

Form ADV Part 2A Disclosure Brochure

Item 1 – Cover Page

Allworth Financial, L.P.
340 Palladio Parkway, Suite 501
Folsom, CA 95630
916-482-2196
www.allworthfinancial.com

Date of Brochure: March 31, 2022

This brochure provides information about the qualifications and investment advisory business practices of Allworth Financial, L.P. If you have any questions about the contents of this brochure, please contact us at (916) 482-2196 or compliance@allworthfinancial.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Allworth Financial is an investment adviser registered with the SEC. Registration as an investment adviser does not imply a certain level of skill or training.

Additional information about our investment advisory business is also available on the SEC's website at www.adviserinfo.sec.gov. You can view our information on this website by searching for "Allworth Financial". You can also search using the firm's CRD numbers. The CRD number for the firm is **111167**.

Item 2 – Material Changes

This item provides information regarding specific material changes and a summary of such changes made to the Disclosure Brochure since the last annual update of the brochure which occurred in March 2021.

- The Allworth Financial principal office and place of business moved to 340 Palladio Parkway, Folsom, CA 95630.
- Allworth Financial may delegate some or all of its responsibilities for a portion or all of a client's portfolio to one or more third party investment advisers. Please see *Item 4 – Advisory Business* and *Item 10 – Other Financial Industry Activities and Affiliations* for additional details on these relationships.

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

Allworth Financial, LP (also referred to as “Allworth” throughout this document) is owned and controlled, through intermediate subsidiaries, by the Ontario Teachers’ Pension Plan and Lightyear Capital. Allworth Financial has been an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) since June 21, 1996.

Allworth’s principal business is providing investment advisory services, including retirement, tax, investment and estate planning guidance to help our clients achieve their financial and retirement goals.

On occasion, following the purchase of the business assets of another investment advisory firm, for a brief transition period the firm and its financial advisors will continue to operate under the firm’s former trade name and logo for marketing purposes. Although a different name may be used, such financial advisors provide advisory services through Allworth and remain subject to Allworth’s supervision.

Description of Types of Advisory Services Offered

The following are brief descriptions of the types of advisory services offered by Allworth.

Asset Management. Allworth provides discretionary asset management services to our clients through our “wrap fee” program (the “Program”), in which the client pays a specified fee for portfolio management services and trade execution. Allworth provides continuous investment advice to a client and makes investments for the client based on the individual needs of the client. Through this service, Allworth offers a customized and individualized investment program for each client. A specific investment strategy and investment policy is crafted to focus on the specific client’s goals and objectives. Depending on the client’s individual needs, investment recommendations will be made in, but not necessarily limited to, no-load mutual funds and exchange traded funds, and individual equity and fixed income positions. Client assets may be allocated to individual investments or through an investment model developed by the Allworth Investment Committee. In addition to providing discretionary investment advice, Allworth also provides asset management services to our clients on a non-discretionary basis. Under these arrangements, Allworth provides advice regarding client account assets based on restrictions directed by the client. For more information relating to Allworth’s wrap fee programs, please refer to Appendix 1 of this document, titled “Allworth Wrap Fee Program Brochure.”

Variable Sub-Account Management. Allworth provides asset management services to clients focused on the management of variable annuity products held in client accounts. Allworth manages variable annuity and/or variable life contract(s) by monitoring, advising, recommending and exchanging as necessary between sub-accounts available from the insurance company issuing the variable annuity or variable life contract(s).

Allworth provides continuous and ongoing supervision over client sub-accounts to ensure that the account is being managed in a manner consistent with the client’s financial goals, risk tolerance and time horizon. Upon receipt of the appropriate authorization from the client, Allworth utilizes limited discretionary authority to select or exchange among the sub-accounts available under the client’s variable annuity or variable life contract in accordance with the client’s disclosed investment objective and risk tolerance. As part of providing this service, Allworth utilizes signal providers for guidance regarding investment strategies, asset allocations and timing of exchanges.

Financial Planning (Specialized Planning Services). Allworth provides advisory services to clients in the form of comprehensive and issue-specific financial plans in areas including, but not limited to:

- Cash flow and management

- Protection planning (e.g., disability, health, life, long term care, etc.)
- Investment planning (e.g., investment portfolio review, stock options)
- Retirement planning
- Tax planning
- Estate planning

After completing a review and analysis of the information provided by the client, Allworth investment adviser representatives develop analyses and recommendations, which are presented to the client in the form of either a comprehensive or issue specific financial plan. These plans can be oral or written, as the client wishes.

A comprehensive plan focuses on a client's overall financial situation and specifically covers the areas of financial position (e.g., cash flow), protection (e.g., insurance), investment, retirement, tax and estate planning. Allworth develops comprehensive plans for its clients by identifying financial concerns and goals and preparing strategies designed to address identified concerns and goals. These services do not involve active management of client investment portfolios. Instead, comprehensive planning services examine a client's overall financial situation, specifically including (but not limited to) the areas of financial position (e.g., cash flow and net worth), protection plans (e.g., insurance), investment goals (e.g., education, home purchase), retirement, strategic tax planning and estate plan review.

Allworth offers different levels of comprehensive plans based upon the services to be provided, including:

- *Comprehensive Planning- Advanced* involves extensive coordination with other advisors (business, estate, legal, tax) in developing a comprehensive personal financial plan. Advanced planning issues include business succession as well as financial legacy planning to preserve and transfer wealth.
- *Comprehensive Planning - Financial Independence* focuses on the migration to and preservation of financial independence. The planning process examines and illustrates a myriad of financial independence scenarios. A matrix of variables (i.e., age, income need, investment return on both non-qualified and qualified portfolios, inflation, long-term care, etc.) are examined to determine a most realistic financial independence scenario. This planning service focuses intensely on financial independence. The variables are assessed to determine a plausible financial independence plan.

Allworth also offers issue-specific specialized planning services, which focus on specific areas of client concern identified by the client. An issue specific plan focuses only on one or more specific area(s) of client concern, and clients should be aware that other important issues may not be taken into consideration when Allworth's representatives develop their analyses and recommendations.

In addition to comprehensive and issue-specific financial planning services, Allworth offers customized consulting services to clients seeking advice regarding non-securities matters as well as clients seeking advice regarding non-managed accounts (assets under advisement), such as 401(k), 403(b) or profit sharing plans.

Clients have sole discretion regarding whether or not to implement the investment advice and specific recommendations provided as part of a financial plan.

Qualified Plan Consulting Services. Allworth provides advisory services for qualified retirement plans. While the primary clients for these services are nonqualified deferred compensation, pension, profit sharing, 401(k) and 403(b) plans, Allworth also offers these services, where appropriate, to individuals and trusts, estates and charitable organizations.

Qualified retirement plan consulting services include: the development and maintenance of investment policy statements, plan design consulting, investment due diligence review, model investment portfolios, discretionary and on-discretionary recommendations regarding investment selection, and educational presentations to plan participants.

