



Item 1 – Cover Page

COASTAL BRIDGE ADVISORS

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12/18/2023

This fee brochure provides information about the qualifications and business practices of Coastal Bridge Advisors, LLC (hereinafter "Coastal Bridge Advisors" or "the Firm"). If you have any questions about the contents of this Brochure, please contact James Pratt-Heaney at (203)683-1530. 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 Coastal Bridge Advisors is available on the SEC's website at www.adviserinfo.sec.gov.

Coastal Bridge Advisors is an SEC Registered Investment Adviser. Registration does not imply any level of skill or training.

Item 2 – Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If an adviser is filing an annual updating amendment and there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

As part of the annual update in March 2022, this Brochure was revised to reflect the following material changes:

- On September 27, 2022, the Firm updated Items 4 and 5 regarding referring clients to NS Capital LLC for discretionary 3(38) fiduciary services to retirement plans.
- On October 17, 2022, the Firm updated Item 14 with new client referral language.

Since the last annual update filed on March 30, 2023, this Brochure was revised to reflect the following material changes:

- On August 31, 2023, funds affiliated with Clayton, Dubilier & Rice, LLC ("CD&R") and Stone Point Capital LLC ("Stone Point") completed an acquisition of Focus Financial Partners Inc. ("Focus Inc."). This transaction resulted in funds affiliated with CD&R collectively becoming majority owners of Focus Inc. and funds affiliated with Stone Point collectively becoming owners of Focus Inc. Because Coastal Bridge Advisors, LLC is an indirect, wholly-owned subsidiary of Focus Inc., the CD&R and Stone Point funds are indirect owners of Coastal Bridge Advisors, LLC. Items 4 and 10 have been revised to reflect this new ownership structure.
- On December 18, 2023, we added disclosures concerning a subadvisory arrangement with Checchi Capital Advisers, LLC. See Items 4, 5, 6, and 10 for additional information.

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Item 4 – Advisory Business

Coastal Bridge Advisors provides financial planning, consulting, and wealth management services to its clients. Coastal Bridge Advisors provides close consultation and consideration of its clients' goals and risk tolerance before reaching a mutual decision with the client on how best to seek to build and preserve their wealth. Coastal Bridge Advisors follows a rigorous and disciplined process and seeks to leverage high-quality investment products and providers to create a diversified portfolio aimed at meeting its clients' objectives.

Coastal Bridge Advisors is results focused. The Firm's goal-based investment planning process is designed to deal with significant events in its clients' lives and in the external environment. As conditions change, Coastal Bridge Advisors will implement mid-course corrections with the goal of keeping its clients on-track.

Coastal Bridge Advisors has been in business since December 2009. As of December 31, 2022, Coastal Bridge Advisors had \$2,620,176,487 in assets under management, of which \$2,605,166,037 was managed on a discretionary basis and \$15,010,450 was managed on a non-discretionary basis.

Prior to engaging Coastal Bridge Advisors to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with Coastal Bridge Advisors setting forth the terms and conditions under which Coastal Bridge Advisors renders its services (collectively the "Agreement").

This disclosure brochure describes the business of Coastal Bridge Advisors. Certain sections will also describe the activities of *Supervised Persons*. *Supervised Persons* are any of Coastal Bridge Advisors' officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on Coastal Bridge Advisors' behalf and is subject to Coastal Bridge Advisors' supervision or control.

Principal Ownership

Coastal Bridge Advisors, LLC is part of the Focus Financial Partners, LLC ("Focus LLC") partnership. Specifically, Coastal Bridge Advisors, LLC is a wholly-owned subsidiary of Focus Operating, LLC ("Focus Operating"), which is, directly and indirectly, a wholly-owned subsidiary of Focus LLC. Focus Financial Partners Inc. ("Focus Inc.") is the sole managing member of Focus LLC and has 100% of its governance rights. Accordingly, all governance is conducted through the voting rights and the Board of Directors at Focus Inc. Focus Inc. is the managing member of and owns, directly and indirectly, approximately 99% of the economic interests in Focus LLC.

Focus Inc. is majority-owned, indirectly and collectively, by funds affiliated with Clayton, Dubilier & Rice, LLC ("CD&R"). Funds affiliated with Stone Point Capital LLC ("Stone Point") are indirect owners of Focus Inc. Because Coastal Bridge Advisors, LLC is an indirect, wholly-owned subsidiary of Focus Inc., CD&R and Stone Point funds are indirect owners of Coastal Bridge Advisors, LLC.

Focus LLC also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, business managers and other firms (the "Focus Partners"), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed in their respective Form ADVs.

Coastal Bridge Advisors is managed by Kevin Burns, William Loftus, James Pratt-Heaney and Jeffrey Fuhrman ("*Coastal Bridge Advisors Principals*"), pursuant to a management agreement between Partner Wealth Management, LLC and Coastal Bridge Advisors, LLC. The *Coastal Bridge Advisors Principals* serve as officers of Coastal Bridge Advisors and are responsible for the management, supervision and oversight of the Firm.

Financial Planning and Consulting Services

Coastal Bridge Advisors can provide its clients with a broad range of comprehensive financial planning and consulting services. These services can include, but are not limited to, cash flow analysis, retirement, education, business planning, investments, insurance, and tax needs of the client. Additionally, through *Financial Institutions* (as defined below), Coastal Bridge Advisors provides margin loans, collateralized loans against a client's holdings and access to residential mortgages. The Firm's financial planning and consulting services can be included as part of Coastal Bridge Advisors' overall investment management services (described below).

Coastal Bridge Advisors may recommend the services of itself, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if Coastal Bridge Advisors recommends its own services. The client is under no obligation to act upon any of the recommendations made by Coastal Bridge Advisors under a financial planning or consulting engagement or to engage the services of any such recommended professional, including Coastal Bridge Advisors itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of Coastal Bridge Advisors' recommendations. Clients are advised that it remains their responsibility to promptly notify Coastal Bridge Advisors if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising Coastal Bridge Advisors' previous recommendations and/or services.

