



# FIRM BROCHURE

## Part 2A of Form ADV

LifeMark Securities Corp.

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### Item 1: Cover Page

This brochure provides information about the qualifications and business practices of LifeMark Securities Corp. If you have any questions about the contents of this brochure, please contact us at: (585) 424-5672, or by email at: [ria@lifemark.com](mailto:ria@lifemark.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about LifeMark Securities Corp. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

March 31, 2021

# Annual Update

## Item 2: Material Changes

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

### Material Changes Since Last Update

- Disclosure regarding participation in Paycheck Protection Program

### Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at (585) 424-5672 or by email at [RIA@lifemark.com](mailto:RIA@lifemark.com)

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## Item 4: Advisory Business

### 4.1 Firm Description

LifeMark Securities Corp. (LMSC), was founded in 1983. Our Registered Investment Advisory (RIA) division was founded in 2007.

LMSC provides personalized, confidential and investment advice to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and small businesses. Advice is provided through consultation to help determine, among other things, the client's investment objectives and risk tolerance.

LMSC operates as a Broker-Dealer in addition to operating as a RIA. As a Broker-Dealer, LMSC is in the business of selling annuities, stocks, bonds, mutual funds, limited partnerships, alternative investments, or other commission products.

LMSC's RIA provides investment advice through approved third-party investment managers, exchange traded funds, and mutual funds. LMSC does not act as a custodian of client assets. Client assets are held at qualified custodians.

Periodic reviews of the client's investment selection and financial situation are undertaken to address the performance and structure of the investment program as well as assess any changes in the client's risk tolerance and investment objective. If necessary and agreed upon by the client, specific courses of action may be implemented. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

### 4.2 Principal Owners

Vincent Micciche Jr.: Board Member and CEO, CRD No. 702149

Andrew Kalinowski: Board Member, CRD No. 263409

Jim Prisco: Board Member and President, CRD No. 2653402

Chief Compliance Officer (RIA): Alex Georgiev, CRD No. 5307830

### 4.3 Introduction

We provide investment advice through financial advisors registered with our firm. We refer to these financial advisors as “Advisors” in this brochure. All of our Advisors are also registered representatives of our broker/dealer. In addition, many of our Advisors also act as insurance agents independent from our firm. To the extent your Advisor provides fixed insurance products or services to you, he or she does so outside of our firm and supervision.

Our primary methods of providing investment advisory services are: 1) advisor managed accounts; 2) third-party recommendations; 3) financial planning and 4) retirement services. We describe these services in more detail below.

Generally, prior to opening an advisory account with us, your Advisor will meet with you regarding your investment experience, investment objectives, risk tolerance and general financial condition in order to create an investment profile for you. These investment profiles help your Advisor determine appropriate investment products and services for you. You will enter into an agreement with our firm setting forth terms and conditions of the advisory services relationship, including fees to be charged and authorization for the Advisor to purchase and sell securities pursuant to the investment objectives you choose.

Your funds and securities are held in custody at TD Ameritrade Institutional (“TDAI”) and/or National Financial Services, LLC (“NFS”) or various other clearing and custodial companies and not by our firm. You will also receive a copy of our Privacy Policy with our standard welcome letter.

### 4.4 Types of Advisory Services

With an Advisory Account, your Advisor will assist you to develop a personalized asset allocation program and custom-tailored portfolio designed to meet your investment objectives. The recommended portfolio may include separate 3rd Party Managers as well as individual investments such as mutual fund shares, exchange traded funds (ETF’s), variable annuities, or a combination thereof. If you are interested in an Advisory Account, your Advisor will obtain the necessary financial data from you, assist you in determining the suitability for the Advisory Account and help you set appropriate investment objectives. You will open your Advisory Account with us by signing a written agreement that authorizes us and your Advisor to purchase and sell securities in accordance with your investment objectives. Your Advisory Account will typically consist of a percentage of securities from various asset classes. The percentage weightings within the asset classes will be based on your risk profile, investment objectives and individual preferences.

