

Item 1 – Cover Page
FORM ADV PART 2A

Madison Advisory Services, Inc.
10 New King Street, Suite 104
White Plains, NY 10604
914-328-8558
www.MadisonPlanning.com

March 8, 2023

This brochure provides information about the qualifications and business practices of Madison Advisory Services, Inc. If you have any questions about the contents of this Brochure, please contact us at (914) 328-8558 and/or GSchwartz@MadisonPlanning.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 Madison Advisory Services, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Madison Advisory Services, Inc. is 132386.

Any references to Madison Advisory Services, Inc. as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.

Item 2 - MATERIAL CHANGES

There are no material changes in this brochure from the last annual updating amendment of Madison Advisory Services, Inc. on 03/10/2022. Material changes relate to Madison Advisory Services, Inc.'s policies, practices or conflicts of interests.

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure.

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, which is December 31st. We may further provide other ongoing dis-closure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Gary Schwartz at (914) 328-8558 and/or GSchwartz@MadisonPlanning.com. Additional information about Madison Advisory Services, Inc. is also available via the SEC's website www.adviser.sec.gov. The website also provides information about any persons affiliated with Madison Advisory Services, Inc. who are registered, or are required to be registered, as investment adviser representatives of Madison Advisory Services, Inc.

Item 3 - **TABLE OF CONTENTS**

| | |
|--|------------|
| Item 1 – COVER PAGE | Cover Page |
| Item 2 - MATERIAL CHANGES | 2 |
| Item 3 - TABLE OF CONTENTS | 3 |
| Item 4 - ADVISORY BUSINESS | 4 |
| Item 5 - FEES AND COMPENSATION | 11 |
| Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT..... | 16 |
| Item 7 - TYPES OF CLIENTS | 16 |
| Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS | 16 |
| Item 9 - DISCIPLINARY INFORMATION | 18 |
| Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS | 18 |
| Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING | 20 |
| Item 12 - BROKERAGE PRACTICES..... | 20 |
| Item 13 - REVIEW OF ACCOUNTS..... | 22 |
| Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION..... | 23 |
| Item 15 - CUSTODY | 24 |
| Item 16 - INVESTMENT DISCRETION..... | 24 |
| Item 17 - VOTING CLIENT SECURITIES..... | 25 |
| Item 18 - FINANCIAL INFORMATION | 25 |

Item 4 - ADVISORY BUSINESS

Madison Advisory Services, Inc. (hereinafter referred to as “Madison Advisory”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. Madison Advisory was established in June of 2004. Madison Advisory is wholly owned by Madison Family Holdings LLC, and principal owner of Madison Family Holdings LLC is Gary Robert Schwartz.
- B. Madison Advisory offers the following advisory services. Each of the services is more fully described below.
 - Investment Supervisory Services / Asset Management
 - Analysis, Recommendation and Monitoring of Third Party Managed Programs
 - Financial Planning and Advisory Services

Non-pension accounts advisory services are offered through Envestnet, Aria Wealth, SEI and AssetMark on a wrap fee basis and a non-wrap fee basis. Pension account advisory services offered through Aspire, Newport Group and American Funds. There will be no wrap fees charged for non-pension account advisory services.

Written Acknowledgement of Fiduciary Status

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

- Meet a professional standard of care when making investment recommendations (give prudent advice);
 - Never put our financial interests ahead of yours when making recommendations (give loyal advice);
 - Avoid misleading statements about conflicts of interest, fees, and investments;
 - Follow policies and procedures designed to ensure that we give advice that is in your best interest;
 - Charge no more than is reasonable for our services; and
 - Give you basic information about conflicts of interest.
- C. Madison Advisory tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities. We may refuse to accept or manage your account if we determine such restrictions are unreasonable. In the event that we are unable to accept your restriction, we will give you the opportunity to modify or withdraw the restriction.

Madison Advisory will meet with you and conduct an interview and data gathering session to gather financial information and history about you. You will be asked to bring to your meeting with Madison Advisory documentation such as tax returns, W2s, financial and bank statements, wills and trusts, and other supporting documentation as requested by Madison Advisory. The information gathered by Madison Advisory will assist Madison Advisory to provide you with the requested services and customize the services to your financial situation. Depending on the services you have requested, Madison Advisory will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Financial needs
- Cash flow analysis
- Cost of living needs
- Education needs
- Savings tendencies
- Other applicable financial information required by Madison Advisory in order to provide the investment advisory services requested.

D. Wrap Fee Programs

Madison Advisory does not sponsor a wrap account program. Under a wrap program, the wrap program sponsor arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately.

Envestnet, Aria, AssetMark and SEI may offer wrap programs.

- E. As of December 2022, we have approximately \$ 354,907,541 of client assets under our discretionary management and approximately \$ 278,440 of non-discretionary client assets under management.

