

## Item 1 – Cover Page

**360 Financial Partners, LLC**  
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Date of Disclosure Brochure: December 13, 2021

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This disclosure brochure provides information about the qualifications and business practices of 360 Financial Partners, LLC (also referred to as we, us and 360 Financial Partners throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact Carol MacEachern at 843-216-1077 or carol@360fp.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about 360 Financial Partners is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for 360 Financial Partners, LLC, or our firm's CRD number 169280.

\*Registration as an investment adviser does not imply a certain level of skill or training.

## Item 2 – Material Changes

The material changes in this brochure from the last annual updating amendment of 360 Financial Partners on 01/24/2020 are described below. Material changes relate to 360 Financial Partner's policies, practices, or conflicts of interests.

- INTL FCStone Financial, Inc. has changed its name to StoneX Financial Inc. (Item 4, 10 12 & 14.)
- We have removed all disclosure at it relates to offering a wrap fee program.
- We have amended item 4 to include Written Acknowledgement of Fiduciary Status disclosure.
- We have removed hourly financial planning.
- We have removed item 19 as the firm seeks SEC registration.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes, as necessary.

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## Item 4 – Advisory Business

360 Financial Partners is an investment adviser registered with the State of South Carolina and is a limited liability company (LLC) formed under the laws of the State of South Carolina.

- Dustin J. Hughes is a managing member, chief compliance officer (CCO) and investment adviser representative of 360 Financial Partners. Dustin J. Hughes owns 50% of 360 Financial Partners. Full details of the education and business background of Dustin J. Hughes are provided at *Item 19* of this Disclosure Brochure.
- Randall D. Teegardin is a managing member and investment adviser representative of 360 Financial Partners. Randall D. Teegardin owns 50% of 360 Financial Partners. Full details of the education and business background of Randall D. Teegardin are provided at *Item 19* of this Disclosure Brochure.

360 Financial Partners was founded in August 2006.

### Introduction

The investment advisory services of 360 Financial Partners are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of 360 Financial Partners (referred to as your investment adviser representative throughout this brochure).

### Description of Advisory Services

The following are descriptions of the primary advisory services of 360 Financial Partners. Please understand that you and 360 Financial Partners must sign a written agreement, which details the exact terms of the service, before we can provide you the services described below.

**Asset Management Services** – 360 Financial Partners offers asset management services, which involves 360 Financial Partners providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

360 Financial Partners typically provides its asset management through the Account held by qualified custodian, StoneX Financial Inc., a securities broker-dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). Your investment adviser representative at 360 Financial Partners also serves as a registered representative of SA Stone Wealth Management Inc., which is a broker-dealer and affiliate of StoneX Financial Inc.; however, 360 Financial Partners is not affiliated with StoneX Financial Inc. nor SA Stone Wealth Management Inc. *Please refer*

*to Item 10 – Other Financial Industry Activities and Affiliations, Item 12 – Brokerage Practices and Item 15 – Custody of this brochure for more information.*

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting, or holding securities, cash, or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however, we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you, or actions taken for you. We are not obligated to buy, sell, or recommend to you any security or other investment that we may buy, sell, or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

**Financial Planning & Consulting Services** - 360 Financial Partners offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics: Investment Planning, Retirement Planning, Insurance Planning, Tax Planning, Education Planning, Portfolio Reviews, Asset Allocation, and Estate Planning. When providing financial planning and consulting services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide modular written financial plans, which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans prepared by us do not include specific recommendations of individual securities.

We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. We also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made

by you. Under an “as-needed” consultation, it will be incumbent upon you to identify those particular issues for which you are seeking our advice or consultation on.

In addition to these services, we offer ongoing advisement consultations to participants in retirement plans (401(k) plans, profit sharing plans, etc.). When providing these services, we review your financial situation, goals, and objectives as well as the investment options available in the retirement plan. We will review your retirement plan account at specified intervals and will make such recommendations from the list of available investment options in your retirement plan account as are deemed appropriate and consistent with your stated investment objectives and risk tolerance. These services do not constitute asset management services for your retirement plan account; we do not have investment discretion or trading authority over your retirement plan account. You determine whether to implement our advice. The implementation of any trades in your retirement plan account is your responsibility.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through 360 Financial Partners or retain 360 Financial Partners to actively monitor and manage your investments, you must execute a separate written agreement with 360 Financial Partners for our asset management services.

360 Financial Partners offers advisory services by recommending third-party money managers offering asset management and other investment advisory services. The third-party managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

We are available to answer questions that you may have regarding your account and act as the communication conduit between you and the third-party money manager. The third-party money manager may take discretionary authority to determine the securities to be purchased and sold for your account. We do not have any trading authority with respect to your designated account managed by the third-party money manager.

360 Financial Partners will review the performance of each third-party investment adviser firm that 360 Financial Partners will recommend to clients. 360 Financial Partners will enter into only a select number of relationships with third-party investment adviser firms to whom we pay a portion of the overall fee charged to our clients.