You will have the opportunity to meet with your Advisor to periodically review the assets in your Advisory Account. You will, at all times maintain full and complete ownership rights to all assets held in your Advisory Account. This means you retain the right to add or withdraw securities or cash, vote securities and/or receive timely confirmations. Your funds and securities are held in custody at TDAI, NFS, or various other clearing and custodial firms, and not by us or your Advisor.

### 4.5 Advisory Platforms and Advisory Programs

Through our relationships with TDAI, NFS and other third- party managers, custodial and clearing firms, we make available platforms (Advisory Platforms) to assist our Advisors to provide you an Advisory

Account. Through the Platforms, our Advisors render investment advice to you combined with portfolio administration and reporting services, advisory fee processing and account reconciliation. We review and approve the products and services in these Advisory Platforms. Third Party Managed Accounts (TAMP's) and our Enterprise Managed Solutions are examples of our Advisory Platforms.

As described elsewhere in this brochure, the Advisor refers clients to third- party investment advisors for investment advisory services. As of the date of this Firm Brochure, the Advisor has relationships with the following third- party investment advisors; Adhesion, Absolute, American Funds, AssetMark, Ascensus, Aspire, Atlas, Beacon Capital, CLS, Eqis, Flexible Plan, Howard Capital, Jackson, Nationwide (Jefferson National), Sentinel, Symmetry, Morningstar Managed, PTS, and FTS. The Advisor receives a portion of the investment advisory fee paid by the client to the third-party investment advisor for the referral. The total fee paid by the client to the third- party investment advisor generally ranges from .85% to 2.5% annually. This presents a conflict of interest as the Advisor does not refer clients to other third-party investment advisors that do not share the advisory fee.

Investnet (NFS) and Adhesion "Atria Investments, LLC." (TDAI) are portfolio overlay TAMP's allowing advisors access to the Unified Account Manager platform. Client assets are held by the respective custodian(s) and discretion is available through these programs. Advisors engaged in providing advisory services within this platform are separately reviewed and are either approved or disapproved based on their experience and qualifications. We review and approve the co-advisors, products and services in these advisory programs. We may enter, or previously have entered, into advisory relationships, programs and platforms offered through third-party investment advisors either as legacy offerings for our firm or as an accommodation to an Advisor who joins our company. These relationships are usually limited to certain Advisors and their existing clients. Details and descriptions of these programs have been or will be given to you by LMSC, your Advisor and/or the Advisor's prior firm.

#### 4.5.1 Advisory Platforms

##### 4.5.1.1 Unified Managed Account ("UMA")

A UMA is a professionally managed, private investment, account that is rebalanced regularly and can encompass every investment vehicle (i.e. mutual funds, stocks, bonds and exchange traded funds) in a client's portfolio, all in a single account.

Investnet Asset Management ("EAM") offers such UMAs. In conjunction with LMSC's investment management services, LMSC and its clients separately engage the services of EAM, a sponsor/overlay manager and SEC advisor, to provide portfolio trading, re-balancing, reporting and other administrative services.

Our relationship with NFS and EAM allows our Advisors to provide our clients an Advisor Managed Account by using tools, resources, technology, and trade execution provided by EAM as part of their Managed Account Solutions ("MAS"). Tools, resources and technology include the ability to produce detailed proposals, create investment models, allocate assets, monitor client specifications on an account, and rebalance an account. In providing clients with an Advisory Account within MAS, the Advisor may invest assets in ETFs or mutual funds through the EAM platform.

Atria Investments, LLC is another UMA. In conjunction with LMSC's investment management services, LMSC and its clients separately engage the services of Atria's Adhesion Wealth Advisor Solutions ("Adhesion").