Investment and Supervisory Services

Madison Advisory offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. The firm creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- | | |
|--------------------------------|--------------------|
| • Investment strategy | • Asset allocation |
| • Asset selection | • Risk tolerance |
| • Regular portfolio monitoring | |

Madison Advisory evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Madison Advisory will request discretionary authority from

Madison Advisory Services, Inc.

clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

MF/ETF Program Profile and Proposal Process

Your relationship generally begins with you completing an Investor Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information. The information that we gather will also be used to propose an appropriate MF/ETF Program asset allocation strategy. Once you receive the proposal and meet with your Advisor, you will determine whether to adopt, modify or reject the recommended asset allocation strategy.

Investment Management Philosophy

Our Program provides you with the opportunity to participate in an asset allocation program using a strategic model, or a combination of tactical and strategic models.

Strategic Asset Allocation

Strategic asset allocation is a portfolio strategy that involves the periodic rebalancing of your portfolio in order to maintain a long-term goal of a chosen asset allocation mix. The initial investments are chosen based on your risk tolerance. Because the value of the assets can change based on market conditions, the portfolio constantly needs to be re-adjusted to meet the policy. This is often called rebalancing and may be done at regular intervals. The Model Provider does not purposely deviate from the original determined asset allocation percentages. The emphasis is on preserving this initial chosen asset allocation mix because the mix ultimately relates to a larger performance objective based on historical data.

Tactical Asset Allocation

Tactical asset allocation is a portfolio strategy that involves the rebalancing of assets held in various categories in order to take advantage of market pricing anomalies or strong market sectors, as chosen by the portfolio managers. This strategy allows the Model Provider the opportunity to try and create extra value by taking advantage of these potential situations in the markets. It is a moderately active strategy and may use short-term trading methods.

The investment philosophy is usually based on the belief that investor psychology and market forces can lead to periods of misvaluation. A tactical allocation process attempts to capture these misvaluations. It is not a fixed asset weight mix and the allocation and risk level of the portfolio may change quite dramatically.

Deposits and/or Withdrawals

Unless specifically stated, you may make additions to or withdrawals from your account at any time. If your account falls below the minimum required account value, we may terminate your account. You may also add securities to your account; however, note that we reserve the right to not accept particular securities into your account.

Trading Authorization

We will assist you in determining an appropriate investment strategy to follow. By completing the account opening documentation, you authorize us to act as your agent and attorney-in-fact to direct the investment and reinvestment of the assets in your account. Pershing is currently utilized for clearing and trade execution services. Folio will rebalance your account whenever the account moves up or down 25% from the target allocation designed by the Model Provider

In-Kind Transfers

The MF/ETF Program allows for in-kind transfers to fund accounts. For in-kind transfers, your Advisor may be charged a nominal fee. This creates a conflict of interest for the Advisor as he or she bears the cost if this option is used.

Third Party Advisory Services

We offer our clients the services of various third party investment advisors (“Third-Party Advisory Services”) for the provision of certain investment advisory programs including mutual fund wrap and separately managed account programs.

If you are interested in learning more about any of these services, please note that a complete description of the programs, services, fees and payment structure, and termination features is available via the applicable Third Party Advisory Service’s disclosure brochures, investment advisory contracts, and account opening documents.

In connection with these arrangements, we will provide assistance in the selection and ongoing monitoring of a particular Third-Party Advisory Service. Factors that we consider in the selection of a particular third-party advisor may include but may not be limited to: i) our assessment of a particular Third-Party Advisory Service; ii) your risk tolerance, goals, objectives and restrictions, as well as investment experience; and, iii) the assets you have available for investment.

You should know that the services provided by us through the use of Third-Party Advisory Services are under certain conditions directly offered by them to you. The fees charged by Third-Party Advisory Services who offer their programs directly to you may be more or less than the combined fees charged by the Third Party Advisory Service and us for our participation in the investment programs. However, when using the services of Third-Party Advisory Services directly, you do not receive our expertise in developing an investment strategy, selecting a Third-Party Advisory Service, monitoring the performance of your account and changing a Third-Party Advisory Service provider when appropriate.

SEI Investments Management Corporation

Madison Advisory offers an asset allocation and managed programs (Managed Account Solutions and Integrated Managed Account) (the “Program”) and MAS Custom Portfolios through SEI Investments Management Corporation and Aria.

Madison Advisory provides the following services:

- Assist the client to evaluate and determine one or more of the SEI programs or build an investment model tailored to the client using the SEI platform.
- Assist the client to determine the asset allocation model best suited to each client’s investment objectives and risk tolerance. Clients may accept, reject or modify asset allocations.
- Provide SEI with information concerning the client’s financial situation, investment objectives and any restrictions
- Monitor and manage the managed account.
- Meet with the client at least annually to review the account and update the client’s suitability information

Madison Advisory Services, Inc.

- Make changes to the selected asset allocation and/or selected managers (i.e. hire and fire managers) as Madison Adviser deems appropriate
- Assist the client with account set up and completion of the Account Application.
- Communicate client requests and instructions to SEI.

It is important clients refer to the Disclosure Brochures of SEI and selected asset managers for additional information about the services and management program. Additionally, the SEI Account Application and the Investment Management Agreement contain important details about the program.