Clients are advised that there may be other third-party managed programs not recommended by our firm, which are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client’s financial goals or objectives will be achieved by a third-party investment adviser recommended by our firm. Further, no guarantees of performance can ever be offered by our firm (*Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more details.*)

**Retirement Plan Services** - 360 Financial Partners offers retirement plan services to retirement plan sponsors and to individual participants in retirement plans. For a corporate sponsor of a retirement plan, our retirement plan services can include, but are not limited to, the following services:

### Fiduciary Consulting Services

360 Financial Partners provides the following Fiduciary Retirement Plan Consulting Services:

- Investment Policy Statement Preparation. 360 Financial Partners will help you develop an investment policy statement. The investment policy statement establishes the investment policies and objectives for the Plan. You will have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the investment policy statement.
- Non-Discretionary Investment Advice. 360 Financial Partners will provide you with general, non-discretionary investment advice regarding assets classes and investment options, consistent with your Plan's investment policy statement.
- Investment Selection Services. 360 Financial Partners will provide you with recommendations of investment options consistent with ERISA section 404(c).
- Investment Due Diligence Review. 360 Financial Partners will provide you with periodic due diligence reviews of the Plan's reports, investment options and recommendations.
- Investment Monitoring. 360 Financial Partners will assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformation to the guidelines set forth in the investment policy statement and 360 Financial Partners will make recommendations to maintain or remove and replace investment options.
- Default Investment Alternative Advice. 360 Financial Partners will provide you with non-discretionary investment advice to assist you with the development of qualified default investment alternative(s) ("QDIA"), as defined in DOL Reg. Section 2550.404c-5(e)(4)(i), for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election. You will retain the sole responsibility to provide all notices to participants required under ERISA section 404(c)(5).
- Individualized Participant Advice. Upon request, 360 Financial Partners will provide one-on-one advice to Plan participants regarding their individual situations.

For Fiduciary Consulting Services, all recommendations of investment options and portfolios will be submitted to you for your ultimate approval or rejection. For retirement plan Fiduciary Consulting Services, the plan sponsor or the plan participant who elects to implement any recommendations made by us is solely responsible for implementing all transactions.

Fiduciary Consulting Services are not management services, and 360 Financial Partners does not serve as administrator or trustee of the plan. 360 Financial Partners does not act as custodian for any client account or have access to client funds or securities (with the exception of, some accounts, having written authorization from the client to deduct our fees).

360 Financial Partners acknowledges that in performing the Fiduciary Consulting Services listed above that it is acting as a "fiduciary" as such term is defined under Section 3(21)(A)(ii) of Employee Retirement Income Security Act of 1974 ("ERISA") for purposes of providing non-discretionary investment advice only. 360 Financial Partners will act in a manner consistent with the requirements of a fiduciary under ERISA if, based upon the facts and circumstances, such services cause 360 Financial Partners to be a fiduciary as a matter of law. However, in providing the Fiduciary Consulting Services, 360 Financial

Partners (a) has no responsibility and will not (i) exercise any discretionary authority or discretionary control respecting management of Client's retirement plan, (ii) exercise any authority or control respecting management or disposition of assets of Client's retirement plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of Client's retirement plan or the interpretation of Client's retirement plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets, and (c) is not the "Administrator" of Client's retirement plan as defined in ERISA.

#### Non-Fiduciary Services

Although an investment adviser is considered a fiduciary under the Investment Advisers Act of 1940 and required to meet the fiduciary duties as defined by the Advisers Act, the services listed here as non-fiduciary should not be considered fiduciary services for the purposes of ERISA since Advisor is not acting as a fiduciary to the Plan as the term "fiduciary" is defined in Section 3(21)(A)(ii) of ERISA. The exact suite of services provided to a client will be listed and detailed in the Qualified Retirement Plan Agreement.

360 Financial Partners provides clients with the following Non-Fiduciary Retirement Plan Consulting Services:

- Participant Education. 360 Financial Partners will provide education services to Plan participants about general investment principles and the investment alternatives available under the Plan. 360 Financial Partners' assistance in participant investment education will be consistent with and within the scope of DOL Interpretive Bulletin 96-1. Education presentations will not take into account the individual circumstances of each participant and individual recommendations will not be provided unless otherwise agreed upon. Plan participants are responsible for implementing transactions in their own accounts.
- Participant Enrollment. 360 Financial Partners will assist you with group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.
- Qualified Plan Development. 360 Financial Partners will assist you with the establishment of a qualified plan by collaborating with you and a selected Third-Party Administrator. If you have not already selected a Third-Party Administrator, we shall assist you with the review and selection of a Third-Party Administrator for the Plan.
- Due Diligence Review. 360 Financial Partners will provide you with periodic due diligence reviews of your Plan's fees and expenses and your Plan's service providers.
- Fiduciary File Set-up. 360 Financial Partners will help you establish a "fiduciary file" for the Plan that contains trust documents, custodial/brokerage statements, investment performance reports, services agreements with investment management vendors, the investment policy statement, investment committee minutes, asset allocation/asset liability studies, due diligence fields on funds/money managers and monitoring procedures for funds and/or money managers.
- Benchmarking. 360 Financial Partners will provide you benchmarking services and will provide analysis concerning the operations of the Plan.