Investment Management Services

As detailed in Item 8, Coastal Bridge Advisors provides investment management services to its clients. Coastal Bridge Advisors allocates a majority of client investment management assets among *Independent Managers* (as defined below) in accordance with their stated investment objectives. In addition, Coastal Bridge Advisors also recommends that certain eligible clients invest in privately placed securities, which can include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds). Coastal Bridge Advisors also allocates a small portion of client assets to the Coastal Bridge Advisors Wrap Fee Program (the "*Wrap Program*"), a wrap fee program. A complete description of the *Wrap Program's* terms and conditions (including fees) are contained in the *Wrap Program's* wrap fee brochure.

We implement investment advice on behalf of certain clients in held-away accounts that are maintained at independent third-party custodians. These held-away accounts are often 401(k) accounts, 529 plans and other assets that are not held at our primary custodian(s).

The order management system that we use for some held-away accounts is provided by Pontera Solutions, Inc. We review, monitor, and manage those held-away accounts in an integrated way with client accounts held at our primary custodian(s). Further information about this service is available in Item 5.

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios, however, clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm unless specifically agreed upon. Clients can engage Coastal Bridge Advisors to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Coastal Bridge Advisors directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Coastal Bridge Advisors tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. Coastal Bridge Advisors consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Coastal Bridge Advisors if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if Coastal Bridge Advisors determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

As a fiduciary, we have duties of care and of loyalty to you and are subject to obligations imposed on us by the federal and state securities laws. As a result, you have certain rights that you cannot waive or limit by contract. Nothing in our agreement with you should be interpreted as a limitation of our obligations under the federal and state securities laws or as a waiver of any unwaivable rights you possess.

Use of Independent Managers

As mentioned above, Coastal Bridge Advisors recommends that most clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers ("*Independent Managers*"), based upon the stated investment objectives of the client. The terms and conditions under which the client engages the *Independent Managers* are set forth in a written agreement between Coastal Bridge Advisors and the designated *Independent Managers* or wrap sponsor (such as Envestnet Inc.). For certain *Independent Managers*, the specific terms and conditions may be set forth in a

separate written agreement between the client and the *Independent Manager*. Coastal Bridge Advisors generally renders services to the client relative to the discretionary selection of *Independent Managers*. Coastal Bridge Advisors also monitors and reviews the account performance and the client's investment objectives. Coastal Bridge Advisors receives an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated *Independent Managers*.

When selecting an *Independent Manager* for a client, Coastal Bridge Advisors reviews information about the *Independent Manager* such as its disclosure statement and/or material supplied by the *Independent Manager* or independent third parties for a description of the *Independent Manager's* investment strategies past performance and risk results to the extent available. Factors that Coastal Bridge Advisors considers in recommending an *Independent Manager* include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Managers*, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, Coastal Bridge Advisors' investment advisory fee.

In addition to Coastal Bridge Advisors' written disclosure statement, the client also receives the written disclosure statement of the designated *Independent Managers*. Certain *Independent Managers* can impose more restrictive account requirements and varying billing practices than Coastal Bridge Advisors. In such instances, Coastal Bridge Advisors can alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Managers*.

Subadvisory Arrangement

Coastal Bridge Advisors is a subadviser of Fergus Reinsurance Limited ("Fergus" or the "Fund"), a Bermuda-based reinsurance company. Depending on our clients' investment objectives and risk tolerance and their eligibility to invest in Fergus, we will recommend Fergus to our clients as a way to diversify their portfolios. See Items 5, 6, and 10 for additional information.

Advice to Retirement Plan Participants

Coastal Bridge Advisors is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to investment management services and investment advice provided to ERISA plan clients, including plan participants. Coastal Bridge Advisors is also a fiduciary under section 4975 of the Internal Revenue Code (the "IRC") with respect to investment management services and investment advice provided to individual retirement accounts ("IRAs"), ERISA plans, and ERISA plan participants. As such, Coastal Bridge Advisors is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a "PTE").

Focus Treasury & Credit Solutions

Coastal Bridge Advisors offer clients the option of obtaining credit and cash management solutions from unaffiliated third-party financial institutions with the assistance of the Firm's

affiliate, Focus Treasury & Credit Solutions, LLC (“FTCS”), a wholly owned subsidiary of Coastal Bridge Advisors’ parent company, Focus Financial Partners, LLC. Please see Items 5 and 10 for a fuller discussion of these services and other important information.

Retirement Plan Consulting Services

Coastal Bridge Advisors provides various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and includes any or all of the following services: Plan Design and Strategy; Plan Review and Evaluation; Executive Planning & Benefits; Investment Selection; Plan Fee and Cost Analysis; Plan Committee Consultation; Fiduciary and Compliance; and Participant Education.

Coastal Bridge Advisors refers clients to NS Capital LLC “NS Capital” for discretionary 3(38) fiduciary services to retirement plans. Depending on the needs of the plan, NS Capital’s services include selecting investment options for plans to offer to participants, ongoing monitoring of a plan’s investment options, assisting plan fiduciaries in creating and/or updating the plan’s written investment policy statements, working with plan service providers, and providing general investment education to plan participants. Coastal Bridge Advisors will provide non-fiduciary services for the plan. Services will be outlined in NS Capital’s agreement.

As disclosed in the Advisory Agreement, certain of the foregoing services are provided by Coastal Bridge Advisors as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of Coastal Bridge Advisors’ fiduciary status, the specific services to be rendered and all direct and indirect compensation the Firm reasonably expects under the engagement.

Item 5 – Fees and Compensation

Coastal Bridge Advisors offers its services on a fee basis, which can include fixed fees as well as fees based upon assets under management. Additionally, certain of Coastal Bridge Advisors’ *Supervised Persons* can offer insurance products under a commission arrangement.

For certain clients, we charge an advisory fee for services provided to the held-away accounts mentioned above in Item 4, just as we do with client accounts held at our primary custodians(s). The specific fee schedule charged by us is provided in the client’s investment advisory agreement with us.

Financial Planning and Consulting Fees

Coastal Bridge Advisors can charge a fixed fee and/or hourly fee for consulting services. These fees are negotiable, but generally range from \$5,000 to \$120,000 on a fixed fee basis, depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. The financial planning services can be for a one-time project or ongoing services. If the client engages Coastal Bridge Advisors for additional investment advisory services, Coastal Bridge Advisors can offset all or a portion of

its fees for those services based upon the amount paid for the financial planning and/or consulting services.