ARIA

ENVESTNET

Aspire – 403(b) business, no account minimum -pension

401 Services – Newport Group and American Funds

Participant Directed Retirement Plans. Madison Advisory may also provide investment advisory and consulting services to participant directed retirement plans per the terms and conditions of a written agreement between Madison Advisory and the plan. For such engagements, Madison Advisory shall assist the Plan sponsor with the selection of an investment platform from which Plan participants shall make their respective investment choices (which may include investment strategies devised and managed by Madison Advisory), and, to the extent engaged to do so, may also provide corresponding education to assist the participants with their decision making process.

Participant Account Management (Discretionary) in association with Ponterra - We use a third party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Adviser will review the current account allocations. When deemed necessary, Adviser will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

ARIA/Envestnet- Through a relationship with ARIA we use their institutional version of Envestnet. We are able to custody at Pershing or Schwab. We currently use Madison models only although we do have the ability to use Envestnet's models if we choose so. Envestnet will debit clients accounts quarterly in advance. ARIA receives part of the platform fee and then pays Madison the advisory fee. In all cases Madison does not directly bill nor custody the assets

Financial Planning and Advisory Services

Madison Advisory offers various financial planning and consulting services including but not limited to:

- Financial Planning
- Estate Planning
- Tax Planning
- Retirement Planning
- College Planning
- Consulting Services
- Asset Allocation Services
- Annual Advisory and Consulting Services

Advisory Services are based on your financial situation at the time and are based on financial information disclosed by you to Madison Advisory. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. Madison Advisory cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify Madison Advisory promptly of the changes. You are advised that the advice offered by Madison Advisory may be limited and is not meant to be comprehensive. Therefore, you may need to seek the services of other professionals such as an insurance adviser, attorney and/or accountant.

You are not obligated to implement advice through Madison Advisory or Advisory Representatives. Should you implement the plan with Madison Advisory's Advisory Representatives commissions or other compensation may be received in addition to the advisory fee paid to Madison Advisory.

General Information

You are advised the investment recommendations and advice offered by Madison Advisory are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform Madison Advisory promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify Madison Advisory of any such changes could result in investment recommendations not meeting your needs.

MISCELLANEOUS PROVISIONS

Financial Planning and Non-Investment Consulting/Implementation Services. To the extent requested by the client, Madison Advisory will generally provide financial planning and related consulting services regarding matters such as tax and estate planning, insurance, etc. Madison Advisory will generally provide such consulting services inclusive of its advisory fee set forth at Item 5 below (exceptions can and will occur based upon assets under management, extraordinary matters, special projects, stand-alone planning engagements, etc. for which Firm may charge a separate or additional financial planning fee per Item 5 below). **Please Note.** Madison Advisory believes that it is important for the client to address financial planning issues on an ongoing basis. Madison Advisory's advisory fee, as set forth at Item 5 below, will remain the same regardless of whether or not the client determines to address financial planning issues with Madison Advisory. **Please Also Note:** Madison Advisory **does not** serve as an attorney, accountant, or insurance agent, and no portion of our services should be construed as same. Accordingly, Madison Advisory **does not** prepare legal documents or tax returns, nor does it offer or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e., attorneys, accountants, insurance, etc.), including Madison Advisory's representatives

Madison Advisory Services, Inc.

in their separate individual capacities as registered representatives of Lion Street Financial, LLC (“Lion Street”), an SEC registered and FINRA member broker-dealer, and as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional. **Please Note-Conflict of Interest:** The recommendation that a client purchase a securities or insurance commission product from a Madison Advisory’s representative in his/her individual capacity as a representative of Lion Street and/or as an insurance agent, presents a **conflict of interest**, as the receipt of commissions may provide an incentive to recommend investment and/or insurance products based on commissions to be received, rather than on a particular client’s need. **The fees charged and compensation derived from the sale of such insurance and/or securities products is separate from, and in addition to, Madison Advisory’s investment advisory fee.** No client is under any obligation to purchase any securities or insurance commission products from any of the Madison Advisory’s representative. Clients are reminded that they may purchase securities and insurance products recommended by a Madison Advisory’s representatives through other, non-affiliated broker-dealers and/or insurance agents. **ANY QUESTIONS: Madison Advisory’s Chief Compliance Officer, Gary Schwartz, remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.** If the client engages any such affiliated or unaffiliated professional, and a dispute arises thereafter relative to such engagement, the engaged professional (and **not** Madison Advisory) shall remain exclusively responsible for resolving any such dispute with the client.