We can also meet with individual participants to discuss their specific investment risk tolerance, investment timeframe, and investment selections.



Securities and other types of investments all bear different types and levels of risk. Those risks are typically discussed with clients in defining the investment policies and objectives that will guide investment decisions for their qualified plan accounts. Upon request, as part of our retirement plan services, we can discuss those investments and investment strategies that we believe may tend to reduce these risks for a particular client's circumstances and plan participants.

Clients and plan participants must realize that obtaining higher rates of return on investments entails accepting higher levels of risk. Based upon discussions with the client, we will attempt to identify the balance of risks and rewards that is appropriate and comfortable for the client and other employees. It is still the clients' responsibility to ask questions if the client does not fully understand the risks associated with any investment. All plan participants are strongly encouraged to read prospectuses, when applicable, and ask questions prior to investing.

We strive to render our best judgment for clients. Still, 360 Financial Partners cannot assure that investments will be profitable or assure that no losses will occur in their portfolios. Past performance is an important consideration with respect to any investment or investment advisor, but it is not necessarily an accurate predictor of future performance.

360 Financial Partners will disclose, to the extent required by ERISA Regulation Section 2550.408b-2(c), to you any change to the information that we are required to disclose under ERISA Regulation Section 2550.408b-2(c)(1)(iv) as soon as practicable, but no later than sixty (60) days from the date on which we are informed of the change (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable).

In accordance with ERISA Regulation Section 2550.408b-2(c)(vi)(A), we will disclose within thirty (30) days following receipt of a written request from the responsible plan fiduciary or Plan Administrator (unless such disclosure is precluded due to extraordinary circumstances beyond our control, in which case the information will be disclosed as soon as practicable) all information related to the Qualified Retirement Plan Agreement and any compensation or fees received in connection with the Agreement that is required for the Plan to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms and schedules issued thereunder.

If we make an unintentional error or omission in disclosing the information required under ERISA Regulation Section 2550.408b-2(c)(1)(iv) or (vi), we will disclose to you the correct information as soon as practicable, but no later than thirty (30) days from the date on which we learn of such error or omission.

**Variable Sub-Account Management Services** - Under our sub-account management services, 360 Financial Partners manages your variable annuity or variable life contract by selecting, monitoring, and exchanging as necessary between sub-accounts available from the insurance company issuing the variable annuity or variable life contract.

Under this program, we assist you in completing a questionnaire that details your financial goals, risk tolerance and time horizon. You will have the opportunity to list on your investment advisory agreement with our firm any reasonable restrictions on the sub-accounts that may be utilized by 360 Financial Partners. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however, we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives.

Once you have provided us with the necessary information and made the appropriate authorizations, 360 Financial Partners utilizes limited discretionary authority to select or exchange among the sub-accounts available under your variable annuity or variable life contract in accordance with your disclosed investment objective and risk tolerance. 360 Financial Partners may utilize signal providers for guidance regarding investment strategies, asset allocations and timing of exchanges. 360 Financial Partners will monitor your sub-accounts and exchange sub-accounts as necessary and in accordance with your investment objective and risk tolerance.

### **Newsletters**

360 Financial Partners occasionally prepares general, educational, and informational newsletters. Newsletters are always offered on an impersonal basis and do not focus on the needs of a specific individual.

### **Seminars**

360 Financial Partners may occasionally provide seminars in areas such as financial planning, retirement planning, estate planning, college planning and charitable planning. Seminars are always offered on an impersonal basis and do not focus on the individual needs of participants.

## **Investment Products Offered**

360 Financial Partners provides investment advice on diverse investments, including but not limited to:

- Mutual Funds
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- Variable Annuities
- Variable Life Insurance
- US Government Securities
- Options Contracts on Securities

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

### **Written Acknowledgement of Fiduciary Status**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **Customize Advisory Services to Individual Needs of Clients**

360 Financial Partners' advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. Our financial planning and consulting services are always provided based on your individual needs. When providing financial planning and consulting services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

### **Client Assets Managed by 360 Financial Partners**

As of November 2021, 360 Financial Partners has the following assets under management:

\$116,736,924 in Discretionary assets.

## **Item 5 – Fees and Compensation**

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation

arrangements. It should be noted that lower fees for comparable service might be available from other sources. The exact fees and other terms will be outlined in the agreement between you and 360 Financial Partners.

### **Asset Management Services**

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period is based on the value of the Account when services commence and is due immediately and will be deducted from Account when services commence.

The asset management services continue in effect until terminated by either party (i.e., 360 Financial Partners or you) by providing written notice of termination to the other party. 360 Financial Partners will promptly refund any prepaid, unearned fees to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Fees charged for our asset management services are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (e.g. equities versus mutual funds and/or the use option strategies), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client. The particular investment adviser representative working with the client negotiates fees, and consequently, similar clients using different investment adviser representatives at 360 Financial Partners may pay a different annual fee.