Newsletters and Podcasts. Allworth periodically provides a newsletter and podcasts to its clients. These newsletters and podcasts contain general, educational and informational articles. Non-clients can also subscribe to these newsletters and podcasts by contacting Allworth or subscribing at Allworth's website. These newsletters and podcasts are free of charge for clients and non-clients.

Seminars. Allworth and its associated persons provide financial seminars to the public on general, informational and educational topics.

Specialization. Allworth considers itself to specialize in retirement planning, investment and wealth management. Our advisors work with each client to focus on their individual retirement, planning and investment needs, as applicable. More details regarding our specific services are described in Item 5 of this brochure. In addition, you should refer to Item 8 for a description of some of the common risks associated with our advice and services.

Third Party Investment Advisors

After a review of a client's portfolio(s), risk tolerance and investment objectives, Allworth may delegate some or all of its responsibilities for a portion or all of a client's portfolio to one or more third party investment advisers (each, a "TPA"). Each TPA will actively manage client portfolio(s) and will assume discretionary investment authority over that portion of the portfolio(s) allocated to the TPA. Discretionary investment authority will allow the TPA to place trades and make changes to the account or the portion of the account the TPA is authorized to manage without the client's prior approval. Allworth will periodically monitor each TPA's performance to ensure its investment program remains aligned with the client's goals and objectives. Allworth conducts due diligence of any recommended TPA and monitors the performance of TPAs with respect to the TPA's management of the designated assets of each account relative to appropriate peers and/or benchmarks. Allworth will retain discretionary authority to hire and terminate each TPA and/or to reallocate client portfolio assets to another TPA where deemed appropriate. The recommendation of TPAs may be done on a discretionary or non-discretionary basis with the specific terms outlined in the Allworth client agreement. When a client authorizes Allworth to have the ability to select TPAs on a discretionary basis, Allworth will have the authority to select and terminate TPAs without the client's specific approval. When TPA recommendation are made on a non-discretionary basis, the client will need to execute an agreement directly with the TPA.

Allworth is available and responsible to answer questions clients have regarding any portion of their account managed by a TPA and will act as the communication conduit between the client and the TPA. A complete description of the TPA's services, practices and fees will be disclosed in the TPA's Form ADV Part 2A: *Firm Brochure* that will be provided to the client.

Types of Investments.

We are willing to offer advice on most types of investments owned by a client and, at the specific request of a client, will explore investment options not currently owned by a client. However, we do not offer advice on warrants, options, commodities or private placements such as hedge funds and other unregistered securities.

The following are some of the general categories of securities we will advise.

- Exchange-listed securities
- Securities traded over-the-counter
- Exchange Traded Funds (ETFs)
- Foreign issues
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares (open and closed ended)
- United States government securities
- REITs

When providing Asset Management Services, Allworth typically constructs each client's account holdings using low-fee mutual funds, no-load mutual funds and exchange traded funds to build diversified portfolios. It is not Allworth's typical investment strategy to attempt to time the market but cash holdings will be increased modestly as deemed appropriate, based on the client's risk tolerance and Allworth's expectations of market behavior.

Tailored Advisor Services to Individual Needs of Clients

Allworth's services are always designed to be based on the individual needs of each client. Clients are given the ability to impose reasonable restrictions on their accounts including specific investment types and sectors.

Client Assets Managed by Allworth Financial

As of December 31, 2021, Allworth had \$13,782,219,676 in assets under management ("AUM"), of which \$13,408,844,041 was managed on a discretionary basis and \$373,375,635 was managed on a non-discretionary basis.

Item 5 – Fees and Compensation

Wrap Fee Program

Management fees for asset management client accounts in the wrap fee program (the "Program") are calculated and billed quarterly in advance for each period based on the value of each client account on the last business day of the prior calendar quarter. Adjustments will be made in the case of any individual contributions or withdrawals which exceed \$10,000 made to the client account during the quarter. Management fees for client account(s) in the Program are subject to a \$2,500 annual minimum fee and the maximum fee charged in the Program is 1.85%. Allworth will provide the exact percentage-based fee to each client based on both the nature and total dollar asset value of the client's account(s). The fee will be stated in the fee schedule which must be signed by both Allworth and the client.

Fees are subject to negotiation and may vary from the standard fee schedule to reflect circumstances that apply to a specific client relationship. Therefore, clients may pay different fees for the same services. The client's fee schedule, and any applicable terms and conditions, are stated in the client's Investment Management Agreement. The Firm reserves the right to maintain alternate fee schedules for certain groups of clients, such as those grandfathered from prior fee schedules, or those clients that have come to the Firm as a result of mergers/acquisitions who were subject to the fee schedule of the acquired firm.

The Program management fee covers Allworth's advisory services (including initial and ongoing reviews of financial circumstances) and all trade execution or asset-based fees charged by the custodians offered by Allworth. Specifically, the fee will cover all commissions, prime broker fees, and any other transaction fees relating to the execution of securities transactions within client accounts. Clients may be charged a fee by the receiving custodian should they transfer assets from Allworth and the client is wholly responsible for these fees.

Variable Sub-Account Management Services

Allworth does not charge an advisory fee for the variable sub-account management service. When purchasing variable annuities and variable life contracts through AW Securities, AW Securities will earn commissions; however, the client's investment adviser representative in his or her separate capacity as a registered representative of AW Securities and an insurance agent will not directly receive a commission as part of this transaction. Instead, the client's investment adviser representative is compensated with a base salary and will earn additional compensation, up to 10 basis points, based on the total revenue generated by client assets under management. Allworth investment adviser representatives are not compensated on a per transaction basis. Due to the receipt of commissions by AW Securities, Allworth does not charge a separate investment advisory or investment management fee for managing variable annuity sub-accounts.

The insurance companies issuing variable annuity contracts will charge management expenses to the client. In addition, the variable annuity contract may be subject to exchange fees and surrender charges. Clients should refer to the prospectus of their variable annuity and/or variable life contract for more details about the insurance company's management expenses and any exchange or surrender fees.

Financial Planning (Specialized Planning Services)

Financial planning services are billed on a fixed fee basis. Allworth's investment adviser representatives provide a quoted fixed fee to clients before any services are provided. Fees generally fall within one of the following categories:

<u>Service</u>	<u>Fee</u>
Comprehensive Planning-Advanced	\$15,000 - \$30,000
Comprehensive Planning	\$3,500 – \$5,000
Comprehensive Financial Review	\$1,500 - \$4,000

Fees are negotiable depending on the complexity of the client's financial situation, the actual services requested and the Allworth investment adviser representative providing the services. One-half of the quoted fee is due at the time the client agreement is signed with the remainder of the fee due upon completion of the services and receipt of Allworth's billing statement.