Prior to engaging Coastal Bridge Advisors to provide financial planning and/or consulting services, the client is required to enter into a written agreement with Coastal Bridge Advisors setting forth the terms and conditions of the engagement. For one-time projects, Coastal Bridge Advisors generally requires one-half of the consulting fee (estimated fixed) payable upon entering the written agreement while the balance is generally due upon delivery of the completion of the agreed upon services. Ongoing services will be prorated and billed per the Agreement (typically monthly or quarterly).

Investment Management Fee

Coastal Bridge Advisors generally provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by Coastal Bridge Advisors, either directly or through *Independent Managers*. Coastal Bridge Advisors' annual fee is exclusive of, and in addition to *Independent Manager* fees, brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Coastal Bridge Advisors does not, however, receive any portion of these commissions, fees, and costs.

Coastal Bridge Advisors' annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter as valued by the *client's custodian or an independent third party selected by the Firm, such as Envestnet Inc.*

The annual fee varies in accordance with the following blended fee schedule:

<u>PORTFOLIO VALUE</u>	<u>BASE FEE</u>
First \$1,000,000	1.25%
\$1,000,000 - \$5,000,000	1.00%
\$5,000,000 - \$10,000,000	0.80%
\$10,000,000 - \$50,000,000	0.65%
Above \$50,000,000	0.50%

Notwithstanding the foregoing, the annual fee for assets under management in accounts held at Cidel Bank & Trust, Inc. ("*Cidel*") will be negotiated and will generally be higher than the fee schedule set forth herein, due to the additional administrative cost associated with the Firm's management of such accounts. As set forth in Item 12, below, the Firm will recommend *Cidel* as custodian to certain non-US clients and high net worth US clients with interests in foreign entities (e.g. trusts, limited liability companies, and partnerships).

Coastal Bridge Advisors, in its sole discretion, can negotiate to charge a lesser management fee 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, pre-existing client, account retention, pro bono activities, etc.).

Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage Coastal Bridge Advisors for additional services for compensation, including rolling over

retirement accounts or moving other assets to the Firm's management. Clients retain absolute discretion over all decisions regarding engaging the Firm and are under no obligation to act upon any of the recommendations.

Subadvisory Arrangement

Coastal Bridge Advisors serves as subadviser for Fergus Reinsurance Limited ("Fergus" or the "Fund") pursuant to a subadvisory agreement with the Fund's primary adviser, Checchi Capital Advisers, LLC ("Checchi Capital"). Checchi Capital pays Coastal Bridge Advisors a sub-advisory fee that is 50% of the fund-level management fee earned by Checchi Capital for those assets of Fergus that are allocated to Coastal Bridge Advisors for subadvisory services. Additionally, certain principals of Coastal Bridge Advisors (the "Fund Principals") are members and executive officers of a limited liability company that serves as the general partner (the "Fund General Partner") for Fergus. The Fund General Partner earns performance-based fees of up to 20% of Fergus' profits, which is in turn earned by the Fund Principals in their capacity as members and executive officers of the Fund General Partner. The Clients who are invested in Fergus are not charged a separate advisory fee by Coastal Bridge Advisors on their assets invested in Fergus, although such clients are responsible for fund-level management and performance-based fees. See Items 6 and 10 for additional information.

Wrap Program Fees

As stated in Item 4, Coastal Bridge Advisors also allocates a small portion of client assets through its own *Wrap Program*. Pursuant to the *Wrap Program*, Coastal Bridge Advisors provides investment management services and arranges for brokerage transactions under a single annualized fee. Participants in the *Wrap Program* could pay a higher aggregate fee than if investment management and brokerage services are purchased separately. A complete description of the *Wrap Program's* terms and conditions (including fees) are contained in the *Wrap Program's* wrap fee brochure.

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), Coastal Bridge Advisors generally recommends that clients utilize the brokerage and clearing services of Pershing, LLC through Pershing Investment Manager Services ("*Pershing*"), the Bank of New York Mellon ("*BNY*"), and National Financial Services LLC and Fidelity Brokerage Services LLC (together with affiliates, "*Fidelity*") for investment management accounts. In addition, the Firm will recommend that certain clients utilize *Cidel* as custodian.

Coastal Bridge Advisors can only implement its investment management recommendations after the client has arranged for and furnished Coastal Bridge Advisors with all information and authorization regarding accounts with appropriate financial institutions. Such financial institutions include, but are not limited to, *Pershing*, *BNY*, *Fidelity*, *Cidel* any other broker-dealer recommended by Coastal Bridge Advisors, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "*Financial Institutions*").

Clients can incur certain charges imposed by the *Financial Institutions* and other third parties such as fees charged by *Independent Managers* (as defined below), custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's

prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients can incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to Coastal Bridge Advisors' fee.

Coastal Bridge Advisors' *Agreement* and the separate agreement with any *Financial Institutions* can authorize Coastal Bridge Advisors or *Independent Managers* to debit the client's account for the amount of Coastal Bridge Advisors' fee and to directly remit that management fee to Coastal Bridge Advisors or the *Independent Managers*. Any *Financial Institutions* recommended by Coastal Bridge Advisors have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Coastal Bridge Advisors.

Fees for Management During Partial Quarters of Service

For the initial period of investment management services, the fees are calculated on a *pro rata* basis.

The *Agreement* between Coastal Bridge Advisors and the client will continue in effect until terminated by either party pursuant to the terms of the *Agreement*. Coastal Bridge Advisors' fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients can make additions to and withdrawals from their account at any time, subject to Coastal Bridge Advisors' right to terminate an account. Additions can be in cash or securities provided that Coastal Bridge Advisors reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients can withdraw account assets on notice to Coastal Bridge Advisors, subject to the usual and customary securities settlement procedures. However, Coastal Bridge Advisors designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. Coastal Bridge Advisors may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter that are equal to or greater than \$100,000, the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter.

Retirement Plan Consulting Fees

Coastal Bridge Advisors charges as fixed project-based fee to provide clients with retirement plan consulting services. Each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the Agreement. These fees are negotiable and vary based on the scope of the services to be rendered.

For clients referred to NS Capital for discretionary 3(38) fiduciary retirement plan services,

Coastal Bridge Advisors will receive a non-fiduciary services fee from NS Capital on a quarterly basis. This fee is a percentage of the advisory fee that the client pays NS Capital.