For our asset management services where tickets are charged separately by the qualified custodian, the investment adviser representative may charge a client the following maximum annual fee based upon the amount of assets under management:

<b><u>MAXIMUM FEE SCHEDULE</u></b>	
<b><u>Assets Under Management</u></b>	<b><u>Annual Fees</u></b>
\$0 – \$250,000	2.00%
\$250,001 – \$500,000	2.00%
\$500,001 – \$750,000	2.00%
\$750,001 – \$1,000,000	2.00%
> \$1,000,000	2.00%

There is a minimum account size of \$15,000.

360 Financial Partners believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

The investment advisory fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You will authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to our firm. The account statement will itemize any such fee deductions. See *Item 15 – Custody* for more details.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

360 Financial Partners does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than 360 Financial Partners in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, Turn Key Asset Management administrative fees (TAMP), variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. To the extent that an investment adviser representative of 360 Financial Partners receives a commission or trail for mutual fund purchased within an investment advisory account managed by 360 Financial Partners under this program, 360 Financial Partners will offset the amount of any commission or trail against the investment advisory fee. Management fees charged by 360 Financial Partners are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

## **Financial Planning & Consulting Services**

Fees charged for our financial planning and consulting services are negotiable based upon the type of client, the services requested, the investment adviser representative providing advice, the complexity of the client's situation, the composition of the client's account, other advisory services provided and the relationship of the client and the investment adviser representative. The following are the fee arrangements available for financial planning and consulting services offered by 360 Financial Partners.

### **Fees for Financial Planning Services**

360 Financial Partners provides financial planning services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for financial planning services under this arrangement. There is a range for fees charged by 360 Financial Partners for financial planning services. The minimum fixed fee is \$500, and the maximum fixed fee is generally no more than \$10,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with 360 Financial Partners. Upon completion and delivery of the financial plan, the fixed fee is considered earned by 360 Financial Partners and any unpaid amount is immediately due.

To the extent 360 Financial Partners provides you with general investment recommendations as part of the financial planning services and you implement such investment recommendations through 360

Financial Partners, we may offer in our agreement with you to waive or reduce the fees for financial planning services.

The financial planning services terminate upon delivery of the written financial plan or upon either party providing the other party with written notice of termination.

You may terminate the financial planning services within five (5) business days of entering into an agreement with 360 Financial Partners without penalty or fees due. If you terminate the financial planning services after five (5) business days of entering into an agreement, you will be responsible for immediate payment of any financial planning services performed by 360 Financial Partners prior to the receipt by 360 Financial Partners of your notice. For financial planning services performed by 360 Financial Partners under a fixed fee arrangement, you will pay an early termination fee for the work performed. If you are not satisfied with the financial plan prepared by 360 Financial Partners, we may waive our fee; however, in such a situation, 360 Financial Partners retains intellectual property rights over any written financial plan prepared by 360 Financial Partners, and the written financial plan must be returned to 360 Financial Partners.

### **Fees for Consulting Services**

360 Financial Partners also provides consulting services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for consulting services under this arrangement. There is a range for fees charged by 360 Financial Partners for consulting services. The minimum fixed fee for consulting services will be \$500, and maximum fixed fee for consulting services will generally be no more than \$10,000. The amount of the fixed fee for your engagement is specified in your consulting agreement with 360 Financial Partners. The fixed fee will be considered earned by 360 Financial Partners and immediately due from Client upon completion of the consulting services.

To the extent 360 Financial Partners provides you with general investment recommendations as part of our consulting services and you implement such investment recommendations through us, 360 Financial Partners at our discretion may offer to waive or reduce the fee for certain consulting services.

To the extent you paid 360 Financial Partners a fee for a written financial plan, 360 Financial Partners at our discretion may offer to waive or reduce the fee for any consulting services provided by 360 Financial Partners to you during the first twelve (12) months following the execution of an agreement with us.

The one-time consulting services will terminate upon completion of the consultation or either party providing the other party with written notice. The "as-needed" consulting services and ongoing advisement consulting services will terminate upon either you or 360 Financial Partners providing written notice of termination to the other party.

You may terminate the consulting services within five (5) business days of entering into an agreement with 360 Financial Partners without penalty or fees due. If you terminate the consulting services after five (5) business days of entering into an agreement with 360 Financial Partners, you will be responsible for immediate payment of any consulting work performed by 360 Financial Partners prior to the receipt by 360 Financial Partners of your notice. In the event of early termination, the client will be required to pay 360 Financial Partners a fee for any work performed up to the date of termination. For consulting services performed by 360 Financial Partners under a fixed fee arrangement, you will pay an early termination fee for the work performed by 360 Financial Partners. If there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by 360 Financial Partners to you.

## **Other Fee Terms for Financial Planning & Consulting Services**

You may pay the investment advisory fees owed for the financial planning services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to 360 Financial Partners for such charge.

