the value of the portfolio declines below the required loan-to-value ratio. The Loan Provider may demand repayment at any time.

Failure to promptly meet a request for additional collateral or repayment or other circumstances (e.g., a rapidly declining market) could cause Fidelity, at its discretion, to liquidate some or all of the collateral account or accounts to meet the loan requirements. Depending on market circumstances, the prices obtained for the securities may be less than favorable. Any required liquidations may disrupt your long-term investment strategies and may result in adverse tax consequences. Guardian Strategic Advisors does not provide legal or tax advice; you should consult your legal and tax advisors regarding the legal and tax implications of borrowing and using securities as collateral for a loan. You are personally responsible for repaying the loan in full, even if the value of the collateral is insufficient.

Neither Guardian Strategic Advisors nor its IARs will act as investment adviser to you with respect to the liquidation of securities held in a Guardian Strategic Advisors Program account to meet a non-purpose loan demand. Those liquidations will be executed in Fidelity's capacity as broker-dealer and may, as

permitted by law, result in executions on a principal basis in your account. In addition, as creditors, Guardian Strategic Advisors may have interests that are averse to your interests. Additional limitations and availability may vary by state.

There are substantial risks associated with the use of borrowed funds for investment purposes and securities as collateral for a loan.

## **Margin Accounts**

Client should be aware that margin borrowing involves additional risks. Margin borrowing will result in increased gain if the value of the securities in the account go up but will result in increased losses if the value of the securities in the account goes down. Interest will be charged on the amount loaned to purchase the additional securities, and therefore any gains must exceed the interest amount in order for this to be profitable. Fidelity, acting as the client's creditor, will have the authority to liquidate all or part of the account to repay any portion of the margin loan, even if the timing would be disadvantageous to the client.

If an account is approved for trading on margin and you have entered into a margin agreement with Fidelity, you will be charged margin interest on any credit extended to or maintained by the client. Your advisory fee is not charged on any margin debit balance, rather only on the net equity of the account.

## **5. Account Requirements and Types of Clients**

Guardian Strategic Advisors provides investment advisory services to available to individuals, high net-worth individuals, corporations and other business entities, trusts, foundations, and endowments. Guardian Strategic Advisors programs generally require clients to meet certain program account minimums. In some cases, account balances may be combined at the household level to satisfy the account minimum. Guardian Strategic Advisors and Strategists/Investment Managers may waive the account minimum requirements for their respective programs in their sole discretion.

Account minimums in the Guardian Strategic Advisors Wrap Fee programs are as follows:

- \$50,000 for the SMA and UMA Programs
- \$25,000 for the Rep as PM Program

## **6. Portfolio Manager Selection and Evaluation**

### **Guardian Strategic Advisors Advisory Platform Due Diligence:**

On the Guardian Strategic Advisors Services platform, the IAR is responsible for the overall investment advice and management services offered to clients, and the client selects the IAR who manages the account. Among other investments, Guardian Strategic Advisors makes available managers and strategists in the form of SMAs, mutual funds, and ETFs. The IAR is responsible for the selection of the appropriate manager or strategist and allocation for each client. The Guardian Strategic Advisors Research team conducts an evaluation of the strategists and SMAs before they are made available on the platform. While

the Guardian Strategic Advisors Research team is responsible for the screening process, in certain circumstances, they will also utilize due-diligence services provided by Orion on the Orion platform and other third-party services. The screening process, in general includes the following:

### **Quantitative Criteria**

Review the managers performance on an absolute basis and relative to appropriate benchmarks and, when appropriate, peer groupings. Additional quantitative factors include:

- Rate of return
- Risk taken to achieve return
- Consistency of returns
- Assets under management
- Expenses

### **Qualitative Criteria include**

- Sound Investment philosophy and process that drives performance
- Assessment of the investment manager and team
- Risk controls
- Legal and compliance issues
- Number of employees and accounts
- Years in the business

### **Infrastructure Criteria**

- Composite calculation methodology
- Trade rotation policy, if applicable
- Back office review
- Client servicing resources
- Firm-wide program commitment

Guardian Strategic Advisors Research Department uses information provided by the Advisor and may use independent, third party databases when evaluating an Advisor on the Guardian Strategic Advisors platform. For an Advisor to be selected for the program, Guardian Strategic Advisors generally requires a third-party verification letter related to compliance of the Advisor's performance information with Global Investment Performance.