Focus Treasury & Credit Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"). FTCS does not receive any compensation from such third-party institutions for serving our clients. Further information on this conflict of interest is available in Item 10 of this Brochure.

Item 6 – Performance-Based Fees and Side-by-Side Management

As noted above, certain principals of Coastal Bridge Advisors (the "Fund Principals") are members and executive officers of a limited liability company that serves as the general partner (the "Fund General Partner") for Fergus Reinsurance Limited ("Fergus" or the "Fund"). The Fund General Partner is compensated with performance-based fees (potentially up to 20% of Fund profits) when certain conditions are met. The Fund Principals are eligible to receive a share of the carried interest distributed to the Fund General Partner by Fergus and borne by its investors. See Item 10 for additional information.

Item 7 – Types of Clients

Coastal Bridge Advisors primarily provides its services to individuals. However, Coastal Bridge Advisors also provides services to ERISA plans, trusts, estates, charitable organizations, insurance companies, corporations and business entities.

Minimum Account Requirements

As a condition for starting and maintaining an investment management relationship, Coastal Bridge Advisors imposes a minimum portfolio value of \$5,000,000. Coastal Bridge Advisors may, in its sole discretion, accept clients with smaller portfolios based upon certain criteria, including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, pre-existing client, account retention, and pro bono activities. Coastal Bridge Advisors only accepts clients with less than the minimum portfolio size if the Firm determines the smaller portfolio size will not cause a substantial increase of investment risk beyond the client's identified risk tolerance. Coastal Bridge Advisors generally aggregates the portfolios of family members to meet the minimum portfolio size.

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

Methods of Analysis & Investment Strategies

Coastal Bridge Advisors provides close consultation and consideration of its clients' goals and risk tolerance before reaching a mutual decision with the client on how best to seek to build and preserve their wealth. Coastal Bridge Advisors follows a rigorous and disciplined process and seeks to leverage high-quality investment products and providers to create a diversified portfolio aimed at meeting its clients' objectives.

Initially, Coastal Bridge Advisors conducts an in-depth planning process which takes into consideration, among other things, cash flow analysis, retirement, education, business planning, investments, insurance, and the tax needs of the client. Coastal Bridge Advisors conducts an extensive planning process which includes both qualitative and quantitative analysis of the client's current position and future goals.

In the Firm's sole discretion and upon the completion of the planning process, Coastal Bridge Advisors may conduct a "stress test" of its recommended allocations using Monte Carlo Analysis. The Firm will then construct portfolios using what it believes to be the best investments available. Generally, Coastal Bridge Advisors believes using *Independent Managers* is the most effective strategy for managing client assets. In these cases, Coastal Bridge Advisors has discretionary authority to select the *Independent Managers*, and then monitors and reviews the client's account performance and investment objectives. When selecting an *Independent Manager* for a client, Coastal Bridge Advisors reviews information about the *Independent Manager* such as its disclosure statement and/or material supplied by the *Independent Manager* or independent third parties for a description of the *Independent Manager's* investment strategies, past performance and risk results to the extent available. Factors that Coastal Bridge Advisors considers in recommending an *Independent Manager* include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research.

Coastal Bridge Advisors also allocates a small portion of client assets to its *Wrap Program*. Pursuant to the *Wrap Program*, client assets are generally invested in mutual funds. In limited circumstances, Coastal Bridge Advisors can also utilize ETFs, private equity, structured products and hedge funds in accordance with the investment objectives of the client. A complete description of the *Wrap Program's* terms and conditions (including fees) are contained in the *Wrap Program's* wrap fee brochure.

Risks of Loss

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. As such, a fund investor can incur substantial tax liabilities even when the

fund underperforms.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares can differ significantly from the NAV during periods of market volatility, which can, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies can cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Independent Managers

For clients outside of the *Wrap Program*, Coastal Bridge Advisors generally recommends the use of *Independent Managers*. Coastal Bridge Advisors will continue to do ongoing due diligence of such managers, but such recommendations relies, to a great extent, on the *Independent Managers* ability to successfully implement their investment strategy. In addition, Coastal Bridge Advisors does not have the ability to supervise the *Independent Managers* on a day-to-day basis other than as set forth in Item 4, above.

Use of Private Collective Investment Vehicles

Coastal Bridge Advisors can recommend the investment by certain clients who are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, in privately placed collective investment vehicles (some of which are called "hedge funds"). These privately placed collective investment vehicles include, but are not limited to, the *Manifest Fund*. The managers of these vehicles will have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which can be traded and no requirement to diversify. The hedge funds can trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. The client will receive a private placement memorandum and/or other documents explaining such risks.

Cybersecurity

The computer systems, networks and devices used by Coastal Bridge Advisors and service providers to the Firm and its clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network

failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by the Firm and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

General Risk of Loss

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

COVID Risk

The transmission of COVID and efforts to contain its spread have resulted in border closings and other travel restrictions and disruptions, market volatility, disruptions to business operations, supply chains and customer activity and quarantines. With widespread availability of vaccines, the U.S. Centers for Disease Control and Prevention has revised its guidance, travel restrictions have started to lift, and businesses have reopened. However, the COVID pandemic continues to evolve and the extent to which our investment strategies will be impacted will depend on various factors beyond our control, including the extent and duration of the impact on economies around the world and on the global securities and commodities markets. Volatility in the U.S. and global financial markets caused by the COVID pandemic may continue and could impact our firm's investment strategies.

Although currently there has been no significant impact, the COVID outbreak, and future pandemics, could negatively affect vendors on which our firm and clients rely and could disrupt the ability of such vendors to perform essential tasks.

Item 9 – Disciplinary Information

Coastal Bridge Advisors is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Coastal Bridge Advisors does not have any required disclosures to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Coastal Bridge Advisors is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. Coastal Bridge Advisors has described such relationships and arrangements below.

Focus Financial Partners

As noted above in response to Item 4, certain funds affiliated with CD&R collectively are indirect majority owners of Focus Inc., and certain funds affiliated with Stone Point are indirect owners of Focus Inc. Because Coastal Bridge Advisors, LLC is an indirect, wholly-owned subsidiary of Focus Inc., CD&R and Stone Point investment vehicles are indirect owners of Coastal Bridge Advisors, LLC.