You should notify 360 Financial Partners within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

To the extent 360 Financial Partners engages an outside professional (i.e., attorney, independent investment adviser or accountant) while providing financial planning and consulting services to you, 360 Financial Partners will be responsible for the payment of the fees for the services of such an outside professional, and you will not be required to reimburse 360 Financial Partners for such payments. To the extent that you personally engage such an outside professional, you will be responsible for the payment of the fees for the services of such an outside professional, and 360 Financial Partners will not be required to reimburse Client for such payments. Fees for the services of an outside professional (i.e., attorney, independent investment adviser or accountant) will be in addition to and separate from the fees charged by 360 Financial Partners and you will be responsible for the payment of the fees for the services of such an outside professional. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to 360 Financial Partners for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to 360 Financial Partners and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

If you elect to have your investment adviser representative, in his or her separate capacity as an insurance agent, implement the recommendations of 360 Financial Partners, your investment adviser representative at his or her discretion may waive or reduce the investment advisory fee charged for these services by the amount of the commissions received by your investment adviser representative as an insurance agent. Any reduction of the investment advisory fee will not exceed 100% of the insurance commission received.

All fees paid to 360 Financial Partners for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual fund's prospectus. These fees will include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

If you retain 360 Financial Partners to implement the recommendations provided under this service, 360 Financial Partners may recommend load or no-load mutual funds that charge you 12(b)-1 fees. Your investment adviser representative may receive a portion of these 12(b)-1 fees in his or her separate capacity as a registered representative of a securities broker-dealer. The receipt of 12(b)-1 fees could represent an incentive for 360 Financial Partners or your investment adviser representative to

recommend mutual funds with 12(b)-1 fees or higher 12(b)-1 fees over mutual funds with no 12(b)-1 fees or lower 12(b)-1 fees and therefore creates a conflict of interest.

All fees paid to 360 Financial Partners for financial planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

If you elect to have your investment adviser representative, in his or her separate capacity as a registered representative, implement the recommendations of 360 Financial Partners, your investment adviser representative at his or her discretion may waive or reduce the investment advisory fee charged by the amount of the commissions received as a registered representative. Any reduction of the investment advisory fee will not exceed 100% of the commission received as a registered representative.

If you elect to implement the recommendations of 360 Financial Partners through our other investment advisory programs, 360 Financial Partners may waive or reduce a portion of the investment advisory fees for such investment advisory program(s). Any reduction will be at the discretion of your investment adviser representative and disclosed to you prior to contracting for additional investment advisory services.

It should be noted that lower fees for comparable services might be available from other sources.

If you do not pay any outstanding balance of fees due 360 Financial Partners within 30 days of receiving the invoice from 360 Financial Partners, you will incur and owe a service fee of 1.5% per month (18% interest per annum) on the outstanding balance of fees due 360 Financial Partners until paid by you. In this event, 360 Financial Partners will send you a monthly statement detailing the outstanding fees due 360 Financial Partners and interest accrued.

### **Third-Party Money Managers**

Third-party managers generally have account minimum requirements that will vary among third-party money managers. Account minimums are generally higher on fixed income accounts than for equity-based accounts. A complete description of the third-party money manager's services, fee schedules and account minimums will be disclosed in the third-party money manager's disclosure brochure that will be provided to you prior to or at the time an agreement for services is executed and the account is established. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that 360 Financial Partners has an incentive to direct clients to the third-party investment advisers that provide 360 Financial Partners with a larger fee split. 360 Financial Partners will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. 360 Financial Partners will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where 360 Financial Partners is recommending the adviser to clients.

Under this program, you may incur additional charges including, but not limited to, mutual fund sales loads, 12b-1 fees, surrender charges as well as IRA and qualified retirement plan fees.

No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered.



## Retirement Plan Services

For retirement plan sponsor clients, 360 Financial Partners will charge *an* annual fee that is calculated as a percentage of the value of plan assets. This fee is negotiable based upon the complexity of the plan, the size of the plan assets, the actual services requested, the composition of the client's account (e.g., equities versus mutual funds and/or the use option strategies), the representative providing the services and the potential for additional deposits. The particular investment adviser representative working with the client negotiates fees, and consequently, similar clients using different investment adviser representatives at 360 Financial Partners may pay a different annual fee.

When 360 Financial Partners charges an annual fee based upon the value of the plan assets, the investment adviser representative may charge the Plan the following maximum annual fee based upon the amount of Plan assets:

<b><u>MAXIMUM FEE SCHEDULE</u></b>	
<b><u>Plan Assets</u></b>	<b><u>Annual Fees</u></b>
\$0 – \$250,000	1.00%
\$250,001 – \$500,000	1.00%
\$500,001 – \$750,000	1.00%
\$750,001 – \$1,000,000	1.00%
>\$1,000,000	1.00%

For retirement plan sponsors and participants, fees are billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. Retirement plan sponsors may also elect to pay all or a portion of fees for the individualized services provided by us to the plan participants.

Clients can elect to have the fee deducted from their account or billed directly and due upon receipt of the billing notice. If clients elect to have the fee automatically deducted from an existing account, they are required to provide the custodian with written authorization to deduct the fees from the account and pay the fees to 360 Financial Partners, the account statements will show any such fee deductions and an invoice is available upon request.

Either party may terminate services by providing written notice of termination to the other party. If services are terminated within five business days of signing the client agreement, services are terminated without penalty. Any prepaid but unearned fees are promptly refunded to the client at the effective date of termination.