**Monitoring of Investment Options** – The Guardian Strategic Advisors Research Department reviews investment option performance on a semi-annual basis. Each investment option will be reviewed, and investment options that do not meet the identified criteria will be placed on a watch list. The placement of an investment option on the watch list does not mean that it will be removed from the investment options but rather triggers further due diligence on the investment option. The purpose of the due diligence is to determine if the original reasons for selecting the investment option are still valid.

In certain circumstances, Guardian Strategic Advisors Research relies Orion's OPS due diligence services.



## **OPS Methods of Analysis, Investment Strategies and Risk of Loss (Strategists & Investment Managers)**

OPS utilizes specific qualitative and quantitative screening criteria to identify appropriate Strategists and Investment Managers for the UMA and SMA programs. The quantitative review focuses on the performance and track record of the Strategist/Investment Managers as compared against benchmarks. Our qualitative analysis reviews information surrounding the operations of the Strategists, including history, experience, firm size and structure, investment analysis and decision-making process, and portfolio risk review. Qualitative screening includes a review of each Strategist/Investment Manager's organizational history and stability, including depth/experience of investment team and research group, investment process and strategy, internal resource allocation, legitimacy of track record, experience with taxable clients, client servicing capabilities, relationship with OPS, and other characteristics. Each Strategist/Investment Manager is reviewed and analyzed, in detail, by the OPS Investment Committee. On at least an annual basis, the Investment Committee will review the performance of each Strategist/Investment Manager Model along with any organizational changes that may have occurred during the year.

To monitor Strategist/Investment Managers and manage the OPS strategies, we utilize a proprietary risk scoring methodology. This tool assists Investment Advisors in developing and selecting model portfolios by assigning a risk score to each Strategist/Investment Manager Model on the OPS platform. The tool also defines each Strategist/Investment Manager Model according to their investment style or mandate, tolerance.

### **Performance Based Fees and Side by Side Management**

Guardian Strategic Advisors does not use a performance-based fee structure (fees based on a share of capital gains or capital appreciation of the assets of a client).

### **Methods of Analysis**

Guardian Strategic Advisors Programs offer several investment strategies that involve investing in a wide range of securities and other financial instruments, including but not limited to:

- Equity securities
- Exchange Traded Funds
- Mutual Funds
- Exchange-listed securities
- Over-the-counter securities
- Securities of foreign issuers (including ADRs, EDRs and GDRs)
- Corporate debt
- Commercial paper
- Certificates of deposit
- Options
- United States government securities
- Municipal securities



## Investment Strategies

Clients utilizing Guardian Strategic Advisors' Rep as Portfolio Manager Programs receive asset allocation and securities recommendations from the IAR(s) associated with their account.

Clients utilizing the UMA and SMA Programs receive recommendations from their IAR on the Investment Manager(s) and/or Strategists to manage the risk/return strategy. Clients receive asset allocation and securities solutions via portfolios created and maintained by the Investment Manager or Strategist.

Asset allocation, often referred to as "tactical" or "strategic" asset allocation, is a strategy that seeks to diversify assets across various types of asset classes which may include broad asset classes (such as equity or fixed income), or sub-asset classes (such as large cap, small cap, or international). The weights assigned to each asset class are expected to result in an overall portfolio with risk and return characteristics that meet the client's investment objectives. Asset allocation does not account for individual security risk.

"Strategic asset allocation" assumes that the mix of asset classes will remain fairly consistent over a long period of time. The client's asset allocation targets typically are not changed unless the client's circumstances or objectives change. There are risks associated with asset allocation. One such risk is that the client may not participate in sharp increases in a particular security, industry or market sector. Clients with a strategic asset allocation strategy may not achieve their investment objectives and may lose money.