Affiliation with Focus Financial Partners, LLC

As set forth above, Coastal Bridge Advisors is part of the *Focus LLC* partnership. *Focus LLC* also controls other registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial services firms—the *Focus Partners*. The *Focus Partners* provide wealth management, benefit and investment consulting services, serving primarily individuals, families, employers, and institutions. Among the *Focus Partners* are other SEC registered investment advisers that manage limited partnerships or limited liability companies which can be found on Coastal Bridge Advisors' Form ADV Part 1. Coastal Bridge Advisors' clients are not solicited to invest with any of the *Focus Partners*, nor are they solicited to invest in any of their related limited partnerships. Coastal Bridge Advisors' management does not feel that this relationship poses a material conflict to clients. The *Focus Partners* do not share client information amongst each other without prior consent, and management of the other *Focus Partners* is not involved in the services provided by Coastal Bridge Advisors. A list of all *Focus LLC* affiliates will be provided upon request or can be found at www.focusfinancialpartners.com.

Receipt of Insurance Commission

Certain of Coastal Bridge Advisors' *Supervised Persons*, in their individual capacities, are licensed insurance agents with various insurance companies, and in such capacity, can recommend, on a fully-disclosed basis, the purchase of certain insurance products. A conflict of interest exists to the extent that Coastal Bridge Advisors or its *Supervised Persons* recommend the purchase of insurance products where Coastal Bridge Advisors or its *Supervised Persons* receive insurance commissions or other additional compensation.

Affiliation with Private Placements

Certain principals of Coastal Bridge Advisors, Bill Loftus and Kevin Burns (the "*Fund Principals*") are members and executive officers of limited liability companies that act as the general partner ("*Fund General*" Coastal Bridge Advisors and the *Fund Principals* have various incentives to recommend that clients invest in the *Funds*).

The members of the *Fund General Partner* will be entitled to receive a share of the carried interest distributed to the *Fund General Partner* by the *Fund* and borne by its investors. The

Fund General Partner are compensated with a carried interest (potentially up to 20% of *Fund* profits) when certain conditions are met. This profit-sharing interest, coupled with an investment by one or more of the *Fund Principals* in the *Fund General Partner* and/or the *Funds* also creates a general incentive for the *Fund Principals* to ensure that the *Funds* raise sufficient capital. Furthermore, the *Fund Principals* have an added incentive to recommend that Coastal Bridge Advisors clients invest in the *Funds* because their profit sharing percentages in the *Fund General Partner* increase as they raise more capital for the *Funds*. Finally, one of the principals of the *Fund General Partner* is a client of Coastal Bridge Advisors. This results in a conflict of interest for Coastal Bridge Advisors to favor that client due to this business relationship.

Coastal Bridge Advisors will not charge an advisory fee on client assets invested in the *Funds*. Ultimately, however, the compensation earned by the *Fund Principals* in connection with investments in the *Funds* by Coastal Bridge Advisors clients could exceed the advisory fees that clients would have otherwise paid Coastal Bridge Advisors with respect to those assets.

The foregoing conflicts of interest disclosures do not represent a complete list of pertinent conflicts of interest and risk factors associated with an investment in the *Funds*. For additional disclosures, clients should review the Confidential Private Placement Memorandum of the *Funds*. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of its affiliation with the *Funds*. Clients of the Firm will be provided with a separate disclosure that discusses the conflicts of interest when investing in a *Fund*.

Subadvisory Arrangement

As noted above, Coastal Bridge Advisors serves as subadviser for Fergus Reinsurance Limited ("Fergus" or the "Fund") pursuant to a subadvisory agreement with the Fund's primary adviser, Checchi Capital Advisers, LLC ("Checchi Capital"). Checchi Capital pays Coastal Bridge Advisors a sub-advisory fee that is 50% of the fund-level management fee earned by Checchi Capital for those assets of Fergus that are allocated to Coastal Bridge Advisors for subadvisory services. Additionally, certain principals of Coastal Bridge Advisors (the "Fund Principals") are members and executive officers of a limited liability company that serves as the general partner (the "Fund General Partner") for Fergus. The Fund General Partner earns performance-based fees, which are in turn earned by the Fund Principals in their capacity as members and executive officers of the Fund General Partner. The Clients who are invested in Fergus are not charged a separate advisory fee by Coastal Bridge Advisors on their assets invested in Fergus, although such clients are responsible for fund-level management and performance-based fees. The subadviser compensation earned by Coastal Bridge Advisors in connection with investments in Fergus could exceed the advisory fees that clients would otherwise would have paid to Coastal Bridge Advisors. This creates conflicts of interest for Coastal Bridge Advisors and the Fund Principals, because we are financially incentivized to recommend that clients invest in Fergus, instead of other investments. These conflicts include:

- The Fund General Partner is compensated with a carried interest (potentially up to 20% of Fund profits) when certain conditions are met. The Fund Principals are eligible to receive a share of the carried interest distributed to the Fund General Partner by Fergus and borne by its investors. This profit-sharing interest and investment by one or more

of the Fund Principals in the Fund General Partner and/or Fergus incentivizes Coastal Bridge Advisors and the Fund Principals to recommend that clients invest in Fergus, because the fees that Coastal Bridge Advisors and the Fund Principals receive from Checchi Capital will increase depending on the size of the Fund's asset base. Additionally, Coastal Bridge Advisors and the Fund Principals are incentivized to make investments that are riskier or more speculative than we would if the Fund Principals did not earn a percentage of performance-based fees.

- A member and executive officer of the Fund General Partner is a client of Coastal Bridge Advisors. This results in a conflict of interest for other clients, because Coastal Bridge Advisors has an incentive to favor that client due to this business relationship.
- The compensation earned by Coastal Bridge Advisors and the Fund Principals in connection with investments in the Fund by Coastal Bridge Advisors clients could exceed the advisory fees that clients would have otherwise paid Coastal Bridge Advisors with respect to those assets. As a consequence, Coastal Bridge Advisors has a financial incentive to recommend that clients invest in Fergus.