Our relationships with TDAI and Adhesion allow our Advisors to provide clients with an Advisory Managed Account by using tools, resources, technology and trade execution provided by Adhesion as part of their “UMAX” Portfolio Overlay Solution. Tools, resources and technology include the ability to produce detailed proposals, creating investment models, allocating assets, monitor accounts, prepare reports and rebalancing an account. Some of the Adhesion programs are managed by outside registered investment advisors. Each of these advisors will provide a copy of their disclosure documents (ADV Part 2 and/or ADV Part 2A) which will further describe the program, fees and risks. The disclosure document is available from an LMSC Investment Advisory Representative (IAR) or by contacting RIA@lifemark.com.

Clients will enter into an agreement with LMSC setting forth terms and conditions of the advisory services relationship, including fees to be charged and authorization for the Advisor to purchase and sell securities pursuant to the investment objectives of the client. Clients are encouraged to contact their Advisor should they have questions about the management of their UMA.

#### *4.5.1.2. Separate Account Manager*

LMSC Advisors may delegate investment advisory responsibilities or discretionary authority exclusively to a third party through our TAMP's. Clients will typically enter into an agreement directly with that third party, which will outline collection of fees and trade management of the client's account by such third party. LMSC will simultaneously enter into an agreement directly with that same third party. Custody of assets are directed by the TAMP to a qualified custodian at their discretion. Clients will typically receive a copy of both the third-party manager's brochure as well as LMSC's, if we and the third party are acting as co-investment advisors.

LMSC has entered into agreements with Adhesion, Absolute, American Funds, Asset Mark, Ascensus, Aspire, Atlas, Beacon Capital, CLS, Equis, Flexible Plan, Howard Capital, Jackson, Nationwide (Jefferson National), Sentinel, Symmetry, Morningstar Managed, PTS, and FTS to provide access to managed account solutions, asset allocation, trading and account management services. These firms have additionally contracted with several third-party strategists to help develop model portfolios for MAS.

A client's Advisory Managed Account generally will be held in custody at one of the following firms: Pershing, Trust Company of America, Asset Mark Trust, TDAI, Fidelity, FOLIOfn, Charles Schwab, Aspire, or Orion. Clients will enter into a separate custodial agreement with the appropriate custodian. The Advisor conducts periodic reviews of each client's Advisory Managed Account and monitors performance of the account in relation to the client's investment objectives. Advisors meet with their clients on a regular basis to review the client's financial situation, investment objectives and current holdings. In addition, the Advisor will consult with their clients concerning their Advisory Managed Account. The client will receive the Form ADV Part 2A Brochure for each manager engaged to manage the client's third-party account.

#### *4.5.2 Retirement Plan Services*

LMSC also provides retirement plan advisory services to sponsors of participant account directed plans covered by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). There is no plan size minimum. Open architecture retirement plan services are provided in conjunction with an administration and recordkeeping service provider and generally a broker-dealer or investment advisory firm. The Plan Sponsor enters into both (i) an investment advisory agreement with LMSC, and (ii)



separate services agreement(s) with each service provider, e.g. administrative, recordkeeping, third-party money manager.

Plan sponsors authorize LMSC IARs to recommend the selection, addition, removal and/or replacement of funds available for purchase by plan participants. Recommendations must be consistent with any written investment policy approved by the plan sponsor and provided to LMSC along with any requirements under ERISA.

Based upon the IAR's evaluation of each fund's performance the Plan sponsor will determine the appropriateness and continued suitability of available investment options. At least annually, IAR will meet with Plan Sponsor and review the plan's investment options to determine ongoing appropriateness. If an existing fund is no longer appropriate as an investment option, IAR will assist in the transition to the replacement option if requested by plan sponsor. The IAR is responsible for monitoring the relevant data on the performance of each investment option and providing the plan sponsor, through the record keeper or administrator, with services described in the advisory agreement.

In order to fulfill expanded transparency requirements, set forth under Section 408(b)(2) of ERISA, effective as of July 1, 2012, the IAR discloses detailed information regarding fees, services and fiduciary status to plan sponsors when the investment advisory agreement is completed.