Clients contracting for a financial plan who also contract for asset management services, as well as clients who contract only for asset management services, will receive on-going financial planning services. These ongoing financial planning services will continue as long as there is an asset management contract in place between Advisor and the client. Clients can contact or visit with the

Allworth's investment adviser representatives as needed to discuss anything included in the original financial plan and can have their financial plan reviewed and updated any time at no cost.

Services terminate upon presentation of the financial plan unless clients receive on-going financial planning services due to an existing asset management agreement. Either party can terminate services at any time by providing written notice to the other party. Termination is effective upon receiving that notice. If services are terminated within five business days of executing the client agreement, services are terminated without penalty. If terminated after five business days but before presentation of the plan, fees are prorated, and clients are responsible for the time and effort expended by Allworth prior to receipt of the termination notice. For fixed fees, this is determined by calculating the percentage of the requested services that have been completed at the time of termination. For ongoing services charged as a fixed fee, this is calculated by the number of days that services were provided in the quarter. Allworth provides the client with a billing statement detailing the services provided, fees earned and the prorated refund due to or fees due from client. If the financial plan has been presented to client there is no refund of fees.

In addition to providing advisory services, some of Allworth's investment adviser representatives are also registered representatives of AW Securities, a broker-dealer. Some of Allworth's investment adviser representatives are also independently licensed insurance agents. Therefore, Allworth and AW Securities can earn both fees when providing advisory services and commissions when selling variable annuities. Each Allworth investment adviser representative is compensated with a base salary and will earn additional compensation, up to 10 basis points, based on the total revenue generated by client assets under management. Allworth investment adviser representatives are not compensated on a per transaction basis.

Clients can select any broker/dealer or insurance agent they wish to implement commission-based transactions. If clients elect to have Allworth's investment adviser representative implement a variable annuity transaction as part of a Specialized Planning Services Agreement, the representative can waive or reduce the amount of the Specialized Planning Services fee charged by the amount of any commissions AW Securities earns on these variable annuity transactions. Any reduction will not exceed 100% of the commission received and will be disclosed to clients prior to any services being provided.

Clients can also elect to implement the advice of the Allworth investment adviser representative through the Program. In this case, advisor representatives can waive or reduce the amount of the financial planning fee as a result of additional Program fees being earned. Any reduction will be disclosed to clients prior to any services being provided.

Qualified Retirement Plan Consulting Services

Fees for qualified retirement plan ("Plan") consulting services are calculated and billed in advance or in arrears each quarter, as disclosed in the client agreement. Fees are based on the total market value of the Plan at the close of the quarter. The maximum fee for Plan consulting services shall not exceed 2.50% of assets under advisement. Fees are negotiable based on factors such as, but not limited to, the size of the Plan and the number of participants.

The minimum annual fee for Plan services is \$5,000 and the minimum account size is \$200,000 invested. If the minimum is not met as a result of the asset based fee listed above, the balance will be billed directly to the Plan sponsor.

The actual fee charged to a client will be noted in the Qualified Retirement Plan Consulting Agreement. Fees are generally deducted from the Plan by the custodian and paid to Allworth based upon the custodian's receipt of written authorization to have the fees deducted from the client's account and paid to Allworth. If agreed to in advance and at the discretion of Allworth, Allworth can bill the client directly rather than have fees automatically deducted from the Plan. For any Clients that Allworth bills directly, fees for Allworth's Plan consulting services are due within 30 days after client's receipt of the billing notice.

Certain expenses incurred by Allworth in order to perform the agreed upon Plan services will be considered outside of the standard fee for services described above and will be billed directly to client in addition to the agreed upon service fee indicated. Any outside expenses that clients will be responsible for will be described in the Qualified Retirement Plan Consulting Agreement.

In addition to Allworth's compensation, the client will also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses) and charges imposed by the Plan custodian and Third-Party Administrator (if applicable). Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to client by the custodian. Allworth will not receive any portion of such brokerage commissions or transaction fees from the custodian or client. Service fees charged by Allworth are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

The Plan custodian will send statements to the Plan, at least quarterly, showing all disbursements from the Plan, including the amount of the advisory fee paid and when such fee is deducted directly from the Plan. Upon request, Allworth will send the Plan a fee billing notice showing the amount of the fee that will be deducted, the manner in which the fee was calculated, any adjustments to the fee and an explanation of such adjustments.

Either client's authorized representative or Allworth can terminate the Qualified Retirement Plan Consulting Agreement with 30 days written notice to the other party. A refund of any unearned fees will be made based on the time expended by Allworth before termination. A full refund of any fees paid will be made if the agreement is terminated within five business days. The Qualified Retirement Plan Consulting Agreement terminates upon failure of the client to pay Service Fees pursuant to the terms stated in that Agreement.

Third Party Investment Advisors

Client portfolio(s) will be billed fees by the TPA directly, according to the TPA's fee schedule. The annual fee(s) charged by TPAs range between 0.05% and 1.00% of the client's assets under management by the TPA. Fees billed by Blackrock and Aperio are billed quarterly in advance. Fees billed by 55ip are billed monthly in arrears. TPA fees are in addition to any advisory fees paid to Allworth and Allworth does not share in the advisory fee paid by clients to a TPA. Fees for services provided by the TPAs will be deducted by the TPA directly from the client account at the custodian in accordance with the TPAs fee schedule.

Non-Wrap Fee Asset Management (Former Clients of Siena Wealth Management Only)

For accounts held by former clients of Siena Wealth Management, Allworth provides a Non-Wrap Fee Asset Management program which involves Allworth Financial providing you with continuous and ongoing supervision over your specified accounts.

This service is only available to clients acquired from Siena Wealth Management and will not be offered to any new Allworth clients. Unlike Allworth's existing Wrap Fee Program, the only program Allworth allows new clients to participate in, clients in the Non-Wrap Fee program are responsible for any custodial transaction charges incurred resulting from changes to their portfolio holdings.

These accounts are managed based each client's financial situation, investment objectives and risk tolerance. Allworth actively monitors each account and provides advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the account.

Allworth has retained an independent third-party account administrator, BAM Advisor Services, LLC (doing business as "Loring Ward"), which performs certain services such as account administration, back-office fulfillment, report and statement production, and recordkeeping for these accounts. Such services are paid directly by Allworth. Loring Ward is an investment adviser registered with the Securities and Exchange Commission.

The annual fee for non-wrap fee services will be charged as a percentage of assets under management, according to the tiered/blended schedule below. A separate fee is not charged for Allworth's Wealth Management Consulting services.

Assets Under Management	Annual Fee Range
First \$250,000	1.50%–2.00%
Next \$250,000 to \$500,000	1.00%–1.25%
Next \$500,000 to \$1,000,000	0.80%–1.00%
Next \$1,000,000 to \$2,000,000	0.60%
Next \$2,000,000 and above	0.40%

A minimum of \$500,000 of assets under management is required for investment accounts. All accounts for members of the client's family (husband, wife, and dependent children) or related businesses may be assessed fees based on the total balance of all accounts. These account minimums may be negotiable under certain circumstances.

