Item 1: Cover Page

Form ADV 2A Disclosure Brochure

March 28, 2025

SEC File No. 801 - 29892
Avantax Advisory Services, Inc.
3200 Olympus Blvd, Suite 100
Dallas, TX 75019
972-870-6000
www.avantax.com

This Form ADV Part 2A Disclosure Brochure ("Brochure") provides information about the qualifications and business practices of Avantax Advisory Services, Inc. which uses the trade name Avantax Advisory Services. If you have any questions about the contents of this Brochure, contact us at (972) 870-6000 or AdvisoryCompliance@Avantax.com.

This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Avantax Advisory Services is also available at www.adviserinfo.sec.gov. You may search for information using the Firm's name or by its CRD number (#104556).

Note: References to being "registered" does not imply a certain level of skill or training. You should review this Brochure and consider its contents before investing in a program offered by or through AAS.

Item 2: Material Changes

Item 2 provides a summary of material changes, if any, the Firm has made to this Brochure since the last annual update, which occurred in March 2024.

No material changes in 2024.

Will I receive a Brochure every year?
AAS may, at any time, update this Brochure. Any material changes will either be sent to you as a summary of those changes or, depending on the extent of these changes, you will receive the entire updated Brochure.

May I request additional copies of this Brochure?
Absolutely. You (the client or prospective client) may request and receive additional copies of this Brochure by:

- contacting your AAS Advisor,
- downloading the Brochure from the SEC website, www.adviserinfo.sec.gov, by selecting “Firm” and typing in Avantax Advisory Services, Inc. or its CRD# 104556,
- emailing the Firm at AdvisoryCompliance@Avantax.com or
- calling the Firm at 972-870-6000.

Item 3: Table of Contents

Item 4: Advisory Business

Who We Are

Avantax Advisory Services, Inc. ("AAS", "Firm", "us", "our", or "we") also doing business as Avantax Advisory Services℠ and Avantax Wealth Management®, was established in 1987[1] and is an investment adviser registered with the Securities and Exchange Commission ("SEC") that offers a variety of investment advisory services primarily to individuals, pension and profit-sharing plans, and businesses, as more fully described in this Brochure. The Firm conducts business throughout the United States through its investment adviser representatives (each an "Advisor" and collectively, "Advisors"), who are primarily independent contractors registered with the Firm, their personnel, and AAS' employees (collectively, "Supervised Persons") to provide investment advisory services to you (the "client" or "prospective client").

Avantax Advisory Services, Inc. was formerly known as 1st Global Advisory Services ("1st Global") and H.D. Vest Advisory Services, Inc. ("HD Vest").

As of December 31, 2024, AAS had $46,109,939,749 in regulatory assets under management, of which $38,136,384,390 was managed on a discretionary basis and $7,973,555,359 was managed on a non-discretionary basis.

AAS is an affiliate of Avantax Investment Services, Inc. ("AIS"), a broker-dealer and government securities dealer or broker registered with the SEC and a member of FINRA/SIPC. For most of AAS' clients, AIS provides brokerage, custody and execution services through its clearing arrangement with National Financial Services LLC ("NFS" or "Custodian"), a non- affiliated firm, member NYSE, SIPC and a Fidelity Investments® Company. AAS is also affiliated with Avantax Insurance Agency℠ and Avantax Insurance Services℠ (collectively, "Avantax Insurance") and Avantax Planning Partners, Inc. ("APP"), an affiliated investment adviser registered with the SEC.

AAS is wholly-owned by Avantax Wealth Management, Inc. ("Avantax Wealth Management"). Avantax Wealth Management is directly owned by Avantax WM Holdings, Inc., that is wholly owned by Avantax, Inc. that is directly owned by Aretec Group, Inc. DBA Cetera Holdings ("Aretec"). Aretec is a wholly-owned subsidiary of GC Two Intermediate Holdings, Inc., and an indirect wholly-owned subsidiary of GC Three Holdings, Inc. Through common ownership by Aretec, AAS is affiliated with Cetera Financial Group, Inc. ("Cetera Financial Group"). For more information on AAS' other financial industry activities and affiliations, see **Item 10**.

You and Your Advisor

Most advisory relationships begin with an initial client meeting between you and your Advisor. Typically, meetings are done in person, over the telephone, or through email communications. The purpose of this initial meeting is to discuss your investment history, goals, objectives, and risk tolerance and determine the investment advisory services that will meet your needs.

Our Advisors' investment advice is tailored to our clients' individual needs. As a result, the investment advisory services provided by AAS' Advisors depend largely on the personal information you, the client, provide to the Advisor. For AAS' Advisors to provide appropriate investment advice to, or, in the case of discretionary accounts, make appropriate investment decisions for, the client, it is very important that clients provide accurate and complete responses to their Advisor's questions about their financial condition, needs and objectives. Clients may request reasonable restrictions be applied to the investments bought, sold, or held in or on the types of investment strategies utilized in the client's investment advisory account(s). For example, a reasonable restriction may indicate your desire that we do not invest in a certain sector or industry. Typically, your advisor will also proactively reaffirm with you any modifications you may have to these restrictions at least on an annual basis during your normally scheduled client review meetings. Pursuant to any restriction(s) you may suggest, your advisor will document this upon receipt. However, your advisor may refuse to accept or manage your account if he/she determines that such restrictions are unreasonable. In the event that your advisor is unable to accept your restriction, he/she will give you the opportunity to modify or withdraw the restriction.

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[1] Avantax Advisory Services, Inc. was formerly known as 1st Global Advisory Services ("1st Global") and H.D. Vest Advisory Services, Inc. ("HD Vest").

It is the client's responsibility to inform their Advisor of any changes in their financial condition, investment objectives, personal circumstances, and such restrictions, if any, which may affect the client's overall investment goals and strategies.

The exact products and services you will receive and the fees you will be charged are dependent upon, and negotiated between you and, your Advisor. Advisors, in their capacity as AAS' Advisors, are restricted to providing investment advisory services and charging fees in accordance with the descriptions detailed in this Brochure and are instructed to consider the individual needs of each client when recommending any investment advisory product or service and negotiating fees for such. **However, as more fully described in Item 10, many of AAS' Advisors are also registered representatives of AAS' affiliated broker-dealer, AIS, and/or licensed insurance agents with Avantax Insurance.** In addition, your Advisor may be unable to offer or can elect not to offer certain financial products and/or services based on subjective and objective factors, including the Advisor's licensing and registration, investment philosophy and/or individual professional preferences. Depending on such factors, there are restrictions on and conflicts of interest related to the types of financial products and/or services that your Advisor can or is willing to offer to you.

It is important that you understand the differing products and fees available in investment advisory, brokerage and insurance services. AAS encourages you to discuss this with your Advisor. Additionally, there are free and simple tools available to research firms and financial professionals at Investors.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

As independent contractors, AAS' Advisors can have separate businesses, branch offices, personnel, and/or marketing names for the purpose of creating a brand that is specific to that Advisor and separate from AAS or Avantax. While AAS allows its Advisors to use a name other than AAS or Avantax, all investment advisory services are offered through AAS, unless otherwise disclosed in writing to the client.

An Overview of Investment Advisory Services

Prior to engaging your Advisor to provide AAS investment advisory services, each client will be required to enter into a written agreement setting forth the terms and conditions of services, including client specific fee information. A client obtaining wealth management advisory services (as described below) will also be required to enter into a separate agreement with AAS' affiliate, AIS, to provide brokerage, custody and execution services through its clearing arrangement with National Financial Services LLC ("NFS" or "Custodian"). Whereas plan clients selecting AAS' Retirement Management Services ("RMS") Select Model Program (as described below) will be required to enter into an agreement with either Aspire (PCS) or July Business Services, whereby Matrix Settlement and Clearance Services, LLC ("MSCS"), a Broadridge Financial Solutions, Inc. company and a third-party vendor retained by AAS, facilitates trade processing and custodial services through its affiliates. For additional information about AAS' brokerage practices, see Item 12.

Most clients engage AAS on a discretionary basis, which means the Advisor will make investment decisions without the client's prior authorization. Clients who engage AAS on a non-discretionary basis are responsible for making all final investment decisions and, in some instances, the implementation of any recommendation. For example, under a non-discretionary investment advisory agreement AAS and the Advisor will be unable to affect any investment transactions (as it would for its discretionary investment advisory clients) without first obtaining the client's consent. Some investment advisory services are only available on a discretionary or non-discretionary basis, as further described in this Brochure or AAS' Wrap Fee Program Brochure. Additionally, some of AAS' investment advisory services are subject to conditions, such as a minimum account size (or asset level) or minimum annual fee, and/or restrictions, such as being available only to certain types of clients (e.g., retirement plans or accredited investors).