Please note: A client leaving an employer typically has four options (and may engage in a combination of these options): i) leave the money in the former employer's plan, if permitted, ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, iii) rollover to an IRA, or iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). Our Advisors may recommend an investor roll over plan assets to an IRA which our Advisor would manage. As a result, we may earn an asset-based fee. In contrast, a recommendation that a client or prospective client leave his or her plan assets with his or her old employer, or roll the assets to a plan sponsored by a new employer will generally result in no compensation to us (unless we are engaged to monitor and/or consult on the account while maintained at the existing plan). Therefore, our Advisors may have an economic incentive to encourage an investor to roll plan assets into an IRA that we will manage or encourage an investor to engage us to monitor and/or consult on the account maintained at the existing plan.

As of January 1, 2021, the firm had \$108,254,767 in assets under management on a discretionary basis and \$93,406,991 in assets under management on a non-discretionary basis. The total valuation of the Firm's advisory clients is \$201,661,758.

#### 4.6 Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created and reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

#### 4.7 Types of Agreements

The following agreements define the typical client relationships.

#### 4.7.1 Financial Planning Agreement

In addition to fee-based asset management, LMSC IARs may also provide comprehensive fee-based planning services and / or consulting services to their clients. A financial plan is designed to help the client with specific aspects of financial planning without ongoing investment management after the financial plan is completed. The financial plan may include, but is not limited to: a net worth statement; a cash flow statement; a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations; strategic tax planning; a review of retirement accounts and plans including recommendations; a review of insurance policies and recommendations for changes, if necessary; one or more retirement scenarios; estate planning review and recommendations; and education planning with funding recommendations.

Financial planning is a discovery process contemplating situations where the client is unaware of certain financial exposures or predicaments. Detailed investment advice and specific recommendations are provided as part of a financial plan, however, implementation of the recommendations are at the discretion of the client. Financial planning can range in complexity. As a result planning fees are negotiable on a case-by-case basis.

##### *4.7.1.1 Fees for Planning Services*

The fee for a financial plan is dependent on the scope of the plan. LMSC has several fee structures for the services set forth above. The specific fee structure utilized in any given situation shall be fully discussed with the client and disclosed in the Financial Planning Agreement, which the client signs with LMSC prior to the commencement of any services. Some of the possible fee structures are:

**Financial Planning Modular/Comprehensive Fees:** As a fixed fee, a software-generated modular or comprehensive plan are available typically ranging from \$250-\$5,000, depending on the specific service requested and the nature and complexity of each client's circumstances.

**Hourly Fees:** LMSC IARs may charge an hourly fee typically ranging from \$100-\$500 per hour for services which may vary depending upon the needs of the client and the complexity of the plan/consulting. The exact hourly rate, as well as the work to be performed, will be specifically disclosed in the financial planning agreement and the investment advisory agreement and will be agreed to by the client.

**Consulting Fee:** LMSC IARs may charge a flat fee for its services typically ranging from \$250 to \$5,000 or more depending on the needs of the client and the complexity of the plan/consulting. The flat fee negotiated between IAR and the client, as well as the work to be performed, will be specifically disclosed in the financial planning agreement and the investment advisory agreement and will be agreed to by the client.

For financial planning engagements, a portion of the planning fee may be due and payable at the time the investment advisory agreement is signed with the balance of the fee due as portions of the plan are completed and delivered to the client. In the event that the client's situation is substantially different than disclosed at the initial meeting, a revised fee will be provided for mutual agreement. The client must approve the change of scope in advance of the additional work being performed when a fee increase is necessary.

LMSC clients will not be charged more than an initial fee of \$1,200 for any financial or estate plan that is expected to exceed 6 months for completion. The investment advisory agreement by and between

LMSC and the client may be canceled at any time by providing written notice to the other party of their desire to cancel the agreement. In either case, all checks should be paid to the firm and not your Advisor.

#### 4.7.2 Advisory Service Agreement

LMSC's RIA does presently have a Financial Planning agreement allowing its IARs to charge a fee for planning/consulting services, known as financial planning agreement.