The specific manner in which fees are charged by Allworth is established in a client's written agreement with Allworth. Allworth will generally bill its fees quarterly based on the market value. Most clients are billed in advance each calendar quarter. Clients authorize Allworth to directly debit fees from their accounts as part of their signed written agreement. Management fees will be prorated for each capital contribution made during the applicable calendar quarter. Accounts initiated during a calendar quarter will be charged a prorated fee for that first quarter. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Allworth's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that are incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investment advisers and other third parties such as fees charged by managers, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on

brokerage accounts and securities transactions. Mutual funds exchange traded funds, variable annuities, and exchange traded notes also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of, and in addition to, Allworth's fee, and Allworth shall not receive any portion of these commissions, fees, and costs.

A client agreement may be canceled at any time, by either party, for any reason upon receipt of a 30-day written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. The client has the right to terminate an agreement without penalty within 5 business days after entering into the agreement.

Item 12 further describes the factors that Allworth considers in selecting or recommending custodians and/or broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., transaction fees and commissions).

Neither Allworth nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

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 Allworth does not charge or accept performance-based fees.

Item 7 – Types of Clients

Allworth offers advisory services to:

- Individuals and high net worth individuals
- Pension and profit-sharing plans
- Trusts, estates, or charitable organizations
- Corporations

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

Method of Analysis in Formulating Investment Advice

Allworth uses both quantitative and qualitative analysis in evaluating investments, strategies, and asset classes. This involves analyzing macroeconomic, fundamental, statistical, and technical data. The result of this analysis will provide feedback for the asset allocation of each portfolio and the selection of various investment strategies.

Investment Strategies when Managing Client Assets and/or Providing Investment Advice

The investment strategies that Allworth has designed are broadly classified as follows:

- **Active Plus:** A blend of mutual funds and exchange traded funds (ETFs) with no limit on how much can be allocated to active mutual funds. Liquid alternative strategies may be used in these portfolios. These models may deviate significantly from our blended benchmark.
- **Active Plus Conservative Income:** This strategy is designed to focus primarily on income with a secondary emphasis on capital preservation. This strategy can use both actively managed bond mutual funds and ETFs. Liquid alternative strategies may also be used in these portfolios.

- Core-Satellite: A blend of mutual funds and ETFs with the Core portion of the portfolio focusing on low cost ETFs that seek to closely track the blended benchmark and the Satellite portion of the portfolio utilizing both actively managed mutual funds and ETFs. The Core-Satellite portfolios have no direct exposure to liquid alternative strategies.
- Core-Satellite Plus: A blend of mutual funds and ETFs with the Core portion of the portfolio focusing on low cost ETFs that seek to closely track the blended benchmark and the Satellite portion of the portfolio utilizing both actively managed mutual funds and ETFs. Liquid alternative strategies are also used in these portfolios.
- Dynamic: A blend of mutual funds and ETFs with the Core portion using low cost ETFs that seek to closely track the blended benchmark. The Satellite portion may make tactical moves to asset classes that are viewed as attractive.
- Dynamic Balanced Income: A blend of mutual funds and ETFs designed to generate income and help protect against broad market downturns. This strategy may make tactical moves to asset classes that are viewed as attractive.
- Dynamic Diversified Income: A blend of mostly equity mutual funds and ETFs designed to generate income. This strategy may make tactical moves to asset classes that are viewed as attractive.
- Dynamic US: A blend of mutual funds and ETFs with the Core portion using low cost ETFs that seek to closely track the blended benchmark. The Satellite may make tactical moves to asset classes that are viewed as attractive. This strategy excludes exposure to international stocks.
- Efficient Market Discipline – A blend of active and passive mutual funds. The equity based mutual funds are passively managed while the fixed income based mutual funds are actively managed. The strategy may make tactical moves to asset classes that are viewed as attractive.
- Efficient Market Discipline Core – A blend active and passive mutual funds with a limited number of holdings. The equity based mutual funds are passively managed while the fixed income based mutual funds are actively managed. The strategy may make tactical moves to asset classes that are viewed as attractive.
- Efficient Market Discipline Core I – A blend of passive mutual funds with a limited number of holdings.
- Efficient Market Discipline ESG – A blend of active and passive mutual funds, and ETFs. The equity based mutual funds are passively managed and utilize Environmental, Social, and Governance management screens and weightings. The fixed income based mutual funds are actively managed. The strategy may make tactical moves to asset classes that are viewed as attractive.
- Efficient Market Discipline ESG Core – A blend of active and passive mutual funds with a limited number of holdings. The equity based mutual funds are passively managed and utilize Environmental, Social, and Governance management screens and weightings. The fixed income based mutual funds are actively managed. The strategy may make tactical moves to asset classes that are viewed as attractive.
- Efficient Market Discipline Non-U.S. – A blend of passive mutual funds. The strategy may make tactical moves to asset classes that are viewed as attractive.
- Market Data Discipline – A long/short strategy using ETFs. The strategy may use leverage through margin and may hold short positions in securities.
- Pure Index: Primarily low cost, market cap-weighted ETFs are used. These portfolios have the lowest turnover and deviate the least from our blended benchmarks.

The asset allocation strategies have the following neutral equity and fixed income weightings: 0/100, 10/90, 20/80, 30/70, 40/60, 50/50, 60/40, 70/30, 80/20, 90/10, and 100/0. The strategies that offer these

allocations are Active Plus, Core-Satellite, Core-Satellite Plus, Dynamic, Dynamic US, Efficient Market Discipline, Efficient Market Discipline Core, Efficient Market Discipline Core I, Efficient Market Discipline ESG, Efficient Market Discipline ESG Core, Efficient Market Discipline Non-U.S., and Pure Index. These models may deviate from the neutral allocations.

Tax-efficient options will typically include municipal bond fund holdings. The strategies that offer a tax-efficient option are Active Plus, Core-Satellite, Dynamic, Dynamic Balanced Income, and Dynamic US.

In some cases, where minimizing realized capital gains is of greatest importance to the client or where the client has a mandate that is different from the above-mentioned models, Allworth will manage customized models that may be unique to the client. The underlying investments here are evaluated by the financial advisor and/or the investment management team.