For certain investment advisory services, AAS utilizes custodian-sponsored programs and services, third-party investment manager programs and/or Turnkey Asset Management Platforms ("TAMPs"). These services may be offered as a separately managed account (commonly referred to as "SMAs") or as a unified managed account (or "UMAs"). AAS will provide such custodians, investment managers and TAMPs, as applicable, client-specific information to enable that custodian, investment manager or TAMP to provide the elected services. Under this scenario the client will pay fees and expenses to such third-parties, in addition to the fees paid to AAS and its Advisors. For additional information related to third-party programs and services, see **Item 5**, **Item 10** and **Item 14**.

IMS Platform

We have developed the Investment Management Solutions (IMS) Platform, which consists of several advisory services and programs listed below (each a “Program” and collectively the “IMS Programs”) to give you as much flexibility as possible and access to a wide variety of mutual funds, exchange-traded funds (ETFs) and a selection of third-party investment managers. Some of the IMS Programs allow for the inclusion of stock, bonds, and alternative/complex products. The specific Program selected by you may cost you more or less than purchasing program services separately. Factors that bear upon the cost of a particular Program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account, the historical and/ or expected size of the account, and the number and range of supplementary advisory and client-related services provided to the account. We are the sponsor and investment adviser for the IMS Platform.

Prior to participating in any of the IMS Programs, the client and Advisor complete a Statement of Investment Selection (“SIS”) that you will review and sign, that includes a Risk Tolerance Questionnaire (“RTQ”), in order to determine the client’s (or investor) risk profile. This information, along with consideration of all your assets, income, investments, and overall financial picture, as applicable, will be used to select any of the Program(s) and an investment strategy(ies). Your risk tolerance is scored based on three factors: 1) time horizon; 2) long-term goals and objectives; and 3) short-term risk attitudes. Using a weighted average, an overall risk tolerance score is generated and mapped to one of five (5) possible risk profiles:

- Ultra-Conservative
- Conservative
- Moderate
- Growth
- Aggressive Growth

The five possible risk profiles represent a theoretical risk spectrum from least risk to most risk. The recommended IMS Program (and the investments selected for your account) is constructed to represent the risk-return characteristics of your client risk profile. There is no guarantee that the risk tolerance generated from your answers accurately assesses your tolerance for risk, nor is there any guarantee that the asset mix or recommended IMS Program appropriately reflects your ability to withstand investment risk. See **Item 8** for additional information on risks.

The purpose of this Statement of Investment Selection ("SIS") is to establish an understanding between you and your Advisor regarding your investment objectives, goals, and investment management account guidelines. The SIS is considered a dynamic document that changes over time to reflect your changing life circumstances. Such changes naturally affect your goals, objectives, time horizon and feelings about risk in your account. If your financial situation changes, including your goals and objectives, it is important that you let your Advisor know as soon as possible. Your Advisor will meet with you to review your SIS at least annually. See **Item 13** for additional information on review of accounts.

For non-wrap programs on the IMS Platform, generally, the client is separately assessed and pays for investment advisory, portfolio management and trade execution. See **Item 5** for additional information regarding fees, expenses and costs.

Important Note about Wrap Fee Programs

Many of AAS’ investment advisory services are provided under “wrap fee” programs whereby the client pays a single fee, based on a percentage of the managed assets, for investment advisory, portfolio management and trade execution. **A full and complete description of AAS’ wrap free programs is separately provided in AAS’ Wrap Fee Program Brochure.** AAS also offers investment advisory services and programs, known as non-wrap fee programs, whereby the client is separately assessed and pays for investment advisory, portfolio management and trade execution, as applicable. **AAS’ non-wrap fee programs are described in this Brochure.** AAS’ programs differ by investment strategy, risk profiles, and asset allocation; however, the primary difference between a wrap fee and a non-wrap fee program is whether AAS/Advisor or the client pay for, as applicable, a custodial and trade execution charges. All clients pay for underlying investment expenses. For additional information on fees, expenses, and costs, see **Item 5.**

A wrap fee arrangement is likely more beneficial for accounts that expect relatively frequent trading, such as where the account intends to pursue an active trading strategy. In that case, the single wrap fee typically costs less than the combined investment advisory fees and brokerage commissions that would be charged in a non-wrap fee arrangement. Conversely, an account that does not expect to trade frequently would typically find a wrap fee arrangement to be more costly than paying the separate costs of brokerage commissions and fees for investment advice. Clients are cautioned to regularly review and consider the information in the disclosure brochure for all wrap programs to understand the costs and factors when deciding whether to participate in or to continue to participate in their selected program(s). Clients should also consider that lower cost programs that provide similar advisory, brokerage, and custodial services are typically available through other advisers and broker-dealers, including the Firm's affiliated entities, either through a wrap fee or on a separate cost basis. No assumption can be made that any particular fee arrangement, including wrap fee arrangements or portfolio management services of any nature, will provide better returns than other investment strategies.

Fees paid by clients in a wrap fee program may be more or less than fees charged for advisory, custodial or brokerage services offered separately, depending on the nature, size and frequency of account transactions and other services. Depending upon, among other things, the size of the account, changes in value over time, ability to negotiate fees or commissions, and the number of transactions, the amount of the wrap fee compensation may be more than what the IAR and or Firm would receive if the client participated in other programs, or paid separately for investment advice, brokerage and other services. Therefore, while wrap account compensation cannot be determined in advance, the IAR may have an incentive to recommend a wrap fee program over other programs or services. Further, clients should consider that the wrap fee arrangement creates a disincentive to trade in wrap fee accounts because the execution costs of each trade will reduce the profit from the wrap fee. A wrap sponsor may have an incentive to limit referrals to or outright exclude from its program portfolio managers that trade actively. We monitor the programs and the accounts in an on-going effort to identify instances where these conflicts of interest may adversely affect our clients. However, our efforts may not always be successful in preventing or addressing the effects of these conflicts.

There is no guarantee that the advisory services offered under the wrap fee programs will result in your goals and objectives being met. Nor is there any guarantee of profit or protection from loss. No assumption can be made that an advisory fee arrangement or portfolio management service of any nature will provide a better return than other investment vehicles. Wrap-fee programs are not suitable for all clients or all investment needs, and any decision to participate in a wrap fee program should be based on your financial situation, investment objectives, tolerance for risk, and investment time horizon, among other considerations. The benefits under a wrap fee program depend, in part, upon the size of the account and the number of transactions likely to be generated. For accounts with little to no trading activity, a wrap-fee program may not be suitable because the wrap account fees could be higher than fees in a traditional brokerage or advisory account. You should evaluate the total cost for a wrap-fee account vs. the cost of participating in another program or account. Please see **Item 5** and/or the applicable wrap fee program brochure for further information regarding the fee schedule and negotiating your fees with your Advisor.

In determining whether to select a wrap fee program some clients consider the uncertainty of trading volume and potential additional costs associated with the same as well as the general fee certainty in a wrap program.

One type of IMS wrap fee program accounts, IMS Flex Choice (Wrap) accounts are managed by your Advisor in accordance with his or her own investment methodology and philosophy. The other wrap fee programs available through AAS are managed by a third-party money manager. Wrap fee programs are managed in accordance with the investment methodology and philosophy used by the respective third-party money manager. AAS receives a portion of the investment advisory fee you pay to your Advisor when you participate in any of our programs.

Wealth Management Advisory Services

The following is a list of our advisory programs:

Firm Sponsored Programs

- IMS Access*
- IMS Annuity
- IMS Flex Choice (non-wrap)
- IMS Flex Choice (wrap)*
- IMS Gateway*
- IMS Portfolio Choice*
- IMS Prime*

- IMS Select*
- IMS Unified Choice*

Other Advisory Programs

- TAMP Programs
- Financial Planning
- Retirement Portfolio Services

**Wrap fee program. Please refer to our Form ADV Wrap Fee Program Brochure for a complete description of the wrap programs sponsored by the Firm.*

Additional information about AAS' non-wrap fee investment advisory services is provided below.

Minimum Account Opening Balance

Each advisory program requires a program-specific minimum account opening balance. At its sole discretion, the Firm may waive the minimum account size. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into the Bank Deposit Sweep Program as discussed below in **Item 14** until the minimum opening balance requirements are met.

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

Advisory accounts typically involve the purchase and/or sale of securities. Accounts are managed either on a discretionary or non-discretionary basis, but may be solely discretionary depending on the program.

Quarterly Performance Reports

On a calendar quarter basis, you may receive a performance report that indicates how your account has performed over time. If you have any questions regarding the performance of your account, please contact your Advisor.