Please Note: Retirement Rollovers-Potential for Conflict of Interest: A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (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) roll over to an Individual Retirement Account (“IRA”), or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). If Madison Advisory recommends that a client roll over their retirement plan assets into an account to be managed by Madison Advisory, such a recommendation creates a **conflict of interest** if Madison Advisory will earn new (or increase its current) compensation as a result of the rollover. If Madison Advisory provides a recommendation as to whether a client should engage in a rollover or not (**whether it is from an employer’s plan or an existing IRA**), Madison Advisory is acting as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. **No client is under any obligation to roll over retirement plan assets to an account managed by Madison Advisory, whether it is from an employer’s plan or an existing IRA. Madison Advisory’s Chief Compliance Officer, Gary Schwartz, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

Custodian Charges-Additional Fees. When requested to recommend a broker-dealer/custodian for client accounts, Madison Advisory generally recommends that *SEI* serve as the broker-dealer/custodian for client investment management assets. When not providing services as part of a wrap program, broker-dealers such as *SEI* can charge brokerage commissions, transaction, and/or other type fees for effecting transactions for client accounts. These fees/charges are in addition to Madison Advisory’s investment advisory fee at Item 5 below. Madison Advisory does not receive any portion of these fees/charges. **ANY QUESTIONS: Madison Advisory’s Chief Compliance Officer, Gary Schwartz, remains available to address any questions that a client or prospective client may have regarding the above.**

Portfolio Activity. Madison Advisory has a fiduciary duty to provide services consistent with the client’s best interest. Madison Advisory will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client’s investment objective. Based upon these factors, there may be extended periods of time when Madison Advisory determines that changes to a client’s portfolio are unnecessary. Clients remain subject to the fees described in Item 5 below during periods of portfolio inactivity. Of course, as indicated below, there can be no assurance that investment decisions made by the Madison Advisory will be profitable or equal any specific performance level(s).

Other Assets. To the extent that the Madison Advisory provides advisory monitoring or review services for client investment assets for which the Madison Advisory does not maintain custodian access or trading authority ((including initial and ongoing consideration of such assets as part of the client’s asset allocation), the Madison Advisory may determine to include such assets in its advisory fee calculation per Item 5 below.

Independent Managers. The Madison Advisory may recommend that clients allocate a portion of their investment assets among unaffiliated independent investment managers in accordance with the client’s designated investment objective(s). In such situations, the Independent Manager[s] shall have day-to-day responsibility for the active discretionary management of the allocated assets, including, to the extent

Madison Advisory Services, Inc.

applicable, proxy voting responsibility. Madison Advisory shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors that Madison Advisory shall consider in recommending Independent Manager[s] include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. **Please Note.** The investment management fee charged by the Independent Manager[s] is separate from, and in addition to, Madison Advisory's investment advisory fee disclosed at Item 5 below. **ANY QUESTIONS:** Madison Advisory's Chief Compliance Officer, Gary Schwartz, remains available to address any questions that a client or prospective client may have regarding the allocation of account assets to an Independent Manager(s), including the specific additional fee to be charged by such Independent Manager(s).

Interval Funds/Risks and Limitations: Where appropriate, Madison Advisory may utilize interval funds (and other types of securities that could pose additional risks, including lack of liquidity and restrictions on withdrawals). An interval fund is a non-traditional type of [closed-end mutual fund](#) that periodically offers to buy back a percentage of outstanding shares from [shareholders](#). Investments in an interval fund involve additional risk, including lack of liquidity and restrictions on withdrawals. During any time periods outside of the specified repurchase offer window(s), investors will be unable to sell their shares of the interval fund. There is no assurance that an investor will be able to tender shares when or in the amount desired. There can also be situations where an interval fund has a limited amount of capacity to repurchase shares, and may not be able to fulfill all purchase orders. In addition, the eventual sale price for the interval fund could be less than the interval fund value on the date that the sale was requested. While an interval fund periodically offers to repurchase a portion of its securities, there is no guarantee that investors may sell their shares at any given time or in the desired amount. As interval funds can expose investors to liquidity risk, investors should consider interval fund shares to be an illiquid investment. Typically, the interval funds are not listed on any securities exchange and are not publicly traded. Thus, there is no secondary market for the fund's shares. Because these types of investments involve certain additional risk, these funds will only be utilized when consistent with a client's investment objectives, individual situation, suitability, tolerance for risk and liquidity needs. Investment should be avoided where an investor has a short-term investing horizon and/or cannot bear the loss of some, or all, of the investment. There can be **no assurance** that an interval fund investment will prove profitable or successful. **In light of these enhanced risks, a client may direct Madison Advisory, in writing, not to purchase interval funds for the client's account.**

Please Note: Socially Responsible (ESG) Investing Limitations. *Socially Responsible Investing* involves the incorporation of **Environmental, Social and Governance** ("ESG") considerations into the investment due diligence process. ESG investing incorporates a set of criteria/factors used in evaluating [potential investments](#): **Environmental** (i.e., considers how a company safeguards the environment); **Social** (i.e., the manner in which a company manages relationships with its employees, customers, and the communities in which it operates); and **Governance** (i.e., company management considerations). The number of companies that maintain an acceptable ESG mandate can be limited when compared to those that do not, and could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange-traded funds are limited when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by Madison Advisory), there can be no assurance that investment in ESG securities or funds will be profitable, or prove successful. Madison Advisory does not maintain or advocate an ESG investment strategy, but will seek to employ ESG if directed by a client to do so.