Risk of Loss

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

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

- **ETF Risks** – Buying or selling an ETF during market hours can result in higher or lower values than the index that it is based on. This may have to do with the time of the purchase or sale, the bid-ask spread of the ETF or the amount of daily volume that is traded for the ETF. While generally low, ETFs have expenses that are absorbed by clients. The risk of owning an ETF generally reflects the risks of owning the underlying securities the ETF holds. There are certain de minimis regulatory fees, which Allworth does not impose or receive, associated with ETF trades.
- **Mutual Fund Risks** – Mutual fund trades only occur at the end of the trading day, regardless of when purchase or sell orders are placed. Depending on intraday market movements, this may result in a price for the trade that is more or less favorable than trading at other times. Along with expenses that are absorbed by clients, there may be additional expenses incurred based on early redemptions made by clients. Clients in non-qualified accounts are subject to potential taxable capital gain and dividend income distributions. The risk of owning a mutual fund generally reflects the risks of owning the underlying securities the mutual fund holds.
- **Market Risk** – Equity markets as a whole can go down, resulting in a decrease in the value of Client investments that are invested in broad equity exposures.
- **Stock Specific Risk** – When investing in stocks, there is always a certain level of company or industry specific risk that is inherent in each investment. Diversification is used in an attempt to mitigate this unsystematic risk. There is the risk that a company and its stock

price will perform poorly or have its value reduced based on factors specific to the company or its industry.

- Credit Risk – When investing in fixed income investments, there is the risk that issuer will default on the security and be unable to make payments or that an issue will be downgraded. Fixed income instruments with a higher credit risk typically pay a higher yield than those of a higher credit quality to compensate investors for the risk of potential default or downgrade.
- Interest Rate Risk – When investing in high quality corporate bonds, U.S. Treasury securities, or other government-related bonds, these issues generally have very little if any credit risk, but such investments can be very sensitive to changes in interest rates. Fixed income investments with longer maturities generally have the highest degree of interest rate risk. As interest rates increase, the value of the fixed income securities could decrease.
- Liquidity Risk – To the degree that a stock, bond, mutual fund, ETF or other investment cannot be sold easily, investors may not be able to quickly get out of an investment in a timely manner. This also holds true for interval mutual funds where investors may only liquidate their funds at specified times, often at the end of a calendar quarter. Liquidity risk can be an issue if one needs to immediately convert their assets to cash and this risk generally becomes more prevalent when asset prices are precipitously declining.

Item 9 – Disciplinary Information

Allworth and its personnel seek to maintain the highest level of business professionalism, integrity and ethics. Allworth has no reportable disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

Hanson McClain Retirement Network, LP (doing business as AW Securities)

Allworth is under common ownership with Hanson McClain Retirement Network, LP, doing business as AW Securities, a broker-dealer member of FINRA/SIPC. AW Securities is also registered with the SEC as an investment adviser. Allworth and AW Securities are owned by HMG Holdco, Inc., a holding company with majority ownership controlled equally between Scott Hanson and Pat McClain.

AW Securities offers a limited selection of variable annuity products and mutual funds to its clients and does not engage in any other types of securities transactions. In addition, AW Securities provides marketing, consulting, and client acquisition services to other investment adviser firms, broker/dealers and their representatives through the Hanson McClain Retirement Network.

Some investment adviser representatives of Allworth are also registered securities agents with AW Securities. A conflict of interest exists as potential sales of variable annuity products which provide commissions could create an incentive for an Allworth investment adviser representative to recommend products based on the commission they earn. When placing variable annuity transactions through AW Securities in their capacity as registered securities agents, Allworth investment adviser representatives are allowed to earn sales commissions; however, such representatives do not directly earn commissions. Allworth investment adviser representatives are compensated with a base salary and have the ability to

earn additional compensation based on the total revenue generated by the representative's client assets under management. Allworth investment adviser representatives are not compensated on a per transaction basis.

Allworth's investment adviser representatives will only recommend variable annuity products to a Client if it is determined that such products are suitable for the client and appropriate for fulfilling the client's asset allocation strategy and objectives. In doing so, Allworth, AW Securities, its associated persons and employees are prohibited from trading on material non-public information.

AW Securities is also a licensed insurance agency and some of the associated persons of AW Securities and Allworth are also independently licensed to sell variable annuity products through various insurance companies. When acting in these capacities, commissions are paid to AW Securities for selling these products.

The compensation received from Allworth Financial creates a conflict of interest whenever an associated person recommends an insurance product through AW Securities.

Allworth Tax Solutions

Allworth Financial is under common ownership with an accounting and tax preparation firm, Allworth Tax Solutions. Clients seeking assistance with tax preparation and/or accounting services are referred to Allworth Tax Solutions to work with a licensed Certified Public Accountant (CPA), but are not obligated to use our affiliated accounting firm's services. If a client chooses to engage Allworth Tax Solutions for tax preparation and/or accounting services, the client will pay a separate fee in addition to the fees paid to Allworth for investment advisory services. A conflict of interest when clients choose to use Allworth Tax Solutions because of the additional revenue Allworth earns when clients use the services of Allworth Tax Solutions. All fees for services provided by Allworth Tax Solutions are disclosed to clients and clients are under no obligation to use the services of Allworth Tax Solutions. Allworth receives no compensation or referral fees for recommending clients to Allworth Tax Solutions.

As previously described in *Item 4 – Advisory Business* of this brochure, Allworth may delegate some or all of its responsibilities for a portion or all of a client's portfolio to one or more third party investment advisers (each, a "TPA"). TPA fees are in addition to any advisory fees paid to Allworth and Allworth does not share in the advisory fee paid by clients to a TPA. Allworth is not affiliated with any TPA and does not receive solicitor or referral fees from any TPA recommended to clients.

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

Code of Ethics Summary

As a fiduciary, Allworth has a duty of utmost good faith to act solely in the best interest of each of its clients. Allworth places the interests of its clients ahead of the interests of the firm and its personnel. In order to ensure that Allworth's personnel conduct themselves in an honest, ethical and fair manner, Allworth has established a Code of Ethics, which all supervised persons must read and then execute an acknowledgement agreeing that they understand and agree to comply with Allworth's Code of Ethics. The Code of Ethics contains policies and procedures designed to prevent personnel from placing their own interests ahead of clients and imposes limits on certain activities, including personal trading, giving or receiving gifts for business purposes, political contributions and outside business activities. Allworth will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

Affiliate and Employee Personal Securities Transactions Disclosure

Allworth's supervised persons have the ability to buy or sell securities or have an interest or position in a security for their personal account that they also recommend to clients. This presents a potential conflict of interest as it provides Allworth supervised personnel with the ability to take investment opportunities from clients for their own benefit, favor personal trades over client transactions when allocating trades, or use the information about transactions planned for client accounts to their personal benefit by trading ahead of clients. Allworth's policy of Allworth is that no supervised person shall prefer his or her own interest to that of a client. No Allworth may purchase or sell any security prior to a transaction or transactions being implemented for the client account. Further, Allworth supervised persons are not allowed 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 his/her employment unless the information is also available to the investing public upon reasonable inquiry. Allworth maintains a list of all securities holdings for itself and all supervised persons, which is reviewed on a regular basis by a principal of the firm.