Retirement Investors

When we (AAS and your Advisor) provide investment advice to you (the client) 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 of 1974, as amended ("ERISA") and/or the Internal Revenue Code, as amended ("IRC"), as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests. We have a conflict of interest with you when we recommend a rollover / transfer of retirement assets and receive more compensation as a result. We mitigate this conflict of interest by providing you with relevant information, reviewing that information with you, answering your questions, and recommending only alternatives that we believe are in your best interest. We have provided you with other required disclosures, along with your account terms and conditions and/or advisory agreement that describe the specific services we will perform and/or terms and conditions of our relationship with you. **This is important information so please read it carefully.**

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

➢ **IMS Flex Choice Non-Wrap**

In an IMS Flex Choice Non-Wrap account, your Advisor will create a mix of investments that are appropriate for your investment goals. The benefit of opening these types of accounts includes:

- Individualized management of your account
- Annual review of your account

AAS' IMS Flex Choice Non-Wrap account is available through a discretionary or non-discretionary arrangement. If you've granted your Advisor discretionary authority, your Advisor will also rebalance investments consistent with the target investment allocations established for each particular risk profile. Some investments, such as alternative and complex products, have liquidity or other restrictions that may limit the amount and/or timing of rebalancing such investments. See **Item 8** for additional information on risks. If you're invested through a non-discretionary arrangement, your Advisor will be unable to affect any investment transactions without first obtaining your consent. See **Item 16** for additional information regarding discretionary authority.

- **Advisor-Directed Tax Overlay** services may be available through your Advisor. Advisors apply various techniques, such as tax-loss harvesting, long-term and short-term capital gain management, asset allocation and investment selections, when implementing a tax-managed investment strategy, primarily with respect to determining when assets in an advisory account should be bought or sold. Additionally, various methodologies and assumptions are used in determining the tax-implications relative to the strategy. There are no guarantees as to the effectiveness of the tax-managed investing strategy and clients will be impacted differently. **The client is solely responsible for ensuring that all positions and tax lots in the account have complete and accurate cost basis information at all times.** AAS does not (itself) provide legal or tax advice and clients should discuss any questions with or request further information from the Advisor and/or legal and tax professionals prior to engaging in a tax overlay strategy. See **Item 8** for additional considerations and risks related to employing a tax overlay strategy.

Types of Securities
Your Advisor will purchase securities on your behalf based on your goals and objectives. In order to meet your needs, we provide a wide range of investment choices for you to consider. Some of the securities we may offer to you include, but are not limited to:

- General securities (stocks and bonds)
- Covered call options and protective put options
- Fixed income securities
- Mutual funds
- Structured products
- Exchange-traded funds
- Unit investment trusts
- Alternative/complex products

Minimum Account Opening Balance
In general, we require a minimum deposit of $15,000 (based on fair market value of the account's assets) to open an IMS Flex Choice Non-Wrap account. Your opening balance may include both cash and securities. Depending on a number of factors, we may, in our sole discretion, waive the minimum required balance, including whether or not you have other accounts with us. See **Item 7** for additional information regarding program minimums.

IMS Flex Choice (Non-Wrap) and Flex Choice (Wrap)

Flex Choice (Non-Wrap) and Flex Choice (Wrap) are materially the same with one important exception. In Flex Choice (Wrap), AIS or the Firm pays for any transaction costs (the fees associated with purchasing or selling securities) incurred in your account. In Flex Choice (Non-Wrap) transaction costs are paid by you. Because you are not paying for transaction costs in Flex Choice (Wrap), the Program Fee is higher than the Program Fee in Flex Choice (Non-Wrap). Please refer to Item 5 of this brochure for further information regarding fees for each Program. Both Flex Choice (Wrap) and Flex Choice (Non-Wrap) can be managed on a discretionary or non-discretionary basis, as shown on the SIS. You and your Advisor will work together on determining the investment strategy that works for you. Your Advisor must obtain your authorization to change your risk profile. Both Programs offer you access to a selection of multiple products and security types and allow your Advisor to build an investment strategy with these securities in order to meet your financial needs. The Advisor is responsible for the creation, implementation, and ongoing management of the investment strategy. We may have a financial incentive to recommend one of these programs over the other based upon anticipated trade volume and the different Program Fees, which results in additional compensation to the Firm and/or AIS.

- **IMS Fee-Based Annuity**

As more fully described in **Item 10**, some of AAS' Advisors are also registered representatives of AAS' affiliated broker-dealer, AIS, and/or licensed insurance agents with Avantax Insurance. If registered and licensed, your Advisor may offer AAS' IMS Fee-Based Annuity account ("IMS Fee-Based Annuity Program"). **AAS' has no minimum account size (based on fair market value of the sub-accounts' assets) to participate in the IMS Fee-Based Annuity Program; however, annuity contracts are subject to the issuing insurance company's (or insurance carrier's) terms and limitations.**

In AAS' IMS Fee-Based Annuity Program, clients receive ongoing investment management and advice for the sub-account investment options of fixed annuity(ies), fixed index annuity(ies), registered index linked annuity(ies), and/or variable annuity(ies) (collectively, "Annuity Assets"). This is a fee-based offering in which an on-going investment advisory fee will be charged instead of a commission. Consult with your financial professional about the differences between a commission-based annuity and a fee-based annuity to determine which is the right choice for you. Your Advisor will monitor market conditions, the performance of the Annuity Assets' sub-accounts and/or market linked indexes and, as needed, reposition assets.

Annuity Assets are subject to product terms and limitations and the claims-paying ability and financial strength of the issuing insurance company. Additionally, an index annuity should not be compared to investing in the underlying asset, as the features and risks may differ significantly. There is no guarantee that Annuity Assets will provide income. The prospectus, available upon request from your Advisor, contains important information regarding the terms, limitations, fees, restrictions, and risks of investing in these products. See **Item 8** for additional considerations and risks related to Annuity Assets.

Note: Consult with your Advisor about the differences between a commission-based annuity and a fee-based annuity to determine which is the right choice for you. Generally, a fee-based annuity is designed for a client who wants on-going sub-account investment advice from the Advisor who is compensated through the on-going advisory fee. In a commission-based offering there is NO obligation for the financial professional to provide you with on-going monitoring or advice once the annuity transaction is complete and the commission has been paid. For additional information on compensation and related conflicts of interest, please see **Item 10** and **Item 14**.

- **Turnkey Asset Management Platforms ("TAMPs")**

AAS also offers limited access to certain turn-key asset manager programs ("TAMPs"), which provide access to professional third-party asset managers that are outside the scope of the IMS platform. TAMP programs offer you access to a variety of model portfolios with varying levels of risk from which to choose. TAMP program accounts are not managed by AAS or your Advisor; rather, TAMP accounts are managed by one or more third-party portfolio managers on a discretionary basis, and they may consist of a variety of different security types, including stocks, bonds, mutual funds, and derivatives. See **Item 7** for additional information regarding program minimums.

AAS is not the sponsor of these TAMP programs. AAS may act in either a "promoter" or "sub-adviser" capacity:

- **Promoter**: When acting as a promoter for the TAMP program, neither AAS nor your Advisor provide advisory services in relation to the TAMP program account(s). Instead, your Advisor assists you in selecting one or more TAMP programs based on your client Risk Profile; the TAMP program's adviser provides ongoing investment advisory services for your TAMP program account. AAS and your Advisor are compensated for referring you to the TAMP program. This compensation generally takes the form of the TAMP sharing a percentage of the advisory fee you pay to the TAMP with us which is then shared with your Advisor. When AAS acts as a promoter for a TAMP program, you receive a written promoter disclosure statement describing the nature of our relationship, the terms of our compensation, including a description of the compensation that AAS will receive for referring you to the TAMP program, and the amount, if any, that you will be charged in addition to the advisory fee you would pay without our referral relationship.

- **Adviser or Sub-Adviser**: Under an adviser or sub-adviser relationship between us and the sponsor of the TAMP program, AAS and your Advisor fulfill the role of an adviser or sub-adviser to you. Your Advisor provides you with portfolio management supervisory services with respect to your TAMP account(s) along with the TAMP provider. That means that your Advisor monitors the TAMP program's performance, investment selection, and continued suitability for your portfolio and will advise you accordingly. Your

Advisor helps you determine your client Risk Profile in order to help you choose a program that meets your objectives.

Financial Planning Advisory Services ("FPAS")

AAS' Financial Planning Advisory Services ("FPAS") are designed to formulate a financial plan that considers your specific situation and needs. **AAS' financial planning programs and services do not have minimum account or asset requirements.** As negotiated between you and your Advisor, the financial plan may include any or all of the following planning topics: financial position, risk management, retirement, education, investment, estate, tax, business, special needs, and/or other areas, as specified in the written agreement. The analysis and written plan will address the fundamentals of your financial situation as well as the priorities and goal(s) you have discussed with your Advisor. Your Advisor must be appropriately registered and licensed in order to offer the recommendations provided in the plan.

Under AAS' FPAS, you and your Advisor may choose from two different models:

- **Seasonal Planning Model:** The Seasonal Planning Model is designed to foster periodic contact throughout the calendar year, typically quarterly, between you and your Advisor, during which you and your Advisor construct a personalized plan that addresses various considerations for your planning requirements. Under the Seasonal Planning Model, you and your Advisor work throughout the year (and engagement) to track progress over time toward identified goals, identify key changes to your situation, revisit and/or update your goals and financial plan, and identify and propose new recommendations, as appropriate. Under the Seasonal Planning Model, the financial planning agreement automatically renews each year (or as specified in the agreement), and you and your Advisor will confirm your working relationship and the associated fee, or any fee changes, at least annually.