Please Note-Use of Mutual and Exchange Traded Funds: Madison Advisory utilizes mutual funds and exchange traded funds for its client portfolios. In addition to Madison Advisory's investment advisory fee described below, and applicable transaction and/or custodial fees discussed above (when not providing services as part of a wrap program), clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g., management fees and other fund expenses).

Please Note: Cash Positions. Madison Advisory continues to treat cash as an asset class. As such, unless determined to the contrary by Madison Advisory, all cash positions (money markets, etc.) shall continue to be included as part of assets under management for purposes of calculating Madison Advisory's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), Madison Advisory may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances. Depending upon current yields, at any point in time, Madison Advisory's advisory fee could exceed the interest paid by the client's money market fund. **ANY QUESTIONS: Madison Advisory's Chief Compliance Officer, Gary Schwartz, remains available to address any questions that a client or prospective may have regarding the above fee billing practice**

Madison Advisory Services, Inc.

Borrowing Against Assets/Risks. A client who has a need to borrow money could determine to do so by using:

- **Margin**-The account custodian or broker-dealer lends money to the client. The custodian charges the client interest for the right to borrow money, and uses the assets in the client's brokerage account as collateral; and,
- **Pledged Assets Loan**- In consideration for a lender (i.e., a bank, etc.) to make a loan to the client, the client pledges investment assets held at the account custodian as collateral.

These above-described collateralized loans are generally utilized because they typically provide more favorable interest rates than standard commercial loans. These types of collateralized loans can assist with a pending home purchase, permit the retirement of more expensive debt, or enable borrowing in lieu of liquidating existing account positions and incurring capital gains taxes. However, such loans are not without potential material risk to the client's investment assets. The lender (i.e., custodian, bank, etc.) will have recourse against the client's investment assets in the event of loan default or if the assets fall below a certain level. For this reason, Madison Advisory does not recommend such borrowing unless it is for specific short-term purposes (i.e., a bridge loan to purchase a new residence). Madison Advisory does not recommend such borrowing for investment purposes (i.e., to invest borrowed funds in the market). Regardless, if the client was to determine to utilize margin or a pledged assets loan, the following economic benefits would inure to Madison Advisory:

- by taking the loan rather than liquidating assets in the client's account, Madison Advisory continues to earn a fee on such Account assets; and,
- if the client invests any portion of the loan proceeds in an account to be managed by Madison Advisory, Madison Advisory will receive an advisory fee on the invested amount; and,
- if Madison Advisory's advisory fee is based upon the higher margined account value, Madison Advisory will earn a correspondingly higher advisory fee. This could provide Madison Advisory with a disincentive to encourage the client to discontinue the use of margin.

Please Note: The Client must accept the above risks and potential corresponding consequences associated with the use of margin or a pledged assets loan.

Client Obligations. In performing our services, Madison Advisory shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, it remains each client's responsibility to promptly notify Madison Advisory if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Madison Advisory) will be profitable or equal any specific performance level(s).

Disclosure Brochure. A copy of Madison Advisory's written Brochure as set forth on Part 2A of Form ADV and Form CRS (Client Relationship Summary) shall be provided to each client prior to, or contemporaneously with, the execution of an agreement between the client and Madison Advisory

Item 5 - FEES AND COMPENSATION

Investment Supervisory Services:

| Total Assets Under Management | Maximum Annual Fee |
|-------------------------------|--------------------|
| \$00.00 - \$1,000,000 | 1.5% |
| \$1,000 - \$2,000,000 | 1.4% |
| \$2,000,001 - \$3,000,000 | 1.3% |
| \$3,000,001 and above | 1.25% |

These fees are negotiable depending upon the needs of the client and complexity of the situation. Madison Advisory uses the average daily balance for purposes of determining the market value of the assets upon which the advisory fee is based. Fees are paid quarterly in arrears.

Madison Advisory Services, Inc.

Because fees are charged in arrears, no refund policy is necessary. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

Fee Dispersion. Madison Advisory, in its discretion, may charge a lesser investment advisory fee, charge a flat fee, waive its fee entirely, or charge fee on a different interval, based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, complexity of the engagement, anticipated services to be rendered, grandfathered fee schedules, employees and family members, courtesy accounts, competition, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** Madison Advisory's Chief Compliance Officer, Gary Schwartz, remains available to address any questions that a client or prospective client may have regarding advisory fees.

Third Party Advisory Services

Compensation in connection with Third Party Advisory Services generally consists of five elements: i) management fees paid to Third Party Advisory Services ii) management fees paid to us as outlined below iii) transaction costs – if applicable – which may be paid to purchase and sell such securities; iv) custody fees;

Investment Supervisory Services - \$50,000

- AssetMark Program
 - \$5,000 for Mutual Fund and Variable Annuity accounts
 - \$5,000 for ETF Accounts
 - \$5,000 for Privately Managed and Unified Managed Accounts, depending on the investment strategy selected
- SEI Asset Allocation Program - \$50,000

AssetMark (“AssetMark Program”)

Madison's advisory fees are payable quarterly, in advance, based on assets under management using the following fee schedule. Client signs custodial statement which includes TMPP fees. Also signs separate agreement with MAS.