Item 12 – Brokerage Practices

At the inception of the client relationship, Allworth will recommend that clients establish brokerage account(s) with TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), Fidelity Institutional Wealth Adviser LLC, a division of Fidelity Brokerage Services, LLC ("Fidelity") or Schwab Advisor Services, a division of Charles Schwab & Co., Inc. ("Schwab").

Arrangement with TD Ameritrade

Allworth participates in the TD Ameritrade Institutional program for independent investment advisors. This program includes custody of securities, trade execution, clearance and settlement of transactions. Clients have the option to establish account(s) with TD Ameritrade, which will serve as the client's qualified custodian and maintain physical custody of all client funds and securities, and to designate Allworth as the investment advisor on the account(s). Allworth will be granted limited power-of-attorney on the account(s) to implement trades within the account(s) and (when agreed to by the client) deduct Allworth advisory fees from the account and assist in effecting distributions at the client's request.

TD Ameritrade is an independent broker-dealer and is unaffiliated with Allworth. There is no direct link between Allworth's participation in the TD Ameritrade Institutional program and investment advice given to clients, although Allworth's recommendation (and in some cases requirement) to use TD Ameritrade is partially based on economic benefits received by Allworth through its agreement with TD Ameritrade that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Allworth participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Allworth by third party vendors. TD Ameritrade also has the ability to pay for business consulting and professional services received by Allworth's related persons. Some of the products and services made available through TD Ameritrade's Institutional program benefit Allworth but may not benefit all accounts in the program. Such products or services are intended to assist Allworth in managing and administering its client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Allworth manage and further develop its business enterprise. The benefits received by Allworth or its

personnel through participation in the TD Ameritrade Institutional program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Allworth endeavors at all times to put the interests of its clients first, including a duty to seek best execution of trades for client accounts. Clients should be aware, however, that the receipt of economic benefits by Allworth or its related persons in and of itself creates a conflict of interest and influencing Allworth's choice of TD Ameritrade for custody and brokerage services.

Allworth also receives from TD Ameritrade certain additional economic benefits ("Additional Services" and "Consulting Services") that are not offered to all other independent investment advisors participating in the program. Specifically, the Additional Services include funds to be utilized by Allworth for Envestnet Tamarac portfolio accounting/management software and Salesforce customer relationship management software. The Consulting Services make available certain consulting relationships and related services to assist Allworth in potentially improving its ongoing business strategy and operations. TD Ameritrade provides or makes available consulting services to Allworth on business planning issues.

TD Ameritrade provides the Additional and Consulting Services to Allworth in its sole discretion and at its own expense, and Allworth does not pay any fees to TD Ameritrade for the Additional and Consulting Services. Allworth and TD Ameritrade have entered into separate agreements ("Additional Services Addendum" and "Consulting Services Addendum") to govern the terms of the provision of these added services.

Allworth's receipt of Additional and Consulting Services raises certain conflicts of interest. In providing these added services to Allworth, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Allworth's client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional and Consulting Services Addendum with Allworth, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain these added services from TD Ameritrade, Allworth has an incentive to recommend to its clients that the assets under management by Allworth be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Allworth's receipt of Additional and Consulting Services does not diminish its duty to act in the best interests of its clients, including to seek best execution of trades for client accounts.

Arrangement with Fidelity

Allworth participates in the Fidelity Institutional Wealth Adviser program for independent investment advisers. This program includes custody of securities, trade execution, clearance and settlement of transactions. Clients have the option to establish account(s) with Fidelity, which will serve as the client's qualified custodian and maintain physical custody of all client funds and securities, and to designate Allworth as the investment advisor on the account(s). Allworth will be granted limited power-of-attorney on the account(s) to implement trades within the account(s) and (when agreed to by the client) deduct Allworth advisory fees from the account and assist in effecting distributions at the client's request.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Allworth to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

As a result of receiving such services for no additional cost, Allworth has an incentive to continue to use or expand the use of Fidelity's services. Allworth examined this conflict of interest when it chose to enter into the relationship with Fidelity and has determined that the relationship is in the best interests of Allworth's clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Allworth determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Allworth will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by Allworth will generally be used to service all of Allworth's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Allworth and Fidelity are not affiliates, and no broker-dealer affiliated with Allworth is involved in the relationship between Allworth and Fidelity.

Arrangement with Schwab

Allworth participates in the Schwab Advisor Services program for independent investment advisers. This program includes custody of securities, trade execution, clearance and settlement of transactions. Clients have the option to establish account(s) with Schwab, which will serve as the client's qualified custodian and maintain physical custody of all client funds and securities, and to designate Allworth as the investment advisor on the account(s). Allworth will be granted limited power-of-attorney on the account(s) to implement trades within the account(s) and (when agreed to by the client) deduct Allworth advisory fees from the account and assist in effecting distributions at the client's request.

Schwab charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Schwab enables Allworth to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Schwab's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Schwab may be higher or lower than those charged by other custodians and broker-dealers.

As a result of receiving such services for no additional cost, Allworth has an incentive to continue to use or expand the use of Schwab's services. Allworth examined this conflict of interest when it chose to enter into the relationship with Schwab and has determined that the relationship is in the best interests of Allworth's clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Allworth determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Allworth will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by Allworth will generally be used to service all of Allworth's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used

in managing that specific client's account. Allworth and Fidelity are not affiliated and no broker-dealer affiliated with Allworth is involved in the relationship between Allworth and Schwab.

Scott Hanson, Co-CEO, of Allworth Financial serves on the Schwab Advisor Services Advisory Board (the "Advisory Board"). As described above, Allworth Financial may recommend that clients establish brokerage accounts with Charles Schwab & Co., Inc. ("Schwab") and/or its affiliates (e.g. TD Ameritrade Institutional) to maintain custody of the clients' assets and effect trades for their accounts. The Advisory Board consists of representatives of independent investment advisory firms who have been invited by Schwab management to participate in meetings and discussions of Schwab Advisor Services' services for independent investment advisory firms and their clients. Advisory Board members enter into nondisclosure agreements with Schwab under which they agree not to disclose confidential information shared with them. This information generally does not include material nonpublic information about the Charles Schwab Corporation, whose common stock is listed for trading on the New York Stock Exchange (symbol SCHW). The Advisory Board meets in person or virtually approximately twice per year and has periodic conference calls scheduled as needed. Advisory Board members are not compensated by Schwab for their service, but Schwab does pay for or reimburse Advisory Board members' travel, lodging, meals and other incidental expenses incurred in attending Advisory Board meetings.

Aggregation of Client Orders

Transactions implemented by Allworth for client accounts are generally effected independently unless Allworth decides 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 Allworth when deemed appropriate.