- **Financial Plan Only Model:** Financial Plan Only (or Fee for Plan) Model is intended to provide you with a financial plan targeting specific financial planning goals without regularly scheduled updates from your Advisor. Under the Financial Plan Only Model, the agreement is complete, and all obligations are met upon delivery of the written financial plan.

Under either Model and upon you and your Advisor signing AAS' financial planning agreement (i.e., the effective date), your Advisor will make reasonable efforts to perform an analysis and deliver a written financial plan to you within 150 days. Under the Seasonal Planning Model, updates to the written financial plan will be delivered as discussed and agreed to by your Advisor. In no instance will AAS or your Advisor require or solicit prepayment of more than $1,200 in fees, six months or more in advance. See **Item 5** for additional information about fees, termination rights and refund procedures.

The advice you receive from your Advisor through AAS' FPAS is intended for your use only. You are responsible for making all final decisions and, in some instances, the implementation of any recommendation under AAS' FPAS, unless otherwise agreed to in writing. Before implementing any recommendations, you should carefully consider the ramifications of purchasing products or services, and you may want to seek further advice from your lawyer and/or accountant, particularly in connection with estate planning, taxes, or business financial planning issues.

The recommendations provided by your Advisor may be implemented through AAS, its affiliates or other financial services providers through separate written agreement(s). You are under no obligation to act on the advice that is given to you. If you choose to act on any of the advice given to you, you are under no obligation to open any accounts with us and you may, in fact, open accounts with firms that are not affiliated with us.

Retirement Solutions

- **Retirement Management Solutions (RMS) Program**

The AAS' Retirement Management Solutions ("RMS") Program is a platform specifically designed for qualified retirement plans including, but not limited to, 401(k), profit sharing, defined benefit, Solo(k), 403(b), SEP IRAs and SIMPLE IRAs (each the "plan" and "client"). **Note:** The RMS Program is not designed for non-qualified plans. **AAS' retirement planning programs and services do not have minimum account or asset requirements.** See **Item 7** for additional information about types of clients AAS and its Advisors generally provide investment advisory services and account minimums.

To the extent requested by a client, through the RMS Agreement and, if applicable Unitization Letter, AAS and/or its Advisors may perform all or some of the following services:

- **Plan Investment Consulting Services:** Under AAS' investment consulting services for plans, an Advisor may provide such services as investment menu design and review, investment policy statement guidance, contract review for re-pricing and product enhancements. Generally, the Advisor's investment consulting services will constitute "investment advice" under Section 3(21)(A)(ii) of ERISA with respect to ERISA retirement plans.

- **Plan Investment Management Services:** Under AAS' investment management services for plans, AAS offers its RMS Select Model Program, which provides plans with access to a wide variety of mutual funds and exchange-traded funds (ETFs). The RMS Select Model Program is managed by AAS as an "investment manager" under Section 3(38) of ERISA with respect to ERISA retirement plans.

  Currently, the RMS Select Model Program is available through two RMS Platform Providers, Aspire (PCS) or July Business Services, as further described below. The RMS Select Model Program provides plans with access to four (4) investment strategies ("RMS Select Model Portfolios"), each with five different risk profiles: ultra-conservative, conservative, moderate, growth and aggressive growth. The five possible risk profiles represent a theoretical risk spectrum from least risk to most risk. The recommended RMS Select Model Portfolio (and the investments selected for the plan's account) is constructed to represent the risk-return characteristics of the plan's risk profile; however, AAS cannot guarantee that the RMS Select Model Portfolios offered will be able to achieve a particular level of return or maintain a particular risk profile. See **Item 8** for additional information on risks.

  The RMS Select Model Program is overseen by AAS' investment oversight committee ("IOC" or "Committee"), chaired by the Firm's Chief Investment Officer. The IOC monitors the current state of the economy and markets, researches and selects the various investments and investment strategies for the RMS Select Model Program and analyzes and reports on the performance of such models. The Advisor will monitor the plan's account and evaluate its performance in relation to the plan's long-term goals and objectives and meet with you (or the designated plan contacts) at least annually. See **Item 13** for additional information on review of accounts.

- **Other Plan-Related Services:** An Advisor may provide other plan-related services, such as plan participant education, enrollment assistance, or service provider analysis, whereby neither AAS nor its Advisors are acting as an "investment manager" or a "fiduciary" under ERISA with respect to ERISA retirement plans.

To participate in the RMS Program, a plan (client) must open an account through an AAS' approved recordkeeping vendor ("RMS Platform Provider"). RMS Platform Providers are responsible for providing recordkeeping and administrative services to the plan (and its participants). AAS in its sole discretion may add or remove a RMS Platform Provider; however, the final decision to utilize any RMS Platform Provider is made by AAS' clients, including plan accounts established under ERISA or IRC. Before selecting any RMS Platform Provider, a client should discuss with their Advisor the differing services (including, but not limited to directed trustees, custodians, clearing and execution services), fees and costs. Clients should refer to the RMS Platform Provider's agreement for additional information about the custodian of plan assets and the broker-dealer(s) used for trade execution. **Note:** Many of the RMS Platform Providers offer investment services on a transaction or commission-basis and, through these commission-based services, AAS' affiliated broker-dealer, AIS, serves as the broker-of-record and receives commission or transaction-related compensation. AAS is not affiliated with any RMS Platform Providers. See **Item 5 and Item 12** for additional information on fees, compensation, brokerage practices and related conflicts of interest.

ERISA Section 408(b)(2) Disclosure: When AAS is engaged to provide investment advisory services for a client that is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), AAS is a "covered service provider" to the plan for purposes of ERISA Section 408(b)(2) and the applicable regulations. This Brochure, the ERISA Section 408(b)(2) Disclosure, and the disclosures included in the written agreement between the ERISA client and AAS are intended to provide fee disclosures in accordance with the requirements of ERISA Section 408(b)(2).

Plan Participant Disclosure: Unless directly engaged by the plan participant (individually) to do so through a separate written agreement, AAS' Advisors do not provide individualized investment advice to plan participants. If you, a plan participant, engage an AAS Advisor to provide individualized investment advice for your retirement plan accounts (e.g., 401(k) or 403(b)), the Advisor's advice (for that account) is generally limited to the investment options approved by the plan.

- **Educational Services Program for Plans**

AAS offers an Educational Services Program for qualified plans. The Advisor cannot be either the advisor (under an investment advisory arrangement) or registered representative (under a brokerage arrangement) for the Plan to provide services under the Educational Services Program. The services provided vary depending on the client but usually include assistance with investment education seminars and meetings for plan participants. Such meetings may be on a group or individual basis and may include information about the investment options under the plan (e.g., investment objectives, risk/return characteristics, and historical performance), investment concepts (e.g., diversification, asset classes, and risk and return), and how to determine investment time horizons and assess risk tolerance. Such meetings do not include specific investment advice about investment options under the plan as being appropriate for a particular participant. The specific educational services are detailed in a separate, written agreement.

- **Referrals to Third-Parties**

AAS offers advisory services by referring clients to unaffiliated third-parties, including, but not limited to, investment managers, TAMPs, and retirement plan administrators (commonly referred to as third-party administrators or "TPAs"). These third-parties offer a variety of services, including, but not limited to asset management and other investment advisory services. Typically, as a result of the referral, AAS and/or your Advisor are paid a portion of the fee charged and collected by the third-party in the form of solicitor fee. Each solicitation arrangement is performed pursuant to a written solicitation agreement.

For example, we recommend third-party investment managers in relation to your stated investment objectives and risk tolerance, and you select a recommended model portfolio based upon your needs. You must enter into an agreement directly with the third-party investment manager who provides your designated account with asset management services. We are available to answer questions that you have regarding your account and act as the communication conduit between you and the third-party investment manager. The third-party investment manager has discretionary authority to determine the securities to be purchased and sold for your account. We do not have any trading authority with respect to the designated accounts managed by the third-party investment manager.

We also recommend third-party providers that offer plan participant services, such as portfolio optimization or self-directed brokerage options, or other plan services.

For additional information regarding the third-party's services, including fees and conflicts of interest, refer to the respective third-party's disclosure(s) and applicable agreement(s). For any referral made by your Advisor, AAS encourages you to discuss this with your Advisor or to contact the Firm, using the information provided on the cover page of this Brochure, with any client-specific questions.