360 Financial Partners does not reasonably expect to receive any other compensation, direct or indirect, for its Services. If we receive any other compensation for such services, we will (i) offset that compensation against our stated fees, and (ii) will disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

## Variable Sub-Account Management Services

Under this program, you will incur an annual investment advisory fee, which is based upon a percentage of the market value of your variable annuity and variable life contract under the management of 360 Financial Partners. The exact annual fee charged by 360 Financial Partners will be agreed upon prior to commencing services and stated in the client agreement. The following is the maximum fee schedule that your investment adviser representative may charge you for this service:

<b><u>MAXIMUM FEE SCHEDULE</u></b>	
<b><u>Value of VA &amp; VL Under Management</u></b>	<b><u>Fee</u></b>
\$0 – \$250,000	1.50%
\$250,001 – \$500,000	1.50%
\$500,001 – \$750,000	1.50%
\$750,001 – \$1,000,000	1.50%
>\$1,000,000	1.50%

360 Financial Partners reserves the right to modify its fee schedule in the future by providing you with 30 days advance notice of any modification.

The annual fee is paid quarterly in advance and is calculated and due based upon the total value of your variable annuities and variable life contracts under management as of March 31, June 30, September 30, and December 31. The quarterly fee payments for the first and last billing periods are pro-rated to reflect the actual days that your variable annuities and variable life contracts were subject to management by 360 Financial Partners.

You will pay the investment advisory fees directly to 360 Financial Partners upon receipt of the quarterly invoice.

Under this program, the insurance companies issuing your variable annuities and variable life contracts will charge management expenses in addition to the investment advisory fee charged by 360 Financial Partners. In addition, your variable annuity and/or variable life contract may be subject to exchange fees and surrender charges. 360 Financial Partners does not share in these fees charged by your insurance company. Please refer to the prospectus of your variable annuity and/or variable life contract for more details about the insurance company's management expenses and any exchange or surrender fees.

In the event that your investment adviser representative sold you the variable annuity and/or variable life contract in his or her separate capacity as a registered representative of a broker-dealer or is registered representative of record on the insurance company's records for the variable annuity and/or variable life

contract, your investment adviser representative most likely received commission and/or trail compensation for this transaction. This sales compensation is separate from and in addition to any investment advisory fee charged by 360 Financial Partners. If your investment adviser representative received a commission for selling you a variable annuity or variable life contract, 360 Financial Partners will offset the amount of any sales compensation received by your investment adviser representative associated with the sale of such variable annuity or variable life contract and apply as a credit against the investment advisory fees for the services under this program.

You or 360 Financial Partners may terminate this service for any reason by providing the other party with written notice, which will be effective five (5) days after receipt or on the date as specified in the notice.

### **Newsletters**

Newsletters are provided to clients and prospective clients free of charge.

### **Seminars**

No fees are charged for seminars. However, if larger groups, such as corporations, hire us we reserve the right to charge fees to cover the expenses incurred by us for presenting the seminars. In this case, all fees and payment provisions will be fully disclosed to you prior to the seminar being presented.

### **Outside Compensation for the Sale of Securities to Clients**

360 Financial Partners representatives are also registered representatives of SA Stone Wealth Management Inc., and they may accept compensation for the sale of securities in their outside capacity as registered representatives.

#### ***1. This is a Conflict of Interest***

The supervised persons will accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which the supervised persons receive compensation, they will document the conflict of interest in the client file and inform the client of the conflict of interest.

#### ***2. Clients Have the Option to Purchase Recommended Products from Other Brokers***

Clients always have the option to purchase 360 Financial Partners recommended products through other brokers or agents that are not affiliated with 360 Financial Partners.

#### ***3. Commissions are not the Primary Source of Income for 360 Financial Partners***

Commissions are not a source of income for 360 Financial Partners. Representatives may accept compensation for the sale of securities in their outside capacity as registered representatives.

#### *4. Advisory Fees in Addition to Commissions or Markups*

360 Financial Partners does not buy or sell securities to generate securities commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

## **Item 7 – Types of Clients**

360 Financial Partners generally provides investment advice to the following types of clients:

- Individuals
- Pension and profit-sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with 360 Financial Partners specifying the particular advisory services in order to establish a client arrangement with 360 Financial Partners.

### **Minimum Investment Amounts Required**

360 Financial Partners requires a minimum of \$15,000 in order to open an account. To reach this account minimum, clients can aggregate all household accounts. Exceptions may be granted to this minimum for family members of existing clients.

The minimum fixed fee charged for financial planning services on a fixed fee basis is \$500.

The minimum fixed fee charged for consulting services is \$500.

Third-party money managers may have minimum account and minimum fee requirements in order to participate in their programs. Each-third party money manager will disclose its minimum account size and fees in its Form ADV Part 2A Disclosure Brochure.

For sub-account management services, 360 Financial Partners generally require a variable annuity and/or variable life contract with a minimum account value of \$15,000.

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

### Methods of Analysis

360 Financial Partners uses the following methods of analysis in formulating investment advice:

Charting - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days' patterns. In addition, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial, and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is

possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, 360 Financial Partners gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

## **Investment Strategies**

360 Financial Partners uses the following investment strategies when managing client assets and/or providing investment advice:

Long-term purchases. Investments held at least a year.