"Tactical asset allocation" is a strategy that actively adjusts a portfolio's asset allocation based upon short-term trends that could include financial market trends, economic cycles and asset class valuations. Based upon short-term assumptions, the portfolio allocations to certain asset classes are increased, while the portfolio allocations to other asset classes are decreased. There are risks associated with tactical asset allocation.

Clients with a tactical asset allocation may not achieve their investment objectives and may lose money.

Tactical asset allocation does not account for individual security risk. At different points in time, the tactical asset allocation and structure of the client's portfolio vary significantly. There is no guarantee that a tactical asset allocation will correctly predict or track market movements or that it will provide comparable returns or decreased volatility relative to traditional strategic asset allocation programs. Clients in tactical asset allocations are relying significantly on the skills and experience of the manager's ability to correctly judge changes in market behavior and construct a portfolio that predicts market behavior. In addition, even if the portfolio is correctly positioned, there is no guarantee that the client will not experience substantial losses. The tactical asset allocation strategy may result in a portfolio that experiences more frequent trading in order to take advantage of anticipated changes in market conditions. A high level of portfolio turnover may negatively impact performance by generating greater tax liabilities and brokerage and other transaction costs.

Guardian Strategic Advisors and IARs may also offer what are commonly known as focused/completion strategies. Focused/completion strategies are portfolios that are concentrated in a certain asset class or

deploy a narrow strategy. Generally, focused/completion strategies are used to complement other holdings. There are unique risks associated with focused and completion strategies, such as increased volatility since portfolios are often concentrated in a particular asset class.

Guardian Strategic Advisors recommends load-waived and no-load mutual funds, exchange-traded funds (“ETFs”), closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products approved for use to fulfill the recommended client asset allocation strategy.

## **Tax Harvesting**

Subject to meeting minimum balance requirements, you may direct Guardian Strategic Advisors to employ a tax harvesting strategy in managing taxable accounts. This means that, once the tax harvesting threshold is met, Guardian Strategic Advisors will sell securities in your account at a gain or loss to offset potential capital gains, although the type and amount of capital gains will not be monitored by Guardian Strategic Advisors for this purpose. By authorizing tax harvesting, Guardian Strategic Advisors will sell one or more securities in the account and will hold proceeds in cash to avoid the 30-day wash rule. Once 30 days have passed, the funds will be reinvested in the model. Within Guardian Strategic Advisors Programs, the Investment Manager or Guardian Strategic Advisors may select another ETF not substantially comparable to the security harvested to replace the securities that have been purchased or sold in your account.

You should consult with your professional tax advisors or review the Internal Revenue Service (“IRS”) website at [www.irs.gov](http://www.irs.gov) regarding the consequences of tax harvesting in light of your particular circumstances and its impact on your tax return. If your IAR recommends a tax harvesting strategy for your account, that advice is not intended as tax advice. Neither Guardian Strategic Advisors nor your IAR represent that any particular tax results will be obtained. You are responsible for monitoring any accounts in your household, or accounts for which you maintain control (at Guardian Strategic Advisors or with another firm) to ensure that transactions in the same security or a substantially similar security do not create a “wash sale.” A wash sale is the sale at a loss and repurchase of the same security, or substantially similar security, within 30 days. If a wash-sale transaction occurs, the IRS may disallow or defer the loss for current tax reporting purposes. More specifically, the wash-sale period for any sale at a loss consists of 61 days: the day of the sale, the 30 days before the sale, and the 30 days after the sale (these are calendar days, not trading days). The wash-sale rule postpones losses on a sale if replacement shares are bought around the same time. The effectiveness of the tax harvesting strategy to reduce your tax liability will depend on your entire tax and investment profile, investments (e.g., taxable or non-taxable) or holding period (e.g., short-term or long-term).