- **Referrals to Avantax Planning Partner's RPS Program**

AAS maintains a promoter arrangement with Avantax Planning Partners, Inc. ("APP"), an affiliated RIA which, through its Retirement Plan Services ("RPS") division, provides investment advisory services to employer-sponsored retirement plans, such as 401(k) and profit-sharing plans, along with other plan services, which vary by plan client. Under APP's RPS division, APP serves as the ERISA Section 3(38) fiduciary investment manager for plan sponsors. RPS offers non-fiduciary administrative and recordkeeping services to plan sponsors that are ERISA Section 3(16) fiduciaries (i.e., administrators) for their respective plans, and other "ministerial" services, such as mailing of notices, mailing of new hire enrollment kits, and other related tasks. At a high level both APP and AAS provide investment advisory services to employer-sponsored retirement plans; however, APP utilizes different products and plan service providers. Because APP and AAS are affiliates, a conflict of interest exists, as AAS and its Advisors may be more inclined to refer clients or prospective clients to AAS' affiliate. Additional information on AAS' affiliations and related conflicts of risk is detailed in **Item 10 and Item 14.**

➢ **Collateralized, Non-Purpose Loan Program**

AAS offers a collateralized, non-purpose loan program made available through its affiliate broker-dealer (AIS), the affiliate's custodian (NFS), and a lender, currently Goldman Sachs Bank USA (the "Bank"). **The minimum account valuation, as determined by the Bank, to participate in the program is currently $125,000.** See **Item 7** for additional information regarding program minimums.

Under the collateralized, non-purpose loan program, borrowers may use the securities in an advisory account as collateral for an extension of credit, the proceeds of which may be used for any (legal) purpose except purchasing or trading new securities in the collateralized account. In exchange, the borrower pays a fee (interest rate) and gives the Bank a first priority (perfected) security interest in the collateral. AAS' affiliate, AIS, receives a referral fee from the fee (interest rate) paid by the borrower. Additional information about the fees, including related conflicts of interest, is described in **Item 14.**

There are specific risks involved when participating in a collateralized, non-purpose loan program. For example, if the collateralized securities decrease in value below the contract threshold, borrowers may have to pay down the loan, deposit more collateral or sell holdings without recourse. Such actions would generally trigger tax consequences and eliminate the potential for future returns from the securities sold. Additionally, some lenders charge variable interest, others may offer a range of terms and conditions based on the diversification and holdings of each client's collateralized portfolio. For example, under the AAS offered collateralized, non-purpose loan program the interest rate is calculated by adding your spread to 1-Month Term Secured Overnight Financing Rate ("SOFR" as published by CME Group Benchmark Administration Limited, also known as Term SOFR. Term SOFR is a forward-looking measurement of the SOFR published by the Federal Reserve Bank of New York. **More information about Term SOFR may be found at: https://www.cmegroup.com/market-data/cme-groupbenchmark-administration/term-sofr.html.**

The requirements to participate in the collateralized, non-purpose loan program, including approval (or denial) of credit, and additional terms and restrictions are determined at the sole discretion of the Bank. For additional information, refer to the Bank's disclosure(s) and the applicable agreement(s).

Item 5: Fees and Compensation

AAS and its Advisors price services based upon various objective and subjective factors. As a result, AAS' clients will pay diverse fees and costs based upon, among other things, the complexity of the engagement, type of service(s), investment products used, investment program and strategies employed, and other third-party-specific costs. C**lients may inquire at any time with their Advisor as to client-specific fees and costs.** The information contained in this Brochure cannot disclose every possible fee, expense and cost that a client may incur and is not intended to be an exhaustive list. Rather, this section provides a description of the most commonly incurred fees, expenses and costs associated with the products and services available through AAS. An Advisor or AAS, at the Advisor's or AAS' sole discretion, may pay any of these fees, expenses and costs or AAS, in its sole judgment, can choose to waive or reduce the minimum initial investment amount or account minimums for its programs.

AAS and your Advisor are compensated in several ways, as described in this Brochure. **Clients should be aware that the receipt of economic and/or other benefits by AAS and its Advisors creates a conflict of interest and may influence AAS' choices for and your Advisor's recommendations of investments, services, third-party investment managers and TAMPs.** Therefore, it is important that you understand how AAS and your Advisor are compensated, as well as the other costs and conflicts of interest associated with the investments and services provided to you through AAS and its Advisors.

Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged are available on our website at website at https://avantax.com/disclosures/account-fees-and-costs. These other brokerage account fees and expenses defray our costs associated with such services and include a profit to AIS, our affiliated broker-dealer. The additional compensation AIS receives represents a conflict of interest because AIS receives a financial benefit when it provides services in connection with maintaining your account. This compensation, however, is retained by the AIS [or Related BD] and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Related BD or Firm to provide such additional services.

AAS will typically earn compensation for managing client accounts by charging you an advisory fee. This fee is called an "assets under management" (AUM) fee. Essentially, this means that on a quarterly basis, we will charge you a fee that is calculated as a percentage of the market value of the assets held within your advisory account.

Generally, AAS' and your Advisor's fees are negotiable on a client-by-client, account-by-account basis, subject to applicable maximum fees as outlined in this Brochure. AAS and its Advisors offer a variety of services and manage a broad range of client accounts with different mandates, fee structures and expenses. AAS' Advisors charge differing investment advisory fees 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, negotiations with client, etc.). This is also a conflict of interest, as it creates a financial incentive for AAS' Advisors to provide preferential treatment to one account over others in terms of allocation of management time, resources, and investment opportunities.

In addition to AAS' and your Advisor's fees, all clients will incur underlying investment expenses and, depending upon the investments, services, and negotiated agreement, incur clearing and custody fees ("C&C Fees"), trade execution costs ("Ticket Charges"), and other fees and expenses. This information, along with other information regarding third-party fees, is described in the section entitled **Other Expenses, Fees and Costs**.

Note: Many of AAS' advisory services are provided under "wrap fee" programs whereby the client pays a single fee, based on a percentage of the managed assets, for investment advisory, portfolio management and trade execution. Depending upon the investments, investment strategy, trading activity, and other factors, you (the client) may pay more or less in fees and expenses. **Refer to AAS' Wrap Fee Program Brochure for a complete description of AAS' wrap fee programs, including fees, costs and risks, as those are not described in this Brochure.**

As referenced in **Item 4** and as more fully described in **Item 10**, many of AAS' Advisors are also registered representatives of AAS' affiliated broker-dealer, AIS, and/or licensed insurance agents with Avantax Insurance. Brokerage services, insurance services and investment advisory services are different, and the fees charged for those services are often separate. For example, your Advisor will earn investment advisory fees on an account managed under a written agreement through AAS and, if applicable, in the capacity as a registered representative with AIS, earn transaction-based compensation or commissions on brokerage services at AIS or insurance services through Avantax Insurance. **If your Advisor serves in multiple capacities, your Advisor has an incentive to recommend investment products or services that create the greatest compensation for your Advisor.** In addition to disclosing these conflicts of interest, AAS has created and implemented a compliance and supervisory program to mitigate such conflicts through the oversight of client accounts and investment advisory activities. AAS mitigates these conflicts of interest, in part, by endeavoring to act in each client's best interest and through the adoption and implementation of a Code of Ethics and other policies and procedures. See **Item 11** for additional information. **To determine whether your Advisor earns compensation in multiple capacities, review your Advisor's Form ADV 2B Brochure Supplement.** If a client has not received a copy of that document, the client should contact the Firm, using the information on the cover page of this Brochure.

AAS' clients are not under any obligation to enter into an agreement with and receive investment advisory products and services through AAS and its Affiliates, and many of these investment products and services are available through other investment advisers, broker-dealers, custodians, or other financial institutions. C**lients may inquire at any time with their Advisor as to any client-specific products, services, fees and costs.** AAS encourages all clients and prospective clients to read this Brochure, all relevant Brochure Supplements, and any documentation for the specific advisory programs, products and/or services, and ask any corresponding questions, prior to participation in any advisory program, product or service provided through AAS.

Wealth Management Advisory Services

- **IMS Flex Choice Non-Wrap and IMS Fee-Based Annuity**

Your Advisor and AAS will typically earn compensation for wealth management advisory services by charging an asset-based Program Fee that includes investment advisory, portfolio management, periodic reporting, and administration. All clients will incur underlying investment expenses. Furthermore, depending upon the investments, services, and negotiated agreement, clients will also incur clearing and custody fees ("C&C Fees"), trade execution costs ("Ticket Charges"), and other fees and expenses. This information is documented in the agreement (via the SIS) and the custodial agreement. Additional information about these fees and expenses is described in the section entitled **Other Expenses, Fees and Costs**.

The Program Fee is negotiated between you and your Advisor (on an account-by-account, client-by-client basis) and is subject to AAS' maximum annual Program Fee, as follows:

- IMS Flex Choice Non-Wrap: up to 2.3%
- IMS Fee-Based Annuity: up to 3.0%

The Program Fee is reflected in the client agreement (via the SIS) as a flat or tiered annual percentage, that is calculated on the Billable Account Value, billed quarterly in advance (January, April, July and October), directly debited from the client's account, and reflected on the custodial account statement.

The Program Fee may be a flat or tiered annual percentage, as further described below:

Flat Fee Schedule: A Program Fee based on a flat percentage would apply the applicable Program Fee rate (%) based on the applicable Billable Account Value, regardless of the amount. For example, under a flat fee schedule, if an account has a Billable Account Value of $1,500,000, the entire $1,500,000 would be charged a Program Fee rate of 1.25% (annually).