#### 4.7.3 Retainer Agreement

LMSC does not presently offer investment advisory services that would require or utilize a Retainer Agreement for any of its advisory clients.

#### 4.7.4 Tax Preparation Agreement

LMSC does not presently offer services that would require or utilize a Tax Preparation Agreement for any of its advisory clients.

#### 4.7.5 Asset Management

Clients may grant LMSC discretionary authority to determine, without obtaining specific client consent, the securities to be bought or sold for the client's account(s). This discretionary authority is set forth in the client's written advisory agreement with LMSC. If required by the client's qualified custodian, LMSC may also require the client to execute a limited power of attorney granting LMSC authority over their accounts. Clients may place limitations on LMSC's discretionary authority, which would be included in the client's written advisory agreement or other written agreement with LMSC.

### 4.8 Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying LMSC in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, LMSC through the relevant third-party platform will refund any unearned portion of the advance payment.

LMSC may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, LMSC will refund any unearned portion of the advance payment.

## Item 5: Fees and Compensation

### 5.1 Description

Clients who participate in LMSC's services will enter into an advisory agreement with LMSC in which the client agrees to pay LMSC "Advisory Fees" for on-going services with respect to the Third-Party Program the client selects; provided in addition to the Advisory Fee, the client will pay the Sponsor a separate fee (sometimes called a "Program Fee") to participate in the Program.

The client in a third-party investment advisor program will pay an annual advisory fee as set forth in the investment advisory agreement for the third-party investment advisor. The advisory fee includes the fee paid to the third-party investment advisor, and the referral fee paid to the Advisor. The fee paid by the client is negotiated and generally ranges from .85% to 2.5% annually. The third-party investment advisor may also pay a portion of the fee it receives as compensation to other parties providing services to the

client on its behalf. The advisory fee may be payable monthly or quarterly in advance or in arrears, as determined by the third-party investment advisor. Client will also incur certain charges imposed by third parties other than Advisor in connection with investments made through an account depending upon the type of investment made and the type of account. These charges are separate from and in addition to the advisory fee. The Advisor does not receive any portion of these fees.

In the event the client engages the direct services of a Third-Party Program, where LMSC acts as solicitor, LMSC will receive a portion of the advisory fees charged by the Third-Party Manager.

Third-party managers utilized by LMSC base their fees on a percentage of assets under management. As previously stated, annual fees are generally between .85% and 2.5% depending on the third-party manager, the investment vehicles utilized and the size of the account. In certain situations, the annual fee may be negotiable.

## 5.2 Fee Billing

Compensation for these managed accounts is based on the amount of assets under management. Fees will include a combination of LMSC advisory fees, custodial fees and Third-Party Manager fees. Fees will be deducted from the accounts in accordance with and as agreed to in the account opening documents and agreement as follows: LMSC advisory program fees are charged monthly in advance; custodian fees are charged quarterly in advance. Program or Third-Party Manager (TAMPs) fees as noted above may be billed monthly or quarterly, in advance or in arrears, and automatically debited by the custodian as authorized by the client in the application or agreement, executed between the client, the TAMP, and in some circumstances LMSC. Fees are generally based on the average daily account balance for billing purposes. Accounts initiated during the month or calendar quarter will generally be charged a prorated fee. The Advisory Agreements for the Program(s), and the separate agreement for each Third-Party Program authorizes and directs the Custodian to deduct the Advisory Fees (and Combined Fees, where applicable) directly from the account upon receipt of our or the Sponsor's instructions. Fees & billing will be disclosed on the LMSC advisory agreement or a separate Third-Party Agreement, if client is engaged directly with a specific TAMP.

## 5.3 Other Fees

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security by third-party managers is more important than the nominal fee that the custodian charges to buy or sell the security. All fees paid to LMSC for investment advisory services are separate and distinct from the fees and expenses charged by Mutual Funds, Exchange Traded Funds (ETF's), Variable Annuities, and other Investment Managers, broker/dealers and custodians retained by clients, if any.