Short-term purchases. Investments sold within a year.

Frequent trading. This strategy refers to the practice of selling investments within 30 days of purchase.

Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest of the purchase price from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from 360 Financial Partners.

Option writing including covered options or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

### **Primarily Recommend One Type of Security**

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs.

## **Risk of Loss**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy would be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending

power. Fixed-income investors receive set, regular payments that face the same inflation risk.

- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. 360 Financial Partners will not engage in uncovered option writing.
- ETF and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- Margin Risk - When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intended to borrow funds in connection with your Account, you will be required to open a margin account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to you.

If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account.

It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin account that may be established as part of the Asset Management Agreement established between you and 360 Financial Partners and held by the account custodian or clearing firm.

These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The account custodian or clearing firm can force the sale of securities or other assets in your account.
- The account custodian or clearing firm can sell your securities or other assets without contacting you.
- You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call.
- The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities.
- The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide you advance written notice.
- You are not entitled to an extension of time on a margin call.



## Item 9 – Disciplinary Information

*Item 9* is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

## Item 10 – Other Financial Industry Activities and Affiliations

360 Financial Partners is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us.

### Registered Representative of a Broker-Dealer

Our representatives are also registered representatives of SA Stone Wealth Management Inc., a securities broker-dealer, member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC").

In some instances, our investment adviser representatives may recommend you open a commission-based brokerage accounts which do not fall under our Firm. You would therefore be working with your investment adviser representative in his or her separate capacity as a registered representative of SA Stone Wealth Management, Inc. Some reason for recommending these types of accounts include but are not limited to: (a) the account is below our minimums; (b) the account hold will hold insurance products; (c) the account will not be actively managed; etc. In these accounts, he or she may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and variable annuity and variable life products to you. This receipt of commissions creates an incentive to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use SA Stone Wealth Management Inc. and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions in their separate capacity as registered representatives, they must use SA Stone Wealth Management Inc. Prior to effecting any such transactions, you are required to enter into a new account agreement with SA Stone

Wealth Management Inc. The commissions charged by SA Stone Wealth Management Inc. may be higher than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

### **Third-Party Money Managers**

360 Financial Partners has developed several programs, previously described in *Item 5* of this disclosure brochure, designed to allow us to recommend third-party money managers for you. Please refer to *Items 4 and 5* for full details regarding the programs, fees, conflicts of interest and materials arrangements when 360 Financial Partners selects other investment advisers.

### **Insurance Agent**

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment adviser representative in his or her separate capacity as an insurance agent may suggest that you implement recommendations of 360 Financial Partners by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

## **Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading**

### **Code of Ethics Summary**

360 Financial Partners has established a Code of Ethics that will apply to all of its associated persons. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts and to always act solely in the best interest of each of our clients. 360 Financial Partners has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for our Code of Ethics, which also covers our Insider Trading and Personal Securities Transactions Policies and Procedures. 360 Financial Partners has the responsibility to make sure that the interests of all clients are placed ahead of 360 Financial Partners' own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. 360 Financial Partners will conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This section is intended to provide clients with a summary of 360 Financial Partners' Code of Ethics. Clients may receive a complete copy of the Code of Ethics upon request.

## Affiliate and Employee Personal Securities Transactions Disclosure

360 Financial Partners or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of 360 Financial Partners that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. 360 Financial Partners and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees, and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider."
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of 360 Financial Partners.

Any associated person not observing our policies is subject to sanctions up to and including termination.

## Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of 360 Financial Partners. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back-office services, technology, regulatory compliance assistance, research, and analytic services)
- Financial strength, stability, and responsibility
- Reputation and integrity

- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

### **Brokerage Recommendations**

360 Financial Partners require that clients establish brokerage accounts with StoneX Financial Inc., a FINRA-registered broker-dealer, Member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although 360 Financial Partners may recommend/require the clients establish accounts at StoneX Financial Inc., it is the client's decision to custody assets with StoneX Financial Inc. Although 360 Financial Partners is independently owned and operated and not affiliated with StoneX Financial Inc., its investment adviser representatives also serve as registered representatives of SA Stone Wealth Management Inc., an affiliate of StoneX Financial Inc. 360 Financial Partners may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

StoneX Financial Inc. provides 360 Financial Partners with access to its institutional trading and custody services, which are typically not available to retail investors of StoneX Financial Inc. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not contingent upon 360 Financial Partners committing to StoneX Financial Inc. any specific amount of business (assets in custody or trading commissions). Brokerage services of StoneX Financial Inc. include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

For 360 Financial Partners' clients' accounts maintained in its custody, StoneX Financial Inc. generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through StoneX Financial Inc. or that settle into accounts of StoneX Financial Inc. StoneX Financial Inc. also makes available to 360 Financial Partners other products or services that benefit 360 Financial Partners but may not directly benefit clients' accounts. Many of these products and services may be used to service all or some substantial number of 360 Financial Partners' accounts, including accounts not maintained at StoneX Financial Inc.