Tiered Fee Schedule: A Program Fee based on a tiered percentage would apply the applicable Program Fee rate (%) based on the applicable Billable Account Value (assets) that fell within each tier, subject to the maximum annual program fee. For example,

From	$0	to	$1,000,000	, the fee is	1.25%
From	$1,000,001	to	$2,000,000	, the fee is	1.00%
From	$2,000,001	to	$5,000,000	, the fee is	0.75%
Over	$5,000,000+			, the fee is	0.60%

Under the illustrative tiered fee schedule, if an account has a Billable Account Value of $1,500,000, the first $1,000,000 would be charged at a Program Fee rate of 1.25% and the remaining $500,000 would be charged at a Program Fee rate of 1.00% (annually).

NOTE: AAS and its Advisors price services based upon various objective and subjective factors. As a result, AAS' clients will pay diverse fees and costs based upon, among other things, the complexity of the engagement, type of service(s), investment products used, investment program and strategies employed, and other third-party-specific costs. **Clients may inquire at any time with their Advisor as to client-specific fees and costs.**

The Program Fee is calculated by taking the Program Fee percentage (%), divided by the number of days in the calendar year (i.e., 365 or 366 for leap years), then multiplying the quotient by the number of days in the billable calendar quarter (i.e., 90, 91 or 92 depending on the quarter and year), and multiplying that quotient by the Billable Account Value ($). The sum (i.e., quarterly Program Fee) is the amount that is directly debited from the client's account, unless otherwise agreed to in writing, and reflected on the custodial account statement in January, April, July and October.

Subject to variances outlined below, the "Billable Account Value" is equal to the market value of all assets, including cash and cash equivalents, and less the market value of any excluded assets. The market value of all assets and the calculation of the Program Fee is provided through a third-party portfolio accounting system that receives information from AAS' custodian. The market value information provided by the third-party portfolio accounting system is as of the close of business on the last business day of the billable calendar quarter. However, these quarter-end market valuations may be different from the market valuations provided by the custodian due to timing of corporate actions, accrued interest, and trade settlements. Excluded assets are determined in the sole discretion of AAS or as requested by an Advisor and approved by AAS. For more information about AAS' fee billing process, contact your Advisor or the Firm using the information on the front of this Brochure.

You (the client) are charged and debited the agreed upon Program Fee from which AAS' deducts its administrative fee and the remaining portion is distributed to your Advisor. Additional information about how AAS and its Advisors are compensated is described in **Item 14.**

The following Program Fee variances apply:

Initial Program Fee: The initial Program Fee, or Inception Fee, is calculated as of the date the Billable Account Value is funded or, if applicable, reaches the Program's minimum amount ("Inception Date") and is prorated for the balance of calendar days remaining in the calendar quarter. The initial Program Fee is billed the month following the Inception Date.

Interim Program Fee Adjustments: In the event any deposits and/or withdrawals (netted) equal or exceed $10,000 (in market value on an absolute basis) on any business day in an account, an interim, prorated Program Fee will be charged or refunded (as applicable) to the account. This is commonly referred to as flow or interim billing and is only applicable on an account-by-account basis (not aggregated with other related accounts). Each interim, prorated Program Fee is assessed in the month following the receipt/payment of the deposits/withdrawals (netted) and is based on the number of days remaining in the current billing period. You may request periodic withdrawals; and alternatively, may withdraw account assets subject to the usual and customary securities settlement procedures. You must acknowledge that your account is responsible for any charges, including contingent deferred sales charges, surrender charges, or redemption fees, that apply to redemptions or liquidations of securities held in the account.

Related Account(s): Upon a client's request, as negotiated with the Advisor, and as accepted by AAS in AAS' sole discretionary, advisory accounts may be associated or linked together ("Related Accounts") for tiered-fee billing purposes and may allow the Related Accounts (in aggregate) to achieve a lower-cost, tiered billing rate. The default billing method is to debit advisory fees for each account respectively, although you may be offered the option to have a consolidated management fee deducted from one primary account, instead of having management fees deducted from each account, provided this primary account is not a retirement account. The primary account will have lower performance returns than it would otherwise have, and your other accounts will have higher returns than they would otherwise have. For additional information, contact your Advisor.

Program Fee Changes: AAS reserves the right to modify or change the Program Fee after thirty (30) days of written notice to the client. You and your Advisor may renegotiate a Program Fee at any time and, an increase in a Program Fee will require a new client agreement and SIS; however, a decrease in a Program Fee requires only a notification by your Advisor to AAS. Program Fee changes will become effective at the beginning of the next billing period (i.e., start of each calendar quarter).

Ineligibility: In the event an account is deemed ineligible for a program, such as no longer meeting a program's minimum requirements or not funding an account (minimum size) within 90 days of opening an account, the advisory account will automatically be moved to a retail, brokerage account with AAS' affiliated broker-dealer, AIS. Wealth management advisory services will be discontinued and the related Program Fee will be terminated in accordance with AAS' policies (e.g., never charged or refunded). AAS and your Advisor will no longer be obligated to provide on-going advice and any trading will be done at your request (non-discretionary) and subject to retail commissions on a trade-by-trade basis.

Termination Refunds: Wealth Management Advisory Services may be terminated via notice at any time by either the client or AAS and, following the receipt of a notice of termination, the client will be issued a prorated refund of paid Program Fees, based upon the number of days from the termination date through the end of the then-current fee period. A refund, if any, is paid the month following the termination date. After the agreement has been terminated, transactions are processed at the prevailing brokerage rates/fees. You become responsible for monitoring your own assets and our firm has no further obligation to act upon or to provide advice with respect to those assets.

Advisory Programs May Be More Expensive

The advisory fees you pay to us are for the investment advisory services that we provide to assist you with selecting your investment allocation. Because most advisory programs purchase investments that have their own internal or management fees (such as mutual funds), the total cost of the program will be more than if you were to buy the securities individually.

You may purchase certain investment products that we recommend through other brokers or agents that are not affiliated with AAS.

Additional Compensation
Our programs make available mutual funds and ETFs, including through relationships with Strategic Partners, that also provide us with revenue. Regardless of this additional compensation, these products do not cost you more by purchasing them from us versus another firm. Our Strategic Partner program and the revenue received are described in more detail further in **Item 14.**

As noted below, Accounts are able to invest in certain mutual funds with a share class that have a distribution charge, also referred to as a 12b-1 fee. The clearing/custodial firm, NFS, has been instructed to credit any 12b- 1 fees received to the client's account. Neither AAS nor the Advisor shall receive 12b-1 fees from mutual funds purchased in any accounts.

Quarterly Performance Reports
As we mentioned in Item 4 of this brochure, you may be sent a quarterly report listing the performance of your account as well as any advisory fee that was deducted from your account for the quarter.

Program Choice Conflict of Interest
Clients should be aware that the compensation to the Firm and your Advisor will differ according to the specific advisory program chosen. The compensation to the Firm, AIS and your Advisor will be more than the amounts otherwise received if you participated in another program or paid for investment advice, brokerage, and/or other relevant services separately. As a result of the differences in fee schedules and other sources of compensation that exist among the various advisory programs and services offered by the Firm, AIS and your Advisor, we have a financial incentive to recommend particular programs or services over other programs and services available through the Firm.

Financial Planning Advisory Services ("FPAS")

Under AAS' Financial Planning Advisory Services ("FPAS"), your Advisor will charge a flat, dollar fee ("FPAS Fee"). The FPAS Fee is negotiated between you and your Advisor (on a client-by-client basis) and is generally based on the overall complexity of the financial plan, primarily the number and depth of each financial planning topic to be analyzed and addressed within the plan. Based on this, your Advisor will assign an overall complexity factor of a "Level 1," "Level 2," or "Level 3" that will be outlined, along with the specific FPAS Fee, in the financial planning agreement. The FPAS Fee generally does not exceed $10,000 for individuals, however, AAS' may approve higher fees based on complexity and services provided, subject to pre-approval by the AAS compliance personnel.

The FPAS Fee is paid to AAS and a portion shared with the Advisor. Method of payment for the FPAS Fee is specified in the written agreement. The FPAS Fee may be paid in advance, partially in advance, or at some other interval, as negotiated by your Advisor; however, in no instance will AAS or your Advisor require or solicit prepayment of more than $1,200 in fees, six months or more in advance.

The fees charged by AAS, such as asset management or Program Fees, in connection with the implementation of a financial plan are in addition to the fees incurred by a client in connection with the formulation of that financial plan. Some recommendations may be for investments, services or insurance products sold through AAS or its Affiliates. **If your Advisor serves in multiple capacities, a conflict of interest exists because your Advisor has an incentive to recommend investment products or services that create the greatest compensation for your Advisor.**

The financial planning agreement may be terminated via notice at any time by either the client or AAS. If the client chooses to terminate before receiving the initial financial plan, the client will receive a pro-rated refund of fees at AAS' sole discretion taking into consideration the amount of work that has already been spent preparing the plan. If AAS terminates the agreement before the client's receipt of the initial plan, the client will receive a full refund of fees paid. However, if the client or AAS terminates the agreement at any time after receiving the initial plan but before remitting fees for a subsequent year, AAS reserves the right in its sole discretion to prorate the amount of the refund, if any. Additional information about termination rights and refund procedures may be found in your financial planning agreement.