## **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. Clients may experience loss in the value of their account due to market fluctuations. There is no guarantee that a client’s investment objectives will be achieved by participating in any of the Programs described in this brochure. Prior to investing, clients should carefully read a copy of the current prospectus for each security, where a prospectus is available, or other offering documents associated with the particular investment. The prospectus or offering documents contain information regarding the fees, expenses, investment

objectives, investment techniques, and risks of each particular investment. The investment returns on a client account will vary and there is no guarantee of positive results or protection against loss. No warranties or representations are made by Guardian Strategic Advisors or IARs concerning the benefits of participating in the Programs described in this Brochure.

Guardian Strategic Advisors and IARs do not provide legal or tax advice. Clients with tax or legal questions should seek a qualified independent expert.

Depending on the types of securities you invest in, you may be subject to the following investment risks including, but not limited to:

*Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

*Market Risk:* The price of a security, bond or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market risks.

*Credit Risk:* also known as default risk, is the possibility that a bond issuer will not pay interest as scheduled or repay the principal at maturity. Credit risk may also be a problem with insurance companies that sell annuity contracts, where your ability to collect the interest and income you expect is dependent on the claims-paying ability of the issuing insurance company.

*Sociopolitical Risk:* The possibility that instability or unrest in one or more regions of the world will affect investment markets. Terrorist attacks, war and pandemics are examples of events, whether actual or anticipated, that impact investor attitudes toward the market in general and result in system wide fluctuations in stock prices.

*Inflation Risk:* When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

*Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

*Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

*Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on discoveries of oil and then refining it, a lengthy process, before they can generate a profit. These companies carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

*Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of loss if the

company is unable to meet the terms of its loan obligations. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

*Liquidity Risk:* When consistent with a client's investment objectives, guidelines, restrictions and risk tolerances, client portfolios may be invested in illiquid securities, subject to applicable investment standards. Investing in an illiquid (i.e., difficult to trade) security may restrict the ability to dispose of investments in a timely fashion or at an advantageous price, which may limit the ability to take full advantage of market opportunities. Accounts may hold securities which are partnerships. Some partnerships are relatively liquid and may be either exchange listed or traded over the counter. However, most partnership securities are often illiquid and are subject to significantly less regulation than public investments.

*Fixed Income Risks:* Portfolios that invest in bonds and other fixed income securities are subject to certain risks, including but not limited to, interest rate risk, credit risk, prepayment risk and market risk, which could reduce the yield that an investor receives from his or her portfolio.

*Foreign and Emerging Markets Risk:* Investments in securities of foreign and emerging markets issuers involve different investment risks than those affecting obligations of U.S. issuers. Public information may be limited with respect to foreign and emerging markets issuers, and they may not be subject to uniform accounting, auditing and financial standards and requirements comparable to those applicable to U.S. companies. Additional risks include future political and economic developments, the possibility that a foreign jurisdiction might impose or charge withholding taxes on income payable with respect to foreign and emerging markets securities, and the possible adoption of foreign governmental restrictions such as exchange controls. In addition, foreign currency exchange rates may affect the value of securities in the portfolio.

*High-yield Bond Risk:* Investments in high-yielding, non-investment grade bonds involve higher risk than investment grade bonds. Adverse conditions may affect the issuer's ability to make timely interest and principal payments on these securities.

*Structured Products Risk:* These products often involve a significant amount of risk and should only be offered to clients who have carefully read and considered the product's offering documents, as their structure may be based on derivatives or other types of securities, which may be volatile. Structured products are intended to be "buy and hold" investments and are not liquid instruments.

*Derivatives Risk:* Derivatives are securities whose price is dependent upon or derived from one or more underlying assets. The derivative itself is a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. Derivatives may involve significant risks and are not suitable for everyone. Derivatives trading can be speculative in nature and carry substantial risk of loss, including the loss of principal.

*Small/Mid Cap Risk:* Stocks of small or mid-sized, emerging companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

*Diversification Risk:* Investments that are concentrated in one or few industries or sectors may involve

more risk than more diversified investments, including the potential for greater volatility.