These fees are negotiable depending upon the needs of the client and complexity of the situation. In addition to Madison Advisory's fee, client will pay a platform fee and if applicable an Investment Manager fee as disclosed in the Disclosure Brochure and in the client application and Client Services Agreement.

Termination Provision

Clients may terminate AssetMark Program accounts at any time and receive a full pro-rata refund of any unearned fees.

It is important clients refer to the Program Disclosure Brochure for additional information about the services and management program. Additionally, AssetMark Account Application and the Client Services Agreement contain important details about the program.

SEI Investments Management Corporation

Madison Advisory Services, Inc.

- Advisory fees are deducted from the client's account on a quarterly basis in accordance with the client agreement.
- The quarterly fee will be deducted from the account at the end of each calendar quarter based upon the value of the account on the last business day of the calendar quarter.
- Advisory fees are negotiable
- Fees are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.
- Additional deposits to the Account will be subject to the same billing procedures.

Madison Advisory's fee schedule is as follows:

In addition to the advisory fee, client may incur charges imposed by SEI in connection with investments made through the SEI Program such as SEI fund management fees, administrative servicing fees, SEI account maintenance fees, and other fees charged by SEI or the custodian for any IRA or qualified retirement account. Information regarding charges and fees assessed by SEI is further disclosed in the SEI Fund prospectus and in the SEI Client Agreement.

Clients may terminate Madison Advisory's services within five (5) business days of a client's execution of the advisory agreement without penalty. Thereafter, client may terminate upon Madison Advisory's receipt of client's written notice to terminate. Client will be responsible for a prorated portion of the advisory fee for the quarter up to the date of termination. Client may terminate participation in the SEI managed program in accordance with the termination provisions disclosed and contained in the SEI Disclosure Brochure and Investment Management Agreement.

It is important clients refer to the Disclosure Brochures of SEI and selected asset managers for additional information about the services and management program. Additionally, the SEI Account Application and the Investment Management Agreement contain important details about the program.

Financial Planning Services

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

You and Madison Advisory will agree upon a fee structure (i.e. hourly fee or fixed fee) and the fee prior to execution of the advisory agreement. Fees will dependent on several factors including but not limited to the services requested, complexity of the client's situation, number of meetings required, research required, and staff resources utilized. Fees are negotiable

| Fee Type | Maximum Fee | Payable |
|----------|-------------|---------|
|----------|-------------|---------|

Madison Advisory Services, Inc.

| | | |
|------------|-------------------|--|
| Fixed Fee | \$250 to \$20,000 | <p>Payable one-half (1/2) upon execution of the advisory agreement with Madison Advisory and the balance due at the time of presentation of the plan, unless otherwise negotiated with you.</p> <p>Client may terminate the agreement with Madison Advisory and receive a full refund of any pre-paid advisory fees for planning services at any time up to presentation of the financial plan to client.</p> |
| Annual Fee | \$250 to \$20,000 | <p>A fee payment schedule will be negotiated with the client. The annual period begins as of the date of execution of the advisory agreement and will automatically renew each year on that date unless the relationship is terminated by the client.</p> <p>Client may terminate advisory services within five (5) business days after entering into the advisory agreement without penalty. After five (5) business days of entering into the agreement client will be billed a prorated fee up to the date of termination.</p> |
| Hourly Fee | \$500 per hour | <p>Payable as invoiced by Madison Advisory. Generally, Madison Advisory will invoice client for all time spent each month.</p> <p>Client may terminate hourly advisory services within five (5) business days after entering into the advisory agreement without penalty. After five (5) business days of entering into the advisory agreement, client may terminate upon Madison Advisory's receipt of client's written notice to terminate. Client will be responsible for any time spent by Madison Advisory in providing the client advisory services or analyzing the client's situation.</p> |

Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

This section is not applicable to Madison Advisory since Madison Advisory does not charge performance based fees.

Item 7 - TYPES OF CLIENTS

Madison Advisory's services are geared toward individuals both individuals and high net worth (i.e. clients with a net worth of \$2,000,000) and other than high net worth and pension and profit sharing plans.

Madison Advisory does not require a minimum amount of assets or other requirements in order to obtain services from Madison Advisory. However, the programs offered by third party managers have established minimums account requirements.

Madison Advisory Services, Inc.

Minimum account requirements, which may be waived based on the needs of the client and the complexity of the situation:

Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

- A. Madison Advisory conducts fundamental and technical analysis. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure.

Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns.

Madison Advisory investment management philosophy involves both long term (i.e. purchases of securities held at least a year) and short term purchases (i.e. securities sold within a year).

Madison Advisory uses model portfolios of mutual funds, Exchange Traded Funds (ETF's) and Variable Annuity sub-accounts provided by a number of institutional investment strategists and based on the information, research, asset allocation methodology and investment strategies of these institutional strategists. Madison Advisory also introduces clients to, and advises on the selection of, independent investment managers who provide discretionary management of individual portfolios using a variety of different securities analysis methods, sources of information and investment strategies. Clients will receive separate disclosure from such investment managers regarding any such investment manager's advisory services.