We believe these conflicts are mitigated because of the following factors: (1) this arrangement is based on our reasonable belief that investing a portion of clients' assets in Fergus is in the best interests of the clients; (2) Checchi Capital and the Fund have met the due diligence and performance standards that we apply to outside, unaffiliated investment managers; (3) clients will invest in the Fund on a nondiscretionary basis through the completion of subscription documentation; (4) subject to redemption restrictions, we are willing and able to reallocate client assets to other unaffiliated or affiliated investment vehicles, in part or in whole, if Checchi Capital's services become unsatisfactory in our judgment and at our sole discretion; and (5) we have fully and fairly disclosed the material facts regarding this relationship to clients, including in this Brochure, and clients who invest in Fergus have given their informed consent to those investments. For more information, clients should refer to the applicable Fund offering documents, including the Confidential Private Placement Memorandum.

Personal Lending

Coastal Bridge Advisors and/or its *Supervised Persons* provide personal loans to clients of the Firm and are entitled to receive compensation (in the form of interest) as a result. As a result, a conflict of interest exists to the extent that the Firm has an incentive to prefer clients with debt obligations to the Firm or its *Supervised Persons* in order to ensure repayment. The Firm has procedures in place whereby it seeks to ensure that investment opportunities are allocated in a fair and equitable manner regardless of such loans. In addition, a conflict of interest exists to the extent that Coastal Bridge Advisors or its *Supervised Persons* recommend personal loans where Coastal Bridge Advisors or its *Supervised Persons* receive additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of such additional compensation received.

Focus Treasury & Credit Solutions

Coastal Bridge Advisors offers clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Treasury & Credit Solutions, LLC ("FTCS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. These third-party financial institutions are banks and non-banks (the

“Network Institutions”) that offer credit and cash management solutions to our clients. Certain other unaffiliated third parties provide administrative and settlement services to facilitate FTCS’s cash management solutions. FTCS acts as an intermediary to facilitate our clients’ access to these credit and cash management solutions.

Neither we nor FTCS receives any compensation from the Network Institutions or any other third parties for providing credit or cash management solutions to our clients. For services provided by FTCS to clients of other Focus firms, FTCS receives a portion of the revenue earned by the Network Institutions, and such compensation to FTCS is also revenue for our common parent company, Focus Financial Partners, LLC. However, this compensation to FTCS does not come from credit or cash management solutions provided to any of our clients. The volume generated by our clients’ transactions does benefit FTCS and Focus in attracting, retaining, and negotiating with Network Institutions. We mitigate this conflict by: (1) fully and fairly disclosing the material facts concerning the above arrangements to our clients, including in this Brochure; and (2) offering FTCS solutions to clients on a strictly nondiscretionary and fully disclosed basis, and not as part of any discretionary investment services. Additionally, we note that clients who use FTCS’s services will receive product-specific disclosure from the Network Institutions and other unaffiliated third-party intermediaries that provide services to our clients.

We have an additional conflict of interest when we recommend FTCS to provide credit solutions to our clients because our interest in continuing to receive investment advisory fees from client accounts gives us a financial incentive to recommend that clients borrow money rather than liquidating some or all of the assets we manage.

Credit Solutions from FTCS

For FTCS credit solutions, the interest rate of the loan is ultimately determined by the lender, although in some circumstances FTCS may have the ability to influence the lender to lower the interest rate of the loan. The final rate may be higher or lower than the prevailing market rate. We can offer no assurances that the rates offered to you by the lender are the lowest possible rates available in the marketplace.

Clients retain the right to pledge assets in accounts generally, subject to any restrictions imposed by clients’ custodians. While the FTCS program facilitates secured loans through Network Institutions, clients are free instead to work directly with institutions outside the FTCS program. Because of the limited number of participating Network Institutions, clients may be limited in their ability to obtain as favorable loan terms as if the client were to work directly with other banks to negotiate loan terms or obtain other financial arrangements.

Clients should also understand that pledging assets in an account to secure a loan involves additional risk and restrictions. A Network Institution has the authority to liquidate all or part of the pledged securities at any time, without prior notice to clients and without their consent, to maintain required collateral levels. The Network Institution also has the right to call client loans and require repayment within a short period of time; if the client cannot repay the loan within the specified time period, the Network Institution will have the right to force the sale

of pledged assets to repay those loans. Selling assets to maintain collateral levels or calling loans may result in asset sales and realized losses in a declining market, leading to the permanent loss of capital. These sales also may have adverse tax consequences. Interest payments and any other loan-related fees are borne by clients and are in addition to the advisory fees that clients pay us for managing assets, including assets that are pledged as collateral. The returns on pledged assets may be less than the account fees and interest paid by the account. Clients should consider carefully and skeptically any recommendation to pursue a more aggressive investment strategy in order to support the cost of borrowing, particularly the risks and costs of any such strategy. More generally, before borrowing funds, a client should carefully review the loan agreement, loan application, and other forms and determine that the loan is consistent with the client's long-term financial goals and presents risks consistent with the client's financial circumstances and risk tolerance.

Cash Management Solutions from FTCS

For FTCS cash management solutions, as stated above, certain third-party intermediaries provide administrative and settlement services in connection with the program. Those intermediaries each charge a fixed basis point fee on total deposits in the program. Before any interest is paid into client accounts, the Network Institutions and certain unaffiliated third-party service providers take their fees out, and the net interest is then credited to clients' accounts. Engaging FTCS, the Network Institutions, and these other intermediaries to provide cash management solutions does not alter the manner in which we treat cash for billing purposes.

Clients should understand that in rare circumstances, depending on interest rates and other economic and market factors, the yields on cash management solutions could be lower than the aggregate fees and expenses charged by the Network Institutions, the intermediaries referenced above, and us. Consequently, in these rare circumstances, a client could experience a negative overall investment return with respect to those cash investments. Nonetheless, it might still be reasonable for a client to participate in the FTCS cash management program if the client prefers to hold cash at the Network Institutions rather than at other financial institutions (e.g., to take advantage of FDIC insurance).

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

Coastal Bridge Advisors and persons associated with Coastal Bridge Advisors (*"Associated Persons"*) are permitted to buy or sell securities that it also recommends to clients consistent with Coastal Bridge Advisors' policies and procedures.