The products and services of StoneX Financial Inc. that assist 360 Financial Partners in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of 360 Financial Partners' fees from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

StoneX Financial Inc. also offers other services intended to help 360 Financial Partners manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. StoneX Financial Inc. may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third party providing these services to 360 Financial Partners. StoneX Financial Inc. may also provide other benefits such as educational events or occasional business entertainment of

360 Financial Partners personnel. While as a fiduciary, 360 Financial Partners endeavors to act in its clients' best interests, 360 Financial Partners' recommendation that clients maintain their assets in accounts at StoneX Financial Inc. may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by StoneX Financial Inc., which may create a potential conflict of interest.

### **Directed Brokerage**

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, 360 Financial Partners may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, 360 Financial Partners has decided to require our clients to use broker/dealers and other qualified custodians determined by 360 Financial Partners.

### **Soft Dollar Benefits**

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

Except for the arrangement with StoneX Financial Inc. described above, 360 Financial Partners does not have a soft dollar arrangement or agreement with a broker-dealer or a third party.

### **Handling Trade Errors**

360 Financial Partners has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of 360 Financial Partners to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated because of the error correction. In all situations where the client does not cause the trade error, the client is made whole and 360 Financial Partners absorb any loss resulting from the trade error if 360 Financial Partners caused the error. If the broker-dealer causes the error, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. 360 Financial Partners may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

360 Financial Partners will never benefit or profit from trade errors.

### **Block Trading Policy**

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when 360 Financial Partners believes such action may prove advantageous to clients. If and when we

aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or 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 orders are placed independently.

360 Financial Partners uses the average price allocation method for transaction allocation.

Under this procedure, 360 Financial Partners will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which 360 Financial Partners or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither our associated persons nor we receive any additional compensation as a result of block trades.

### **Agency Cross Transactions**

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

## **Item 13 – Review of Accounts**

### **Account Reviews and Reviewers**

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by the investment adviser representative assigned to the client, with reviews performed in accordance with your investment goals and objectives.

Our financial planning services terminate upon the presentation of the written plan. Our financial planning and consulting services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

### **Statements and Reports**

For our asset management services and variable sub-account management services, you are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. Additionally, 360 Financial Partners will provide performance reports to you upon request.

Whether reports by third-party money manager are provided to you will depend upon the third-party money manager.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by 360 Financial Partners.

You are encouraged to always compare any reports or statements provided by us, a sub-adviser or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

## Item 14 – Client Referrals and Other Compensation

360 Financial Partners does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. 360 Financial Partners receives no other forms of compensation in connection with providing investment advice.

We receive an economic benefit from StoneX Financial Inc. in the form of the support products and services it makes available to us and other independent investment advisers whose clients maintain their accounts at StoneX Financial Inc. These products and services, how they benefit us, and the related conflicts of interest are described above (see *Item 12 – Brokerage Practices*). The availability of the products and services of StoneX Financial Inc. is not based on us giving particular investment advice, such as buying particular securities for our clients.

*Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.*

## Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

360 Financial Partners is deemed to have custody of client funds and securities whenever 360 Financial Partners is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody 360 Financial Partners will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

With respect any engagements whereby 360 Financial Partners provide investment advice to a retirement plan participant regarding a self-directed retirement plan account, 360 Financial Partners will not hold the user id and password to the extent that such user id and password would allow the initiation of the distribution or withdrawal of funds from the plan participant's account.

For accounts in which 360 Financial Partners is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from 360 Financial Partners. When clients have questions about

their account statements, they should contact 360 Financial Partners or the qualified custodian preparing the statement.

When fees are deducted from an account, 360 Financial Partners is responsible for calculating the fee and delivering instructions to the custodian. The account statements will show any such fee deductions.

## Item 16 – Investment Discretion

When providing asset management services, 360 Financial Partners maintains trading authorization over your Account and can provide management services on a **discretionary** basis. The Asset Management Agreement established with each client outlines the discretionary authority for trading. When discretionary authority is granted, we will have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. However, it is the policy of 360 Financial Partners to consult with you prior to making significant changes in the account even when discretionary trading authority is granted.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to 360 Financial Partners so long as the limitations are specifically set forth or included as an attachment to the client agreement.

## Item 17 – Voting Client Securities

### Proxy Voting

360 Financial Partners does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you will have the ultimate responsibility for making all proxy-voting decisions.

With respect to assets managed by a third-party money manager, we will not vote the proxies associated with these assets. You will need to refer to each third-party money manager's disclosure brochure to determine whether the third-party money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting policies and procedures as well as information on how your proxies were voted by contacting the third-party money manager or by contacting 360 Financial Partners at the address or phone number indicated on Page 1 of this disclosure document.



## Class Action Lawsuits

You retain the right under applicable securities laws to initiate individually a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased, or sold by or for you. 360 Financial Partners does not initiate such a legal proceeding on behalf of clients and does not provide legal advice to clients regarding potential causes of action against such a security issuer and whether the client should join a class-action lawsuit. We recommend that you seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. Moreover, our services do not include monitoring or informing you of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased, or sold by or for you.

## Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. 360 Financial Partners does not 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 the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, 360 Financial Partners has not been the subject of a bankruptcy petition at any time.