However, even if more advantageous to clients, Allworth does not typically aggregate orders. If Allworth chooses to aggregate client orders, the allocation of securities among client accounts will be 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. Under this procedure, transactions will be averaged as to price and will be allocated among Allworth clients in proportion to the purchase and sale orders placed by an individual Allworth investment adviser representative for each client account on any given day. When Allworth determines to aggregate client orders for the purchase or sale of securities, including securities in which an associated person of Allworth may invest, Allworth will do so in accordance with applicable regulatory guidance. It should be noted, Allworth does not receive any additional compensation or remuneration as a result of aggregation.

Trade Error Policy

Allworth 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 Allworth to correct trade errors in a manner that is in the best interest of the client. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by Allworth if the error was caused by Allworth.

For TD Ameritrade and Fidelity accounts, TD Ameritrade and Fidelity, as applicable, will retain gains retained in the account and donate the net proceeds to charity. For Schwab accounts, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, Allworth will be charged for the loss. Schwab will maintain the loss or gain (if such gain is not retained in your account) if

it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in your account, they will be netted.

Item 13 – Review of Accounts

Asset Management and Wrap Program Accounts

Each asset management and Wrap Fee Program account receives at minimum an annual review by an Allworth investment adviser representative. For Clients participating in the Wrap Fee Program, the Client will be contacted at least annually for the purpose of reviewing their account and to determine if there have been changes in their financial situation or investment objectives. The calendar is the main triggering factor, although more frequent reviews are also being triggered by changes in the Client's circumstances, Client request, or changes within the financial markets.

The underlying investments held in Wrap Fee Program accounts and the recommended holdings in Allworth portfolios are reviewed on a more frequent basis by the Allworth Investment Committee, which is chaired by Allworth's Chief Investment Officer. Model portfolios are usually reviewed as frequently as monthly, but no less than quarterly. The Allworth Investment Committee is responsible for reviewing the model portfolios and their holdings. Triggering factors for changes to underlying portfolios include the relative valuation changes between asset classes, deviation from management style by fund, and fund closures. Allworth is responsible for ongoing rebalancing, reallocation and ongoing trading services for Wrap Fee Program accounts. The Allworth Investment Committee is also responsible for conducting initial due diligence and ongoing evaluation of third-party advisors.

Financial Planning (Specialized Planning Services)

Because financial planning services, pursuant to an executed Specialized Planning Services Agreement, terminate upon presentation of the financial plan or asset allocation strategy or upon completion of the consultations, no reviews are conducted for these accounts. However, clients contracting for asset allocation strategy services can arrange for their Allworth investment adviser representative to monitor their portfolio on an annual or semi-annual basis for adherence to the recommended allocation strategy. This monitoring activity is not a complete account review. Allworth recommends that all clients have their financial situation reviewed at least annually. If client elects to perform this review and update, a new contract for services may be required and additional fees may be charged.

Statements and Reports

Clients will receive confirmations and/or statements from the investment company, broker/dealer and/or clearing firm where client accounts are maintained. Upon specific client request, Allworth will prepare reports showing the client's current portfolio holdings.

Clients participating in the Wrap Fee Program will receive statements and confirmations from their qualified custodian on at least a quarterly basis. Clients may opt-out of receiving confirmations for Program. Clients can receive quarterly, monthly, or on-demand reports showing the investment performance of their accounts from Allworth. **Clients are urged to compare the reports provided by Allworth against the account statements they receive directly from the account custodian for potential discrepancies.**

Item 14 – Client Referrals and Other Compensation

Client Referrals

Some Allworth associated persons receive a bonus, through either an internal referral program or on a per case basis, when attracting new clients that contract for Allworth services. Such bonuses are not available to all supervised persons and will only be provided if the supervised person is licensed as an Allworth investment adviser representative. When a bonus is paid, it will not result in higher advisory fees charged to the client. Bonuses generally do not exceed 1% of the total amount of the client's investable assets managed by Allworth or transferred to AW Securities.

Third Party Referrals

Allworth receives compensation for past client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. Allworth no longer participates in the AdvisorDirect referral program but does continue to service and receive compensation for accounts opened while participating fully in AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Allworth was selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Allworth and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Allworth and has no responsibility for Allworth's management of client portfolios or Allworth's other advice or services. Allworth pays TD Ameritrade an on-going fee for each successful Client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Allworth ("Solicitation Fee"). Allworth will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Allworth from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Allworth on the recommendation of such referred client. Allworth will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Allworth's participation in AdvisorDirect raises conflicts of interest. In order to continue receiving referral fees from TD Ameritrade, the Allworth client must maintain its account with TD Ameritrade. Therefore, Allworth has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Allworth's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Referral Sources

Allworth Financial has entered into agreements with SmartAdvisor, WiserAdvisor, Scoutvisor and CJ Affiliate (each, a "Referral Source") to receive referrals generated from online marketing efforts. These are paid arrangements whereby Allworth has agreed to pay a Referral Source a fee for each individual potential client referred to the firm through the Referral Source's online marketing efforts. Individuals that contact a Referral Source, either directly or via an online inquiry, will be connected with a potential financial advisor, including Allworth. Allworth's payment to referral sources is based on the number and asset level of referrals provided and not based on the number of new clients attained.

Referral Sources do not proactively call or speak to individuals about Allworth, but if an individual contacts a Referral Source for a recommended financial provider, the individual may be connected to Allworth. At that time, the Referral source will provide the individual a Solicitor Disclosure Statement (detailing among other things, the fee Allworth pays to the Referral Source), along with a copy of Allworth's Form ADV Part 2 brochure. Such procedures will be revised upon the effective date of new regulations regarding client solicitations. Individuals referred to Allworth by a Referral Source are not required or obligated in any way to become a client of Allworth.

Third Party Solicitor Arrangements

Allworth has entered into an arrangement with The Pacific Financial Group ("TPFG") pursuant to which clients with a self-directed brokerage option under their employer's retirement plan are provided the ability to utilize a managed account program advised by Allworth. TPFG advisors refer potential clients to Allworth under this arrangement. Allworth provides investment advice in the form of model investment portfolios all account management is performed by TPFG. Pursuant to the arrangement, Allworth is required to invest a portion of the assets in Pacific Financial Mutual Funds, a family of mutual funds managed by Pacific Financial Group, LLC, an affiliate of TPFG ("PFG Funds"). Neither TPFG, PFG nor Allworth receives any portion of the 12b-1 fees from the PFG Funds. TPFG pays Allworth an ongoing fee equal to 75 basis points of the client's account balance invested in PFG Funds, which is paid monthly from TPFG's own resources. TPFG's receipt of fees from the PFG Funds creates a conflict of interest as the models are designed to maintain 70% of the PFG funds which pays fees to its affiliate. To mitigate this conflict, Clients that participate in the program are not charged any additional advisory fees by TPFG and any fees received from the PFG funds are used to off-set any other fees the client would otherwise pay to TPFG for administering the model and servicing the client's account. For a complete explanation of the funds' costs, fees and risks, please refer to the PFG Funds' prospectus and separate fee disclosure provided by TPFG.