*Security Selection and Asset Allocation Risk:* Securities selected from a particular asset class (e.g., stocks, bonds, money market instruments) may experience unusual market volatility or may not perform as expected. An asset allocation program does not guarantee achievement of a client's investment objective nor protect against loss.

*ETF Risk:* ETFs are subject to the following risks: (i) the market price of an ETF's shares may trade above or below the net asset value; (ii) there may be an inactive trading market for an ETF; (iii) the ETF may employ an investment strategy that utilizes high leverage ratios; (iv) trading of an ETF's shares may be halted, delisted, or suspended on the listing exchange; and (v) the ETF may fail to achieve close correlation with the index that it tracks.

*Real Estate Risk:* Investment in real estate and real estate related assets is subject to the risk of adverse changes in national, state or local real estate conditions (resulting from, for example, oversupply of or reduced demand for space and changes in market rental rates); obsolescence of properties; changes in the availability, cost and terms of mortgage funds; and the impact of tax, environmental and other laws.

*Options Risk:* The use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and your account will no longer hold the security. When purchasing options there is the risk that the entire premium paid (the purchase price) for the option can be lost if the option is not exercised or otherwise sold prior to the option's expiration date. When selling (or "writing") options, the risk of loss can be much greater if the options are written uncovered ("naked"). The risk of loss can far exceed the amount of the premium received for an uncovered option and in the case of an uncovered call option the potential loss is unlimited.

## **Brokerage Practices**

Guardian Strategic Advisors has existing relationship with Fidelity Brokerage Services LLC ("FBS") and National Financial Services LLC ("NFS"), together "Fidelity". NFS and FBS are members of FINRA and the Securities Investor Protection Corporation (SIPC) and are registered broker-dealers. These firms maintain custody of clients' assets and effect trades in client accounts. Guardian Strategic Advisors is independently owned and operated and not affiliated with FBS or NFS and any of the recommended custodians that may be used. Guardian Strategic Advisors has chosen to establish relationships with Fidelity based upon their financial strength, reputations, execution capabilities, pricing, research and service and recommends their use to clients based upon these factors, consistent with Guardian Strategic Advisors' fiduciary obligations, including the duty to seek best execution. Although Guardian Strategic Advisors has found the use of Fidelity to be consistent with its obligation to seek best execution and that the fees (including but not limited to commissions and/or transaction fees) charged by each is reasonable relative to the value of the brokerage and research services provided, a client may nonetheless pay a fee for services that is higher than another qualified broker-dealer might charge to effect the same transaction. 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

the benefit to all clients.

### **Directed Brokerage**

Directed brokerage occurs when the client directs Guardian Strategic Advisors to utilize a custodian that is not among the Guardian Strategic Advisors approved custodians. Guardian Strategic Advisors does not allow you to direct to any other firm but its approved custodians.

### **Research and Other Benefits to Guardian Strategic Advisors**

Guardian Strategic Advisors receives from Fidelity certain support services or products, without cost or at a discount, that assist Guardian Strategic Advisors in monitoring and/or servicing Client accounts. These services include investment-related research, pricing information and market data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and/or educational or social events, marketing support, computer hardware and/or software and/or other products and services used by, or useful to, Guardian Strategic Advisors in providing investment advisory services to its clients. Clients are directed to a more complete discussion below regarding Fidelity, types of services, support, and products that are made available to Guardian Strategic Advisors by each. If these additional services were not provided to Guardian Strategic Advisors by Fidelity, Guardian Strategic Advisors might be compelled to purchase the same or similar services at its own expense.

Guardian Strategic Advisors participates in back office and support programs sponsored by Fidelity. These programs and the services provided, including trading capabilities, are essential to Guardian Strategic Advisors' service arrangements. Guardian Strategic Advisors does not, as a general matter, routinely accept clients who direct Guardian Strategic Advisors to use other broker-dealers or custodians. As part of its participation in these programs, Guardian Strategic Advisors receives benefits that it would not receive if it did not offer investment advice. As a result of receiving such services at a reduced cost (or at no additional cost), Guardian Strategic Advisors has an incentive to continue to use or to expand the use of the services of Fidelity.