## 5.4 Expense Ratios

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. ETFs also have expense ratios similar to mutual funds but are generally lower than those fees charged by mutual funds. These fees are in addition to the fees paid by you to third-party investment managers for their portfolio management services.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

## 5.5 Past Due Accounts and Termination of Agreement

Since LMSC does not directly manage client assets and management fees are generally deducted directly from client accounts, rarely should a past due situation arise. LMSC, however, reserves the right to stop work on any account that is more than 90 days overdue should that situation arise.

In addition, LMSC reserves the right to terminate any relationship where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in LMSC's judgment, to providing proper investment advice. Any unused portion of fees collected in advance will be refunded within 30 days.

## Item 6: Performance-Based Fees

### 6.1 Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities. LMSC does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client.

## Item 7: Types of Clients

### 7.1 Description

LMSC generally provides investment advice to individuals, banks or thrift institutions, investment companies, pension and profit-sharing plans, trusts, estates, or charitable organizations, corporations or business entities. Client relationships vary in scope and length of service.

### 7.2 Account Minimums

Minimum account sizes and fees vary depending on the third-party platform and the specific investment manager used within that platform and are subject to change without notice.

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

### 8.1 Methods of Analysis

Security analysis methods used by third-party managers may include, but are not limited to, charting, fundamental analysis, technical analysis, and cyclical analysis. The main sources of information may include original fundamental research, financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, and company press releases.

Other sources of information that third-party managers may use include but are not limited to Morningstar Principia mutual fund information, Morningstar Principia stock information, Charles Schwab & Company's "SchwabLink" service, Advisor Intelligence, and the World Wide Web.

Additional details would be provided in the third-party manager's disclosures and brochures, when applicable.

## 8.2 Investment Strategies

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Since LMSC does not custody client assets or directly manage client assets, investment strategy execution is performed by third-party managers.

The investment strategies employed by our third-party managers are detailed, along with the associated risks, in their disclosures and brochures.

Investment strategies employed by third-party managers span the spectrum from globally diversified portfolios to control the risk associated with traditional markets to more aggressive short-term oriented approaches.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Additional details would be provided in the third-party manager's disclosures and brochures, when applicable.

LMSC attempts to group investment strategies employed by third-party managers in to one of two general categories. The first category can be described as market-based and focuses on global diversification among and within varying asset classes or equity groups.

The second category is made up of more focused, manager-based strategies that might, for example, overweight asset classes or equity groups thereby making bets on the out performance of one asset class over another or attempt to time when to enter and exit the markets.

Practically speaking, most investment strategies employed by LMSC's third-party managers have some degree of category overlap. Other strategies fit more squarely into one category or the other.

The general classification of third-party manager's investment strategies is meant to serve as a broad guide, not a specific measure, in helping to match a client's investment objective with an investment strategy structured to achieve similar goals with commensurate risk.

Our objective is to properly qualify our clients, determine their risk tolerance, match them to an appropriate strategy and monitor these variables on an ongoing basis making changes when appropriate.

## 8.3 Risk of Loss

All investment programs have certain risks that are borne by the investor. Our approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

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

- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## Item 9: Disciplinary Information

### 9.1 Legal and Disciplinary

Affiliate Jenna A. Brown. violated FINRA rule 2010 while at a previous broker dealer. Brown satisfied a 3-month suspension, and her registration has been restored.

## Item 10: Other Financial Industry Activities and Affiliations

### 10.1 Financial Industry Activities

LMSC is registered as a securities broker-dealer.

### 10.2 Affiliations

LMSC has arrangements that are material to its advisory or its clients with a related person only as it relates to LMSC's broker-dealer.

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

### 11.1 Code of Ethics

The employees of LMSC have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

### 11.2 Participation or Interest in Client Transactions

LMSC and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees must comply with the provisions of the LMSC Written Supervisory Procedures Manual.