Allworth has entered into an agreement with eHealthInsurance Services, Inc. ("eHealth") to refer clients of Allworth to eHealth for health insurance services. eHealth specializes in offering insurance solutions for clients and their families. Product availability and coverage can vary by state. To the extent an Allworth client or prospective client purchases insurance through eHealth, Allworth will receive a referral fee.

Other Compensation

Please refer to Item 12 for a description of the economic benefits received from our custodial relationships.

Some of Allworth's advisor representatives also sell insurance products in their separate capacities as independently licensed insurance agents. When doing so, they can offer variable annuity products to clients when deemed suitable. Complete information concerning variable annuity account charges and expenses will be disclosed in the variable annuity prospectus which will be provided to clients. Depending upon a client's specific situation, a variable annuity product may or may not include a surrender schedule. Any guarantees a specific variable annuity may offer are dependent on the claims-paying ability of the particular company that issued the policy. An investment in a variable annuity is subject to fluctuations in market value and possible loss of principal. All commissions received for insurance products are paid to AW Securities in its capacity as an insurance agency.

As previously disclosed in this document, Allworth engages in and is compensated for providing consultation services to certain financial and retirement planners. These consultation services, provided through the Hanson McClain Retirement Network, consist of providing various marketing strategies to financial and retirement planners in order to increase the planners' customer base.

Hanson McClain Retirement Network

In addition to the fee arrangements described above, some individuals have joined the Hanson McClain Retirement Network (referred to as the "Network") which is a client acquisition program for independent financial advisors designed and provided through our affiliate Hanson McClain Retirement Network, LP doing business as AW Securities. The Network provides marketing support and training to members (referred to as "Partners"). Partners are not considered supervised persons or affiliates of AW Securities and must be licensed as securities agents with a registered broker/dealer, licensed as investment advisor representatives with an investment advisor firm or dually licensed as both a securities agent and investment advisor representative.

Hanson McClain Retirement Network, LP trains Partners to help employees of companies such as those in the tele-communications and utility industries with retirement planning. Services provided by Hanson McClain Retirement Network, LP do not include investment advice directly to Partners or their clients. AW Securities does not meet with individual clients. Hanson McClain Retirement Network, LP's marketing services focus on identification of key market areas and segments; marketing strategies to increase the Partner's client base; and developing and promoting workshops. Workshops suggested by Hanson McClain Retirement Network, LP are general education in nature and focused on 401(k) and pension plans offered by the workshop attendees' company. Workshop materials provided by Hanson McClain Retirement Network, LP to Partners do not include product sales or personalized investment advice. Partners specialize in both salaried and non-salaried employees' retirement programs.

As consideration for the services provided by Hanson McClain Retirement Network, LP to its Partners, Partners must assign, as compensation, a percentage of all revenues earned from Partner's clients attained as a result of the marketing training and services provided by Hanson McClain Retirement Network, LP. Revenue includes the Partner's receipt of commissions earned from brokerage services and/or advisory fees earned from advisory services. Hanson McClain Retirement Network, LP will receive up to 30% of all revenue earned by the Partner. The compensation allocation continues throughout the term of the Joint Marketing Agreement, including renewal period(s), between Hanson McClain Retirement Network, LP and the Partner. The exact arrangements, including term and compensation, are detailed in the Joint Marketing Agreement between Hanson McClain Retirement Network, LP and the Partner.

Item 15 – Custody

Allworth does not directly hold client funds or securities. All Client assets are held by unaffiliated qualified custodians in accounts that are registered in the name of the client. Under certain circumstances, Allworth could be deemed to have custody of client funds in accordance with applicable regulations if it has the ability to deduct advisory fees from the client's account or where clients have provided Allworth the limited power to transmit funds to one or more third parties as specifically designated by the client through a standing letter of authorization (SLOA). Allworth's use of client's user identification and password information is strictly limited to accessing client's account information for conducting discretionary asset management and for review purposes.

Each Client receives a statement, at least quarterly, from the broker/dealer, bank or other qualified custodian that holds and maintains the Client's investment assets. Allworth urges Clients to carefully review any reports received directly or available online. When Clients have questions about their account statements, they should contact Allworth or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Clients who enroll in the Wrap Fee Program grant Allworth discretionary authority to manage their account by signing a written client agreement which provides such authority. When discretionary authority is granted, Allworth will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction.

Upon client request, Allworth may agree to reasonable restrictions on the management of their Wrap Fee Program account. All such restrictions will be documents in the client agreement. For example, clients may request that certain securities or types of securities not be purchased or sold or other limitations on Allworth's management of the client's account. Allworth reserves the right, in its sole discretion, to refuse to manage a client account if overly restrictive restrictions are requested or restrictions requested are incompatible with the client's objectives.

Clients who decide to grant trading authorization on a non-discretionary basis will be contacted by Allworth prior to each trade and will be required to accept or reject Allworth's investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, Allworth will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. The inability of Allworth to receive confirmation from the client prior to trading can have an adverse impact on the timing of trade implementations and Allworth may not achieve the same execution price as accounts managed on a discretionary basis.

Item 17 – Voting Client Securities

Allworth does not vote proxies on behalf of its clients. While there are some investment advisors that will vote proxies and other corporate decisions on behalf of their clients, Allworth has determined that taking on the responsibility for voting client securities results does not add enough value to the services provided to clients to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is the responsibility of Allworth clients to vote all proxies for securities held in accounts managed by Allworth.

Clients will receive proxies directly from their account custodian or transfer agent and such documents will not be delivered by or from Allworth. While Allworth does not vote proxies on behalf of clients, Allworth may provide advice to clients regarding a particular proxy upon request.

Class Actions

A securities "class action" lawsuit is a civil suit brought by one or more individuals on behalf of themselves and others who have been similarly harmed by the issuer of a certain security. Clients retain the right under the 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 a client. Allworth will not initiate such a legal proceeding on behalf of any of its clients and does not provide legal advice to clients regarding potential causes of action against such a security issuer and whether its clients should join a class-action lawsuit. Allworth recommends clients seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. Allworth's services do not include monitoring or informing its clients of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased or sold by or for any of its clients. However, upon a client's specific instruction, Allworth will provide factual information related to the individual client's investment history in the security underlying the individual or class-action lawsuit and provide assistance with the completion of a portion of certain class-action paperwork. At no time should such assistance by Allworth be deemed as a substitute for consulting with legal counsel.

Item 18 – Financial Information

Registered investment advisers are required to provide clients with certain information or disclosures about the firm's financial condition. Allworth has no financial commitment that impairs its ability to meet contractual or fiduciary commitments to its clients and has never been the subject of a bankruptcy proceeding.