### **Referrals to Custodians**

Through Fidelity, Guardian Strategic Advisors receives direct access to real-time client account information, electronic download of trades, balances and positions, and the ability to direct Fidelity to directly debit client advisory fees. The services provided to Guardian Strategic Advisors are not contingent upon any specific amount of business (assets or trading). Guardian Strategic Advisors' participation in these arrangements raises potential conflicts of interest. Each provides Guardian Strategic Advisors with benefits it may not receive from other firms in terms of pricing and services. They also make available services or funding intended to help Guardian Strategic Advisors manage and further develop its business enterprise. These services include consulting, transition support, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, they make available, arrange and/or pay for these types of services rendered to Guardian Strategic Advisors by independent third parties. Fidelity can discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services

to Guardian Strategic Advisors. This creates a potential conflict of interest.

## **Best Execution**

Investment advisers are obligated to provide best execution of customer orders where the adviser has the responsibility to select broker-dealers to execute client trades. Best execution refers to using reasonable diligence to seek to obtain the best price to buy or sell a security under prevailing market conditions. Guardian Strategic Advisors' objective in executing client trades is to obtain the most favorable execution and to aggregate and allocate trades fairly and equitably across all its clients.

Guardian Strategic Advisors has adopted policies and procedures that are designed so that trading practices do not unfairly or systematically favor one client, group, or strategy over another. Guardian Strategic Advisors regularly receives reports from Fidelity which contain information regarding the trade order execution experience of Fidelity for all of its customers. Guardian Strategic Advisors undertakes an on-going review of its relationship with Fidelity, including a quarterly review of trade order flows. You should consult with your IAR and review the Investment Manager's Form ADV Part 2A for information related to any additional fees. You should carefully consider any additional trading costs the you may incur before selecting an Investment Manager.

In certain instances, Guardian Strategic Advisors may engage in riskless principal transactions for fixed income securities in the Representative as PM managed program.

## **Soft Dollars**

Soft dollars are defined as arrangements under which products or services other than the execution of securities transactions are obtained by an adviser from or through a broker-dealer in exchange for the direction of securities trades to the broker-dealer. Guardian Strategic Advisors does not have any soft dollar arrangements.

## **Order Aggregation**

Whenever possible, client trades are aggregated, or block traded. The process of aggregating client trades is done in order to achieve better execution, to negotiate more favorable commission rates and to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when trades are placed independently. Aggregated orders are allocated to clients according to the average price of the order. Under this procedure, OPS or Guardian Strategic Advisors calculates the average price and transaction charges for each transaction included in a block order and assigns the average price and transaction charge to each allocated transaction executed for your account. If OPS or Guardian Strategic Advisors is unable to completely fill an aggregated transaction, shares will be allocated to client accounts on a pro-rata basis.

## **Voting Client Securities**

As a matter of firm policy and practice, Guardian Strategic Advisors does not have any authority to vote 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.

Guardian Strategic Advisors clients will receive proxies directly from Fidelity. For questions regarding proxies, clients may contact Guardian Strategic Advisors at (800) 879-6934.

## **7. Client Information Provided to Portfolio Managers**

Guardian Strategic Advisors and its IARs will have access to your (i) account opening documents, which include, among other things, your investment objective, risk tolerance and any client-imposed restrictions on management of assets; (ii) online access to the account; (iii) confirmations; (iv) account statements; and (v) each client's quarterly performance reports.

## **8. Client Contact with Portfolio Managers**

There are no restrictions placed on clients' ability to contact and consult with Guardian Strategic Advisors regarding our wrap fee programs.