LMSC, however, does not directly implement investment transactions on client accounts. Transactions in client's managed accounts are conducted exclusively by third-party managers, and LMSC is not aware of these transactions in advance. Thus, there is little to no likelihood that LMSC Employees would be able to trade ahead of clients.

### 11.3 Personal Trading

LMSC does not directly implement individual security investment decisions on client accounts, except those allocated through the use of mutual funds or ETF's. Transactions in client's managed accounts are delegated to and conducted exclusively by third-party managers or through the use of the mutual funds or ETF's and LMSC is not aware of these transactions in advance. Therefore, any personal trading by LMSC employees would not directly result in an adverse impact on client's accounts.

## Item 12: Brokerage Practices

### 12.1 Selecting Brokerage Firms

LMSC does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. LMSC recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates.

### 12.2 Best Execution

LMSC does not directly implement investment decisions on client accounts. Transactions in client's managed accounts are delegated to and conducted exclusively by third-party managers. Relevant disclosures are provided by those managers.

### 12.3 Soft Dollars

LMSC does not receive soft dollars or any other credit from third-party managers or custodians.

### 12.4 Order Aggregation

LMSC does not directly implement investment decisions on client accounts. Transactions in client's managed accounts are delegated to and conducted exclusively by third-party managers. Relevant disclosures are provided by those managers.



## Item 13: Review of Accounts

### 13.1 Periodic Reviews

Client account reviews are typically performed quarterly by IARs. Account reviews are performed more frequently when market conditions dictate.

### 13.2 Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

### 13.3 Regular Reports

Investment Management clients receive quarterly report updates. These updates detail, among other things, the portfolio holdings as well as changes and detailed performance reporting. In most cases, clients also have internet access to their accounts if they chose to activate that feature. Internet access would permit clients to view their accounts on a daily basis if they so choose.

## Item 14: Client Referrals and Other Compensation

### 14.1 Incoming Referrals

LMSC has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

### 14.2 Referrals Out

LMSC does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

### 14.3 Other Compensation

Not applicable.

## Item 15: Custody

LMSC does not maintain physical custody of client assets. Rather, all client cash and securities advised by the Firm are held by the client's qualified custodian. However, under relevant regulations, LMSC is deemed to have "custody" of client assets held by a client's qualified custodian in certain circumstances, including: where LMSC is permitted to deduct its advisory fee directly from the client's account held by the qualified custodian; and where LMSC has the ability or authority to transfer funds or securities out of the client's account held at a qualified custodian. A client's qualified custodian will provide the client with account statements at least quarterly. Clients are encouraged to carefully review these statements and to compare them to any statements provided.

### 15.1 Performance Reports

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by LMSC's client management system.

## 15.2 Net Worth Statements

As previously stated, LMSC's RIA do not provide net worth statements to clients other than in the normal course of providing financial planning services through IAR's.

## Item 16: Investment Discretion

### 16.1 Discretionary Authority for Trading

LMSC receives discretionary authority from the client at the outset of an advisory relationship through the selection of the appropriate investment portfolio based on the client risk questionnaire, identified, and outlined in the investment advisory agreement. Clients of discretionary accounts typically grant LMSC authority to determine, without obtaining specific client consent, the securities to be bought or sold for the client's account(s). LMSC may also require the client to execute a limited power of attorney granting LMSC authority over their accounts for trading purposes.

Clients may place limitations on LMSC's discretionary authority, which would be included in the client's written advisory agreement or other written agreement with LMSC.

### 16.2 Limited Power of Attorney

Client shall be required to execute an investment advisory agreement, naming LMSC limited power of attorney, granting LMSC full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

## Item 17: Voting Client Securities

### 17.1 Proxy Votes

As a matter of Firm policy and practice, LMSC does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. The Firm may provide advice to clients regarding the clients' voting of proxies, if requested. If a conflict of interest exists, it will be disclosed to the Client.