Coastal Bridge Advisors has adopted a code of ethics that sets forth the standards of conduct expected of its *Associated Persons* and requires compliance with applicable securities laws (*"Code of Ethics"*). In accordance with Section 204A of the Investment Advisers Act of 1940 (the *"Advisers Act"*), its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by Coastal Bridge Advisors or any of its *Associated Persons*. The *Code of Ethics* also requires that certain of Coastal Bridge Advisors' personnel (called *"Access Persons"*) report their personal securities holdings and transactions

and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in Coastal Bridge Advisors' *Code of Ethics*, none of Coastal Bridge Advisors' *Access Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Coastal Bridge Advisors' clients.

When Coastal Bridge Advisors is purchasing or considering for purchase any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Coastal Bridge Advisors is selling or considering the sale of any security on behalf of a client, no *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients can contact Coastal Bridge Advisors to request a copy of its *Code of Ethics*.

Item 12 – Brokerage Practices

As discussed above, in Item 5, Coastal Bridge Advisors generally recommends that clients utilize the brokerage and clearing services of *Pershing*, *BNY*, and *Fidelity*. In addition, the Firm will recommend that certain non-US clients, as well as high net worth US clients with interests in foreign entities (e.g., trusts, limited liability companies, and partnerships), utilize *Cidel* as custodian.

Factors which Coastal Bridge Advisors considers in recommending *Pershing*, *BNY*, *Fidelity*, *Cidel* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Pershing* and *Fidelity* enable Coastal Bridge Advisors to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Pershing* and *Fidelity* may be higher or lower than those charged by other *Financial Institutions*.

The commissions paid by Coastal Bridge Advisors' clients comply with Coastal Bridge Advisors' duty to obtain "best execution." Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where Coastal Bridge Advisors determines that the commissions are 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 *Financial Institution's*

services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Coastal Bridge Advisors seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions can be cleared through other *Financial Institutions* with whom Coastal Bridge Advisors and the *Financial Institutions* have entered into agreements for prime brokerage clearing services. Coastal Bridge Advisors periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

The client can direct Coastal Bridge Advisors in writing to use a particular *Financial Institution* to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that *Financial Institution*, and Coastal Bridge Advisors will not seek better execution services or prices from other *Financial Institutions* or be able to “batch” client transactions for execution through other *Financial Institutions* with orders for other accounts managed by Coastal Bridge Advisors (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Coastal Bridge Advisors can decline a client’s request to direct brokerage if, in Coastal Bridge Advisors’ sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Transactions for each client generally will be effected independently, unless Coastal Bridge Advisors decides to purchase or sell the same securities for several clients at approximately the same time. Coastal Bridge Advisors may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Coastal Bridge Advisors’ clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Coastal Bridge Advisors’ clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Coastal Bridge Advisors determines to aggregate client orders for the purchase or sale of securities, including securities in which Coastal Bridge Advisors’ *Supervised Persons* may invest, Coastal Bridge Advisors generally does so in accordance with applicable rules promulgated under the *Advisers Act* and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Coastal Bridge Advisors does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Coastal Bridge Advisors determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and

cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, Coastal Bridge Advisors may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions can be directed to certain broker-dealers in return for investment research products and/or services which assist Coastal Bridge Advisors in its investment decision-making process. Such research generally will be used to service all of Coastal Bridge Advisors' clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Coastal Bridge Advisors does not have to produce or pay for the products or services.

Software and Support Provided by Financial Institutions

Coastal Bridge Advisors receives from *Pershing* and *Fidelity*, without cost to Coastal Bridge Advisors, computer software and related systems support, which allow Coastal Bridge Advisors to better monitor client accounts maintained at *Pershing* and *Fidelity*. Coastal Bridge Advisors receives the software and related support without cost because Coastal Bridge Advisors renders investment management services to clients that maintain assets at *Pershing* and *Fidelity*. The software and related systems support may benefit Coastal Bridge Advisors, but not its clients directly. In fulfilling its duties to its clients, Coastal Bridge Advisors endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Coastal Bridge Advisors' receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits can influence Coastal Bridge Advisors' choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Coastal Bridge Advisors receives the following benefits from *Pershing* and *Fidelity*: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services their institutional platform participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Coastal Bridge Advisors also receives other economic benefits in the form of educational conferences and meetings and related materials sponsored by various mutual funds, insurance and annuity companies and other vendors. Coastal Bridge Advisors may also receive monetary support for technological, marketing and advertising needs from these entities which may be used towards Coastal Bridge Advisors' own client events. Clients are advised that a conflict of interest exists to the extent Coastal Bridge Advisors recommends products of these mutual fund families, insurance annuity companies or other vendors. However, the client is under no

obligation to purchase these products, and Coastal Bridge Advisors shall not receive any other form of compensation from the mutual fund families, annuity companies or vendors for these events other than as set forth herein.

Item 13 – Review of Accounts

For those clients to whom Coastal Bridge Advisors provides investment management services, Coastal Bridge Advisors monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least an annual basis. For those clients to whom Coastal Bridge Advisors provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by one of Coastal Bridge Advisors’ investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Coastal Bridge Advisors and to keep Coastal Bridge Advisors informed of any changes thereto. Coastal Bridge Advisors contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Coastal Bridge Advisors provides investment advisory services may also receive a report from Coastal Bridge Advisors that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a periodic basis. Clients should compare the account statements they receive from their custodian with those they receive from Coastal Bridge Advisors.

Those clients to whom Coastal Bridge Advisors provides financial planning and/or consulting services will receive reports from Coastal Bridge Advisors summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by Coastal Bridge Advisors.

Item 14 – Client Referrals and Other Compensation

Coastal Bridge Advisors receives economic benefits from non-clients for providing advice or other advisory services to clients. Coastal Bridge Advisors has described such relationships and arrangements below.

Client Referrals to Coastal Bridge

The firm has arrangements in place with certain third parties, called promoters, under which such promoters refer clients to us in exchange for a percentage of the advisory fees we collect from such referred clients. Such compensation creates an incentive for the promoters to refer clients to us, which is a conflict of interest for the promoters. Rule 206(4)-1 of the Advisers Act addresses this conflict of interest by, among other things, requiring disclosure of whether the promoter is a client or a non-client and a description of the material conflicts of interest and material terms of the compensation arrangement with the promoter. Accordingly, we require

promoters to disclose to referred clients, in writing: whether the promoter is a client or a non-client; that the promoter will be compensated for the referral; the material conflicts of interest arising from the relationship and/or compensation arrangement; and the material terms of the compensation arrangement, including a description of the compensation to be provided for the referral.