## **9. Additional Information**

### **Disciplinary Information**

Guardian Strategic Advisors has not been subject to any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

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

Guardian Strategic Advisors is an indirect wholly owned subsidiary of The Guardian Life Insurance Company of America ("GLIC"), a New York mutual life insurance company and directly owned by Guardian Investor Services LLC. Guardian Strategic Advisors is an affiliate of The Guardian Insurance & Annuity Company, Inc. ("GIAC"), a Delaware insurance company and Park Avenue Securities LLC ("PAS"), a Delaware broker-dealer and SEC registered investment adviser. PAS or its IARs may recommend mutual funds whose investment adviser is a Guardian Strategic Advisors affiliate, such as Park Avenue Institutional Advisers LLC ("PAIA") which is a Delaware limited liability company which is an indirect wholly owned subsidiary of GLIC. GLIC also wholly owns Guardian LEIM, LLC, a Delaware limited liability company that owns 85% of Broadshore Capital Partners, LLC ("Broadshore"), a Delaware limited liability company. PAIA and Broadshore are registered investment advisers. PAIA may earn mutual fund management fees.

Many IARs of Guardian Strategic Advisors are also agents of GLIC and may sell products manufactured by GLIC, such as whole life insurance. IARs who are insurance agents of GLIC receive compensation from GLIC for the sales of insurance products but receive no additional compensation as an IAR of Guardian Strategic Advisors for selling products issued by affiliates or mutual funds managed by affiliates than they would if they recommend insurance products or mutual funds issued by or managed by non-affiliates.



Additionally, IARs of Guardian Strategic Advisors may also be Registered Representatives (“RRs”) of PAS, an affiliated broker-dealer and member of the Financial Industry Regulatory Authority (“FINRA”). RRs of PAS will be compensated via commissions on the securities products recommended in their role as an RR of PAS.

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

Guardian Strategic Advisors has adopted a Code of Ethics for all supervised persons of the firm, which governs the ethical standards of conduct and securities trading by supervised persons. The Code of Ethics includes provisions relating to, among other things, a prohibition on trading on the basis of material non-public information or confidential information, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and policies relating to personal securities trading. All supervised persons of Guardian Strategic Advisors must acknowledge the terms of the Code of Ethics annually. Guardian Strategic Advisors will provide a copy of the Code of Ethics to any client or prospective client upon request.

It is Guardian Strategic Advisors policy that the firm generally will not affect any principal or agency cross transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to an advisory client. Guardian Strategic Advisors may engage in principal transactions only in limited circumstances where it elects to buy “worthless securities” out of client accounts in order to facilitate the liquidation of such positions.

Guardian Strategic Advisors also will not permit agency cross transactions between client accounts. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Guardian Strategic Advisors may recommend to clients’ mutual funds that are managed or sub advised by investment adviser affiliates of Guardian Strategic Advisors. For more information, see “Other Financial Industry Activities and Affiliations”.

### **Review of Accounts**

Guardian Strategic Advisors, through its IARs, gathers information from a client about that client’s financial situation, risk tolerance, investment objectives and reasonable restrictions that the client wishes to impose upon the management of the account. Each IAR reviews reports and consults with the client at least annually to review the client’s financial situation and investment objectives. Clients should notify their IARs of any changes in their financial situation, risk tolerance, investment objectives or account restrictions.

Financial plans and consultations must be submitted to Guardian Strategic Advisors for review and approval prior to presentation to a client. Once approved, the plan or consultation may be presented to the client.

Guardian Strategic Advisors provides clients with a quarterly written performance report. Performance

information is calculated by Orion. The quarterly analysis measures performance of the account by comparing such performance against relevant market indices.