## Item 18: Financial Information

### 18.1 Financial Condition

LifeMark Securities has been granted a loan pursuant to the Paycheck Protection Program (the "PPP") under Division A, Title I of the CARES Act, in connection with COVID-19. The loan proceeds of \$167,685 will be used for qualifying purposes to provide assistance in retaining and maintaining staff payroll and general business expenses. It has been determined that the current circumstances do not constitute conditions that are reasonably likely to impair LifeMark's ability to meet contractual commitments to our clients. A balance sheet is not required to be provided because LifeMark Securities Corp. does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

## Item 19: Business Continuity Plan

### 19.1 General

LMSC has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

### 19.2 Disasters

The Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

### 19.3 Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location, as detailed in LMSC's Business Continuity Plan.

### 19.4 Loss of Key Personnel

In the event of Alex Georgiev's serious disability or death LMSC's RIA will continue operations under the direction of Vincent Micciche Jr., the Chief Compliance Officer of LMSC's Broker-Dealer.

## Item 20: Information Security Program

### 20.1 Information Security

LMSC maintains an information security program to reduce the risk that your personal and confidential information may be breached.

### 20.2 Privacy Notice

LMSC is concerned about the privacy of its customers, and commits to keep the information about its customers secure and confidential. By this notice, LMSC is advising its customers of

its desire to help all its customers understand how LMSC fulfills this commitment. From time to time, LMSC collects many different types of personal information about its customers, including: Information LMSC receives from customers on applications and forms, via the telephone, in personal visits, and through websites; Information about a customer's transactions with LMSC and others (such as a customer's purchases, sales, or account balances); and Information LMSC receives from consumer reporting agencies.

LMSC does not disclose customers' nonpublic personal information to anyone, except as permitted by applicable law or regulation. For example, LMSC may share this information with others in order to process transactions for customers. LMSC may also provide this information to companies that may perform administrative services on LMSC's behalf, such as printing or mailing. LMSC will require these companies to protect the confidentiality of the LMSC customer information and to use it only to perform the services for which such companies have been required to perform for LMSC.

With respect to LMSC's internal security procedures, LMSC maintains physical, electronic, and procedural safeguards to protect LMSC's customers' nonpublic personal information, and

LMSC restricts access to this information. LMSC frequently conducts business on behalf of its customers with distributors of mutual funds, variable annuities and variable life insurance, and with insurance companies. Each of these organizations can also obtain for their own purposes nonpublic personal information regarding LMSC customers. To the extent that any such information comes into the possession of LMSC, LMSC will treat all such information in accordance with this notice. All such other companies are required to provide LMSC customers with information on their own privacy policies.

If an LMSC customer decides at some point either to close the customer's LMSC account(s), or becomes an inactive customer, LMSC will continue to adhere to the LMSC privacy policies and practices with respect to all such customers' nonpublic personal information.

In the event of a Significant Business Disruption (SBD), such as a disruption to LMSC's building, business district, city, or the whole region), LMSC has a Business Continuity Plan in place so that business should not be interrupted for more than 24 to 48 hours. Backup arrangements have been put into place so that we are able to continue operations in a timely manner. However, if you are unable to reach LMSC at the numbers provided to you, we have made alternative arrangements for you to contact an LMSC representative at (585) 775-9453.

Nevertheless, should you ever need assistance regarding your investments, you may always contact the issuing companies and/or our clearing firm directly. Their numbers can be found on your statements and confirmations.

This notice is being provided on behalf of LMSC as well as on behalf of each of LMSC's offices of supervisory jurisdiction insofar as those offices obtain nonpublic personal information regarding any LMSC customer.

### 20.3 Electronic Delivery

Upon written client authorization, LMSC may deliver any required regulatory notices and disclosures or correspondence via electronic mail or via LMSC's Internet website. LMSC shall have completed all delivery requirements upon the forwarding of such document, disclosure, notice or correspondence to the client's last provided email address (or upon advising the client via email that such document is available on LMSC's website). Client may, at any time, notify LMSC in writing that it does not wish to receive electronic communications and instead wishes to receive paper communications.