Retirement Solutions

Under AAS' Retirement Management Solutions ("RMS") Program, your Advisor and AAS will typically earn compensation for managing the assets of the plan by charging an Asset Management Fee based on a percentage of the market value of the assets held in the plan. A Fixed Fee (flat, dollar) option is also available for plans with $5,000,000 or more in plan assets. **The Asset Management Fee or Fixed Fee is negotiable and subject to an annual maximum fee of 3.00% of plan's assets held in the RMS Program** (if a Fixed Fee is agreed upon, that fee cannot exceed 3.00% of the plan's assets held in the RMS Program).

The Asset Management Fee and Fixed Fee do not include the cost of underlying investment expenses, custodial, recordkeeping and/or trade execution services, which are disclosed in the Platform Provider's service agreement. For additional information, refer to the section entitled **Other Expenses, Fees and Costs**.

Additionally, the plan authorizes each Platform Provider to calculate and pay the Asset Management Fee or Fixed Fee to AAS. The Asset Management Fee is billed and paid quarterly, in arrears; however, Platform Providers have differing methods of fee calculation and different payment options. You should review the account opening paperwork, service agreement and custodial agreement of your chosen Platform Provider for details.

If a plan elects the RMS Select Model Program, the plan will pay an additional fee 0.09% of plan assets in the RMS Select Model Program ("RMS Administrative Fee"), whereby 0.065% that is paid to AAS for managing the portfolios and 0.025 is paid to Matrix Settlement and Clearance Services, LLC (MSCS), a third-party vendor retained by AAS, for trade processing and custodial services. The RMS Administrative Fee is not shared with your Advisor.

Services under AAS' RMS Program may be terminated via 30-days written notice by either the plan (client) or AAS and, following the receipt of a notice of termination, AAS will make a pro-rata refund to the client of any advanced Asset Management Fee or Fixed Fee paid based upon the number of days remaining in the then-current fee period.

- **Educational Services' Program for Plans**

All fees for educational services are negotiated and agreed upon between the client and the Advisor. The fees are disclosed in the written agreement and may be based on assets under management or a flat annual fee. **The assets under management fee shall not exceed 3% of the market value of the plan assets, and if a flat fee is agreed upon, that fee cannot exceed 3.00% of the market value of the plan assets.**

Third-Parties

AAS offers advisory services by referring clients to unaffiliated third-parties, including, but not limited to, investment managers, Turnkey Asset Management Platforms ("TAMPs"), and retirement plan administrators (commonly referred to as "TPAs"). These third-parties may charge a minimum fee, and clients should be aware that the imposition of minimum fees by another entity will result in a higher fee being charged than is described in this Brochure. Clients may authorize the deduction of third-party fees from the client's custodial account(s). These additional fees and charges will be set forth in the information provided by the Advisor, including, but not limited to, the applicable third-party's disclosure(s) or the applicable agreement(s).

Other Expenses, Fees and Costs

Under AAS' wealth management advisory services and RMS Select Model Program, all clients will incur underlying investment expenses. Furthermore, clients will incur, depending upon the investments, services, and negotiated agreement, clearing and custody fees ("C&C Fees"), trade execution costs ("Ticket Charges"), and other fees and expenses. **Clients may inquire at any time with their Advisor as to client-specific fees and costs.** Additional information about other expenses, fees and costs typically associated with AAS' advisory services is provided below.

- **Underlying Investment Expenses for Mutual Funds and ETFs:** Mutual funds and/or exchange traded funds ("ETFs") pass along costs to investors by imposing fees and expenses, such as shareholder fees, operating expenses and/or transaction costs. These costs reduce the returns on mutual funds and ETFs. Therefore, clients should fully understand the costs incurred through these investments, as fully described in the mutual fund or ETF prospectus that is available upon request from your Advisor, and fully discuss these costs with your Advisor. For example, a client invested in a mutual fund or ETF through an AAS advisory program will pay at least two layers of fees. The client will pay the mutual fund or ETF underlying investment management fees and will also pay AAS' Program Fee. Clients may invest in many of the ETFs and mutual funds that AAS makes available through another broker-dealer, custodian, investment adviser or another financial institution and, as a result the client's fees may be higher or lower than those charged by AAS and your Advisor.

- **Share Class Costs and Fees:** Mutual funds and ETFs have different share classes with different fee structures and costs. Some share classes of a fund charge higher internal expenses, whereas other share classes of a fund charge lower internal expenses. Institutional and advisory share classes typically have lower expense ratios and are less costly for a client to hold than Class A shares or other share classes that are eligible for purchase in an advisory account. In some instances, a mutual fund offers only Class A Shares, but another similar mutual fund may be available that offers institutional shares. Some share classes incur a ticket charge (commonly described as TF shares). Other share classes incur no ticket charges (commonly described as NTF shares), but usually have higher underlying costs, and the associated costs would ultimately be incurred by the client.
    - While AAS strives to utilize the lowest cost share class available (without a surcharge) through its custodians, there may be other less costly share classes offered by a fund that are 1) not available for use by AAS due to constraints imposed by the terms of the fund's prospectus, 2) not available on the custodial platform, and/or 3) subject to other conditions or restrictions that make utilizing such share class unreasonable, costly or prohibitive. A conflict of interest exists in those limited situations in which AAS elects to utilize a share class more costly to the client, than the lowest cost share class available at the custodian, in order to avoid a custodian-imposed surcharge.

- **12b-1 Fees and Revenue Share:** Some mutual funds charge "12b-1 fees" to cover the costs of marketing and selling fund shares (distribution) and providing shareholder services. Distribution fees include fees to compensate brokers and others who sell fund shares and to pay for advertising, the printing and mailing of prospectuses to new investors, and the printing and mailing of sales literature. Shareholder service fees are fees paid to persons to respond to investor inquiries and provide investors with information about the mutual fund. Shareholder service fees can also be paid outside of 12b-1 Fees ("Revenue Share"). Certain mutual fund companies pay AAS' affiliate, AIS, to provide shareholder liaison services to investors. These fees are classified as shareholder servicing fees and generally include responding to investor inquiries and providing information on mutual fund investments.
    - While AAS does not directly receive this revenue, a conflict of interest exists because AAS indirectly benefits from its affiliates' profitability and growth. Specifically, AAS' affiliated broker-dealer, AIS, receives these shareholder service fees from certain mutual funds based on AAS' advisory assets invested in a particular mutual fund. AIS does not retain 12b-1 fees paid on assets in the RMS Select Model Program.

- **Sales Charges, Redemption Fees, and Other Restrictions**: If a client transfers a previously purchased mutual fund, and there is an applicable contingent deferred sales charge on the fund, the client will pay that charge when the mutual fund is sold. If the account is invested in a mutual fund that charges a fee if a redemption is made within a specific time period after the investment, the client will be charged a redemption fee. If a mutual fund has a frequent trading policy, the policy can limit a client's transactions in shares of the fund (e.g., for rebalancing, liquidations, deposits or tax-loss harvesting).
    - Clients have the ability to retain the higher cost share class until any contingent or deferred sales loads have passed before including such positions in an AAS account.

See **Item 8** for additional information on risks, including mutual fund and ETF risks.

- **Advisory Fees on Cash Assets and the Bank Deposit Sweep Program:** AAS, by and through its affiliate, AIS, makes available a Bank Deposit Sweep Program to its clients. AAS calculates asset-based fees (e.g., Program Fees and Asset Management Fees) on assets placed under its management, including cash, cash equivalents, money market funds, and assets held in the Bank Deposit Sweep Program. This creates several conflicts of interest and potentially additional costs to you. Depending on the client's investment objective and/or strategy, these cash balances could be relatively high and represent a material portion of the overall account. Clients should understand that the asset-based fees charged on these balances may exceed the returns provided by cash, cash equivalents, money market funds and/or Bank Deposit Sweep Program, especially in low interest rate environments. Furthermore, AAS' affiliate, AIS, and the custodian, NFS, receive revenue share from the Bank Deposit Sweep Program. Any fees earned from the Bank Sweep Program are not shared with your Advisor; however, the returns on the Bank Deposit Sweep Program may be less than you would earn through other similar programs and/or other investments. Furthermore, the more assets that are held in the Bank Sweep Program and/or as interest rates increase, the revenue share increases. Such increases do not directly correlate to increased returns for clients invested in the Bank Deposit Sweep Program. AAS is incentivized by its business model to use its affiliate's Bank Deposit Sweep Program, rather than individualized client circumstances. See **Item 14** for additional information about this program.

- **Clearing and Custody Fees ("C&C Fees"): C**lient-specific custodial asset-based charges are detailed in the client's custodial agreement(s) or client's custodial quarterly statements. The custodial asset-based charge is paid to the custodian, based on a percentage of the market value of the assets held within the account. The investment strategy will determine whether the C&C Fees will be deducted from the Program Fee, paid by the Advisor or deducted from the client's account. The amount of C&C Fees is usually determined by the level of assets held in the account or particular program. AIS, at its sole discretion, adds a markup to various C&C Fees that are paid by clients. The markup generates additional revenue for AIS. See **Item 14** for additional information.