- B. You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by Madison Advisory will require you to be prepared to bear the risk of loss and fluctuating performance.

Madison Advisory does not represent, warrant or imply that the services or methods of analysis used by Madison Advisory can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by Madison Advisory will provide a better return than other investment strategies.

- C. Madison Advisory primarily uses mutual funds. The risks with mutual funds include
- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
 - Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
 - Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
 - Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

These are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail.

Madison Advisory Services, Inc.

Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time Madison Advisory will direct the client to the appropriate Web page to access the prospectus.

ETFs trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index.

In instances where we recommend that a third party manage your assets, please refer to the third party's ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks.

Investment Strategy Risks:

Long-term purchases – Using a long-term purchase strategy generally assumes the Financial Markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. Purchasing investments long-term may create an opportunity cost - “locking-up” assets that may be better utilized in the short-term in other investments.

Short-term purchases – Using a short-term purchase strategy generally assumes that we can predict how Financial Markets will perform in the short-term which may be very difficult. There are many factors that can affect Financial Market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

No investment strategy can avoid loss. Investing in securities involves risk of loss that you need to be prepared to bear.

Item 9 - DISCIPLINARY INFORMATION

There is no reportable disciplinary information required for Madison Advisory or its management persons that is material to your evaluation of Madison Advisory, its business or its management persons.

Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A. Madison Advisory is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer.
- B. Madison Advisory is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities
- C. Some Advisory Representatives of Madison Advisory are also registered representatives of Lion Street Financial, a registered broker dealer. From time to time, they will offer clients advice or products from this activity.

Madison Advisory Services, Inc.

Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. Madison Advisory Services, Inc. always acts in the best interest of the client; including in the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services any representative of Madison Advisory Services, Inc. in such individual's outside capacity.

Some Advisory Representatives of Madison Advisory are licensed insurance agents. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Madison Advisory always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients always have the right to decide whether or not to utilize the services of any representative of Madison Advisory in such individuals outside capacities.

Gary Schwartz, Andrew Schwartz, Benjamin Schwartz and Andrew Federico are owners of Madison Family Holdings LLC which owns Madison Planning Group, Inc. Madison Planning Group, Inc. is a licensed insurance agency and offers insurance products for which commissions will be received by Madison Planning Group, Inc. and the Advisory Representative. It is considered a conflict of interest for Madison Advisory or any of its Advisory Representatives to recommend a need for an insurance product and offer the product through Madison Planning Group since commissions will be received.

Benjamin Schwartz is the Chief Operating Officer at Madison Planning Group, Inc. Gary Schwartz is the President and CEO at Madison Planning Group, Inc.

Andrew Federico is the CFA at Madison Planning Group, Inc.

Madison Advisory attempts to mitigate the conflicts of interest with the potential receipt of commissions if recommendations are implemented by providing clients with these disclosures. Further, clients are encouraged to consult other professionals and may implement recommendations through other financial professionals. Clients are not obligated to purchase any product or implement recommendations through affiliates or Advisory Representatives of Madison Advisory. Furthermore, as registered representatives with Lion Street Financial, Advisory Representatives are subject to a supervisory structure at Lion Street Financial for their securities business.

- D. As stated under Item 4, *Advisory Business* above, Madison Advisory recommends other investment advisers (i.e. third party managers) and will receive a portion of the fee charged to you by the investment adviser. Since Madison Advisory has an interest in the compensation this is considered a material conflict of interest. Madison Advisory selects third party managers based on several criteria including cost, type of management, past history, ability to meet a need and provide a unique service. Since the fee charged to you is based on the value of your portfolio, all parties have an incentive to work toward performance goals and objectives. Consequently, if the third party manager does not adequately manage your account and the

value of your portfolio goes down, so does the third party manager's and Madison Advisory's compensation.

Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code Of Ethics

- A. Madison Advisory has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. Madison Advisory takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as Madison Advisory's policies and procedures. Further, Madison Advisory strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with Madison Advisory's Privacy Policy. As such, Madison Advisory maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, Madison Advisory's Code of Ethics establishes Madison Advisory's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither Madison Advisory nor its associated persons recommend to clients or buys or sells for client accounts any securities in which we have a material financial interest.
- C. Madison Advisory and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, Madison Advisory and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. Madison Advisory and its associated persons will not put their interests before your interest. Madison Advisory and its associated persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.
- D. Madison Advisory is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

Item 12 - BROKERAGE PRACTICES

Madison Advisory has chosen custodians/broker-dealers based on its duty to seek "best execution," which is the obligation to seek to execute securities transactions for a Client on terms that are the most favorable to the Client under the circumstances. The client will not necessarily pay the lowest commission or commission equivalent, and Madison Advisory may also consider the market expertise and research access provided by the payment of commissions, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and

other resources provided by the brokers to aid in the research efforts of Madison Advisory. Madison Advisory will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

You are advised that not all investment advisers require you to maintain accounts at a specific broker/dealer or custodian. You are advised you may maintain accounts at another broker/dealer or custodian. However, the services provided by Madison Advisory will be limited to only advice and will not include implementation. If you select another brokerage firm for custodial and/or brokerage services you will not be able to receive asset management services from Madison Advisory.