Client Referrals from Coastal Bridge

As outlined in Item 4 above, Coastal Bridge refers clients to NS Capital for discretionary 3(38) fiduciary services to retirement plans when appropriate. Under this arrangement, Coastal Bridge is acting as a promoter and therefore subject to customary compensation by NS Capital according to the terms of the executed endorsement agreement.

Other Compensation

The Firm receives economic benefits from *Pershing* and *Fidelity*. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12

Sponsorship Disclosure

The Firm's parent company is Focus Financial Partners, LLC ("Focus"). From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include Coastal Bridge Advisors, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including Coastal Bridge Advisors. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including Coastal Bridge Advisors. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause Coastal Bridge Advisors to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including Coastal Bridge Advisors. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement. The following entities have provided conference sponsorship to Focus from January 1, 2022 to March 1, 2023:

Orion Advisor Technology, LLC

TriState Capital Bank

StoneCastle Network, LLC

Charles Schwab & Co., Inc.

BlackRock, Inc.

Fidelity Brokerage Services LLC

Fidelity Institutional Asset Management LLC

You can access a more recently updated list of recent conference sponsors on Focus' website through the following link:

<https://focusfinancialpartners.com/conference-sponsors/>

Expense Reimbursement from Sponsors and Distributors of Investment Products

Coastal Bridge Advisors may receive expense reimbursement for travel from sponsors and distributors of investment products. Travel expense reimbursements typically result from Coastal Bridge Advisors' *Supervised Persons* travel to conduct due diligence of investments or to attend training events hosted by sponsors and distributors of investment products. Receipt of such expense reimbursement for travel poses a conflict of interest, as it creates an incentive for the Firm to recommend the investments of those sponsors and distributors that offer this benefit. Travel reimbursements are not dependent on assets placed with any specific provider or the revenue generated by asset placement. Further, Coastal Bridge Advisors will only recommend such investments if they are in the best interests of the relevant client.

Item 15 – Custody

Coastal Bridge Advisors' *Agreement* and/or the separate agreement with any *Financial Institution* may authorize Coastal Bridge Advisors through such *Financial Institution* to debit the client's account for the amount of Coastal Bridge Advisors' fee and to directly remit that management fee to Coastal Bridge Advisors in accordance with applicable custody rules.

The *Financial Institutions* recommended by Coastal Bridge Advisors have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Coastal Bridge Advisors. In addition, as discussed in Item 13, Coastal Bridge Advisors also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the *Financial Institutions* and compare them to those received from Coastal Bridge Advisors.

Surprise Independent Examination

As Coastal Bridge Advisors is deemed to have custody over clients' cash, bank accounts or securities (for reasons other than those discussed above), the Firm is required to engage an independent accounting Firm to perform a surprise annual examination of those assets and accounts over which it maintains custody. Any related opinions issued by an independent accounting Firm are filed with the SEC and are publicly available on the SEC's Investment Adviser Public Disclosure website. Coastal Bridge Advisors does not have direct access to client funds as they are maintained with an independent qualified custodian.

Standing Letters of Authorization

Coastal Bridge Advisors also has custody due to clients giving the Firm limited power of attorney in a standing letter of authorization ("SLOA") to disburse funds to one or more third parties as specifically designated by the client. In such circumstances, the Firm will implement the steps in the SEC's no-action letter on February 21, 2017 which includes (in summary): i) client will provide instruction for the SLOA to the custodian; ii) client will authorize the Firm to direct transfers to the specific third party; iii) the custodian will perform appropriate verification of the instruction and provide a transfer of funds notice to the client promptly after each transfer; iv) the client will have the ability to terminate or change the instruction; v) the Firm will have no authority or ability to designate or change the identity or any information about the third party; vi) the Firm will keep records showing that the third party

is not a related party of the Firm or located at the same address as the Firm; and vii) the custodian will send the client an initial and annual notice confirming the SLOA instructions.

Item 16 – Investment Discretion

Coastal Bridge Advisors is generally given the authority to exercise discretion on behalf of clients. Coastal Bridge Advisors is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. Coastal Bridge Advisors is given this authority through a power-of-attorney included in the *Agreement* between Coastal Bridge Advisors and the client. Clients can request a limitation on this authority (such as requesting that certain securities not to be bought or sold). Coastal Bridge Advisors takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made;
- The *Financial Institutions* to be utilized; and
- The *Independent Managers* to be hired or fired.

Item 17 – Voting Client Securities

Coastal Bridge Advisors accepts the authority to vote securities (i.e., proxies) on the behalf of certain clients. When Coastal Bridge Advisors accepts such responsibility, it will cast proxy votes only in a manner it believes consistent with the best interest of its clients. At any time clients can contact the Firm to request information about how Coastal Bridge Advisors voted proxies for that client's securities. A brief summary of Coastal Bridge Advisors' proxy voting policies and procedures is as follows:

- The Firm has engaged Broadridge Financial Services, Inc. ("*Broadridge*"), a third-party, independent proxy advisory firm, to provide it with research, analysis, and recommendations on the various proxy proposals for the client securities that Coastal Bridge Advisors manages with the aim of maximizing shareholder value.
- In engaging *Broadridge* for that purpose, Coastal Bridge Advisors has reviewed *Broadridge's* guidelines proxy voting. Coastal Bridge Advisors will continue to review *Broadridge's* proxy voting services to ensure that proxies are being voted in the best interest of clients.

Where Coastal Bridge Advisors is responsible for voting proxies on behalf of a client, the client cannot direct the Firm's vote on a particular solicitation. The client, however, can revoke Coastal Bridge Advisors' authority to vote proxies. In situations where there is a conflict of interest in the voting of proxies due to business or personal relationships that Coastal Bridge

Advisors maintains with persons having an interest in the outcome of certain votes, the Firm will take appropriate steps, whether by following *Broadridge's* third-party recommendation or otherwise, to ensure that proxy voting decisions are made in what it believes is the best interest of its clients and are not the product of any such conflict.

Item 18 – Financial Information

Coastal Bridge Advisors does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance. In addition, Coastal Bridge Advisors is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Coastal Bridge Advisors has no disclosures pursuant to this Item.