### **Client Referrals**

Guardian Strategic Advisors may enter into arrangements with several individuals (“Solicitors”) under which the Solicitors introduce potential advisory clients to Guardian Strategic Advisors in exchange for a referral fee. All such arrangements comply with the provisions of Rule 206(4)-3 under the Investment Advisers Act of 1940. Whenever Guardian Strategic Advisors pays a referral fee, we require the prospective client to receive a copy of this Brochure and a separate disclosure statement that includes the following information: (1) the Solicitor's name and relationship with Guardian Strategic Advisors; (2) the fact that the Solicitor is being paid a fee; (3) the amount of the fee; and (4) whether the fee paid to Guardian Strategic Advisors by the client will be increased above our normal fees in order to compensate the Solicitor. Generally, the advisory fees paid to Guardian Strategic Advisors by clients referred by Solicitors are not increased as a result of a referral.

### **Other Compensation (Guardian Strategic Advisors Programs)**

Listed below are potential additional payments that Guardian Strategic Advisors may receive. You should consider these conflicts of interest prior to investing in the Guardian Strategic Advisors Programs.

### **Fidelity Additional Compensation or Discounts Available to Guardian Strategic Advisors**

Through an agreement with Fidelity, Guardian Strategic Advisors may earn the following payments from Fidelity.

- 1) Fidelity will provide Guardian Strategic Advisors with up to \$125,000 for transition expenses during the first 12 months of its relationship with Guardian Strategic Advisors.
- 2) Fidelity will reimburse up to \$175,000 in account termination fees charged to Guardian Strategic Advisors’ clients by their former custodian. This reimbursement will be available during the first 12 months from the start of Guardian Strategic Advisors’ relationship with Fidelity.
- 3) Fidelity will waive their platform fee during the first 12 months of its relationship with Guardian Strategic Advisors.

### **Transitional Assistance**

In certain situations, Guardian Strategic Advisors could offer a forgivable loan to an experienced IAR transitioning to Guardian Strategic Advisors to help cover or defray the costs of transitioning from another investment adviser.

These transition assistance loans may be forgiven based on years of service with Guardian Strategic Advisors, or its affiliates, assets under management, the amount of production with Guardian Strategic Advisors or its affiliates or the number of clients brought over to Guardian Strategic Advisors. This practice creates a conflict of interest as it provides a financial incentive for an IAR to recommend that a client engage Guardian Strategic Advisors for advisory or brokerage services, and to recommend additional products from Guardian Strategic Advisors or its affiliates.

Guardian Strategic Advisors will work with an IAR to ensure a successful transition by providing everything from a customized transition plan, tailored training, account opening and account transfer support. The level of support and service received is dependent upon an IAR's production level. Transition assistance presents a conflict of interest because of the incentive to affiliate with and recommend Guardian Strategic Advisors to clients.

### **How Guardian Strategic Advisors Addresses Conflicts of Interest Described in the Other Compensation Sections Above**

Guardian Strategic Advisors discloses potential conflicts of interest to clients through documents such as this disclosure document, disclosures on the Guardian Strategic Advisors website and other materials discussing the products and services offered.

### **Custody**

Guardian Strategic Advisors itself does not have actual custody of client assets. However, through systems access provided by the custodian Fidelity, Guardian Strategic Advisors may execute authorized transactions (such as debiting fees from client accounts, wire transfers, and check disbursements, etc.) on behalf of clients. To the extent that Guardian Strategic Advisors is deemed to have "custody of client funds or securities" within the meaning of Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended, Guardian Strategic Advisors will comply with the requirements of such rule, including the rule's provision for a surprise annual audit to be conducted by an independent public accountant.

Guardian Strategic Advisors provides quarterly performance reports to clients. Clients also should receive at least quarterly statements from Fidelity. Guardian Strategic Advisors urges you to carefully review such statements and compare such official custodial records to the quarterly performance reports that we provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Clients should be aware that the performance reports are not official account statements. It should be used only for informational purposes and should not be relied upon for making investment decisions or for tax purposes. Clients should promptly notify the Firm or his/her IAR upon discovery of any errors, discrepancies or irregularities.

### **Financial Information**

Guardian Strategic Advisors does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients. Guardian Strategic Advisors has never been the subject of a bankruptcy.

If you have questions relating to any information contained in this disclosure, please contact your IAR or Guardian Strategic Advisors directly at 800-879-6934.