In initially selecting a custodian, Madison Advisory conducted due diligence. Madison Advisory's evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to Madison Advisory
- Availability of an efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

Additionally, periodically Madison Advisory will review transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

Best execution does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian.

You are advised there is an incentive for Madison Advisory and the Advisory Representatives to recommend a broker/dealer over another based on the products and services that will be received rather than your best interest.

Commissions charged for these products may be higher or lower than commissions you may be able to obtain if transactions were implemented through another broker/dealer. also provides Advisory Representatives, and therefore the Madison Advisory, with back-office operational, technology, and other administrative support. Other services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. Such services are intended to help Advisory Representatives and Madison Advisory manage and further develop its business enterprise.

and its clearing broker/dealer, Pershing, LLC also make available to Madison Advisory other products and services that benefit Madison Advisory but may not directly benefit you. Some of these

Madison Advisory Services, Inc.

other products and services assist Madison Advisory with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; facilitate payment of Madison Advisory's fees from your accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Madison Advisory's accounts, including accounts not held through Lions Street.

Due to the individual management of client accounts, we do not aggregate the purchase or sale of securities for various client accounts.

Item 13 - REVIEW OF ACCOUNTS

- A. If you are participating in the Asset Management Programs you will be invited to participate in at least an annual review or as agreed by you and your Advisory Representative. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Your Advisory Representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.

If you are participating in Financial, Retirement and College Planning Services you will not receive regular reviews. Madison Advisory recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews is solely your decision.

All reviews are conducted by investment adviser representatives of the firm.

- B. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the portfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occurring direct from the account custodian.

Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION

- A. Madison Planning and Madison Advisory Services, Inc. are affiliated in that the entities share direct owners. In 2021, Lion Street provided Madison Planning funding to move the commission business to Lions Street. The loan will be satisfied by production requirements met through Madison planning only. Representatives of Madison Advisory may be registered with Lion Street to conduct non-advisory based business such as variable life and annuity business. All commission business is conducted through Lions Street.

Note Madison Advisory Services, Inc. has a financial incentive to maintain a relationship with Lion Street. However, to the extent Madison Advisory Services, Inc. directs clients to Lion Street, it is because the Madison Advisory Services, Inc. believes that it is in that client's best interest to do so. Madison Advisory Services, Inc. has systems in place to review IAR-

Madison Advisory Services, Inc.

managed accounts for suitability and best execution practices over the course of the advisory relationship.

Product vendors recommended by Madison Advisory may provide monetary and non-monetary assistance with client events, provide educational tools and resources. Madison Advisory does not select products as a result of any monetary or non-monetary assistance. The selection of product is first and foremost. Madison Advisory's due diligence of a product does not take into consideration any assistance it may receive. Therefore, this is not considered a conflict of interest but a benefit for you and Madison Advisory.

- B. Madison Advisory does not directly or indirectly compensate any person who is not a supervised person of Madison Advisory for referrals.

Item 15 - CUSTODY

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

Item 16 - INVESTMENT DISCRETION

You may grant Madison Advisory authorization to manage your account on a discretionary basis. Discretionary authority will give Madison Advisory the authority to buy, sell, exchange and convert securities in your managed accounts. You will grant such authority to Madison Advisory by execution of the advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by Madison Advisory.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
- 3) Madison Advisory requires the use of the broker/dealer with which your Advisory Representative is registered for sales in commissionable mutual funds or variable annuities, if you elect to implement recommendations through your Advisory Representative;
- 4) With the exception of deduction of Madison Advisory's advisory fees from the account, if you have authorized automatic deductions, Madison Advisory will not have the ability to withdraw your funds or securities from the account.

Madison Advisory assists the client in selecting the risk/return objective and Portfolio Strategist that best suit the client's objectives. The client then specifically directs the account to be invested in accordance with the chosen asset allocation. When the client selects the asset allocation, the client further directs that the account be automatically adjusted to reflect any adjustment in the asset allocation by the selected Portfolio Strategist. This client authorization results in the purchase and sale of certain mutual funds or ETFs (or transfers between variable annuity sub-accounts) without further authorization by the client or any other party at such time as the Portfolio Strategist changes the composition of the selected model asset allocation.

Item 17 - VOTING CLIENT SECURITIES

Madison Advisory does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact Madison Advisory about questions you may have an opinion on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

Item 18 - FINANCIAL INFORMATION

- A. Madison Advisory will not require you to prepay more than \$1200 and six or more months in advance of receiving the advisory service.
- B. As stated above, Madison Advisory has discretionary authority over client accounts; however, that authority does not extend to the withdrawal of any client assets, with the exception of deduction of Madison Advisory's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.
- C. Madison Advisory has never been the subject of a bankruptcy petition.

ANY QUESTIONS: Madison Advisory's Chief Compliance Officer, Gary Schwartz, remains available to address any questions regarding this Part 2A.