- **Trade Execution Costs ("Ticket Charges"):** Client-specific custodial transaction-based charges are detailed in the client's custodial agreement(s) or client's custodial quarterly statements. The custodial transaction-based charges are billed by and paid on trade date to the custodian when a transaction is executed through the custodian and is based on the specific security or investment involved in the transaction. The investment strategy, investments and related transactions will determine whether the Ticket Charges will be deducted from the Program Fee, paid by the Advisor or deducted from the client's account. AIS, at its sole discretion, adds a markup to various Ticket Charges that are paid by clients. The markup generates additional revenue for AIS. See **Item 14** for additional information.

- **Account and Elective Services Costs:** All third-party providers, including the custodian, Platform Providers, third-party investment managers, and TAMPs available through AAS offer elective (or add-on) services and other charges that are borne solely by the client. For example, wire fees, transfer fees, margin interest, account activity fees, retirement account maintenance fees, platform fees, strategist fees, and annuity/insurance carrier fees. These costs may be waived, in whole or in part, by the third-party based on level of assets maintained with the third party, or other factors and/or conditions. Such fees may be higher or lower than those required by other third-parties.

- **Recordkeeping and Plan Administration Services**: Client-specific recordkeeping and plan administration service charges are detailed in the client's agreement(s) or client's quarterly statements and may be payable (as elected by the plan) by either the plan and/or plan participants. Such charges may include, but are not limited to, initial or flat fees for plan design and set-up, participant enrollment and education meetings, and plan document services, and asset-based recordkeeping fees that include daily administration, enrollment materials, and certain IRS filings.

- **Alternative and Complex Products' Impact on Advisory Fees:** Certain alternative and complex products (e.g., Direct Participation Programs involving Non-Traded Private Equity investments and/or Non-Traded REITs; Structured Products) may be deemed illiquid or non-tradeable. Consequently, these products will effectively become static holdings in your portfolio, with other holdings being rebalanced around the static/illiquid product(s). The Program Fee for these types of investments may be calculated based on unaudited net asset values provided as estimates by the sponsor of the product. These unaudited net asset values (deemed a "Fair Value") are provided by the product sponsor on a reporting period basis (e.g., monthly). AAS does not audit or confirm the accuracy of the Fair Values provided by sponsors. Sponsors do not adjust previously determined Fair Values. These valuations affect the calculation of a Program Fee. For example, the portion of your Program Fee attributed to a Non-Traded Alternative Investment may be calculated based on its Fair Value as of the end of the second month of the previous calendar quarter, rather than as of the end of the previous quarter. Thus, increasing or decreasing your Program Fee. See **Item 8** for additional information on risks, including alternative and complex product risks.

- **Margin and Margin Interest:** The use of margin is permitted in some investment advisory programs and may be recommended by your Advisor, resulting in additional costs, Program Fees and conflicts of interest. Margin, or a margin debit balance, is created by borrowing against your account which gives you access to cash and/or the ability to purchase additional investments. It is a conflict of interest if you borrow on margin in your account because AAS' affiliate, AIS, and the custodian receives compensation on the interest you pay on your margin debit balance. You are encouraged to evaluate the interest rates you pay by borrowing on margin and compare those interest rates to other available sources of credit (or lenders) from which you can borrow, as the interest you might be charged by borrowing on margin may be greater than loans available to you elsewhere. The use of margin exposes investors to the potential for higher losses. If you decide to open a margin account, please carefully consider that: (i) if you do not have available cash in your account and use margin, you are borrowing money to purchase securities, pay for fees associated with your account or withdraw funds; and (ii) you are using the securities that you own as collateral. Your Advisor also has a conflict of interest when recommending that you purchase or sell securities using borrowed money. This conflict occurs because your advisory fee is based on the total market value of the securities and cash balances in your account. If you have a margin debit balance (in other words you have borrowed and owe money to the Firm), your margin debit balance does not reduce the total market value of your Account. In fact, since you have borrowed money to purchase additional shares, the total market value of your account will be higher, which results in a higher advisory fee. Please also carefully review the margin disclosure document for additional risks involved in opening a margin account. See **Item 8** for additional information on risks, including margin and leveraging.

- **Variable and Index Annuity and Other Pooled Investment Fund Costs:** If a client holds a variable annuity that is managed as part of advisory account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor. Likewise, if a client holds a Unit Investment Trust ("UIT") in a program account, UIT sponsors charge creation and development fees or similar fees. Clients should understand the costs incurred through these investments, as more fully described in the prospectus that is available upon request from your Advisor.

- **Trading Errors:** AAS endeavors to identify and correct trade errors as soon as possible. When a trade error has been identified by AAS, the Advisor or client, AAS will promptly correct the error with the goal of restoring the account back to the same condition that would have resulted if the error had not occurred. Losses associated with trade errors that are not caused by the client will be borne by AAS or the Advisor. Under some circumstances, correction of an error could result in a gain; such gains are retained by AAS. For purposes of determining the gain or loss, related transactions are corrected in the aggregate so that profits offset associated losses; a client may not elect to ratify only those portions of a related transaction that are profitable.

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

AAS does not charge performance-based fees or engage in side-by-side management.

Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets of a client. Side-by-side management generally refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management, hourly charges, fixed fees (not including subscription fees) and at the same time manages other accounts for which fees are assessed on a performance fee basis. Since AAS does not charge performance-based fees, it does not engage in side-by-side management.

AAS' fees and compensation are disclosed in **Item 5** above and other compensation matters are disclosed in **Item 14**.

Item 7: Types of Clients

AAS' wealth management advisory services are primarily designed for individuals, corporations and other businesses that reside or are domiciled in the United States. This includes but is not limited to natural persons, high-net worth individuals, custodial accounts (i.e., UGMA, UTMA), estates, corporations, limited liability companies (LLCs), partnerships, and trusts. All advisory and retirement planning clients are required to sign a written agreement with AAS.

AAS' IMS Flex Choice Non-Wrap minimum account size (based on the market value of the assets held in the account) is $15,000. Upon a client's request, as negotiated with the Advisor, and as accepted by AAS at AAS' sole discretion, advisory accounts may be associated or linked together ("Related Accounts") to meet the program minimum of $15,000 but each Related Account must have (and maintain) an account value of at least $5,000 ("Multi-Account Management"). The MAM feature is used for Related Accounts across both taxable and non-taxable account registrations to create a single portfolio that is managed in a more tax-efficient manner. All Related Accounts must be in the same IMS Flex Choice program (discretionary and non-discretionary) to count toward the program minimum.

AAS' IMS Fee-Based Annuity Program is designed for an individual who wants on-going, sub-account investment advice from the Advisor who is compensated through the on-going advisory fee through an annuity contract. **AAS' Fee-Based Annuity Program has no minimum account size (based on fair market value of the assets) to participate; however, annuity contracts are subject to the issuing insurance company's (or insurance carrier's) terms and limitations.**

AAS' Collateralized, Non-purpose Loan program is designed for individuals who are seeking short-term financing and are willing to accept volatility/payback risk. **The minimum account valuation, as determined by the Bank, to participate in the program is currently $125,000.**

AAS' financial planning services are primarily designed for individuals and AAS' financial planning programs and services do <u>not</u> have minimum account or asset requirements.

AAS' retirement solutions and RMS Program are primarily designed for qualified retirement plans (but not the plan's participants or government pension plans), governed by ERISA and/or the IRC. This includes but is not limited to ERISA 403(b) Plan (single and multi-recordkeeping), Cash Balance Plan, Profit Sharing Plan, 401(k) Profit Sharing Plan, 401(k) Plan, 457 Plan, Money Purchase Plan, Defined Benefit Plan, 401(a) Plan, SIMPLE IRA, SEP IRA, Solo(k), and Non-ERISA 403(b) Plan (single and multi-recordkeeping). The RMS Program is <u>not</u> designed for non-qualified plans. All retirement plan clients are required to sign a written agreement with AAS. **AAS' retirement planning programs and services do <u>not</u> have minimum account or asset requirements.**

AAS does <u>not</u> design its programs or services for government entities[2] or municipal entities[3], and these types of clients are generally prohibited by AAS, unless otherwise approved in writing by AAS' compliance personnel.

AAS, in its sole judgment, can choose to waive or reduce the minimum initial investment amount or account sizes for its programs. Custodian-sponsored programs, third-party investment managers, TAMPs, Platform Providers and other third-parties may require different account eligibility requirements and/or minimum asset levels. These additional requirements will be set forth in the information provided by the Advisor, including, but not limited to, the applicable third-party's disclosures or agreement(s).

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2 The term "government entity" carries the same definition found in Rule 206(4)-5 of the Investment Advisers Act, as amended, and includes, but is not limited to, any agency, authority or instrumentality of the state or political subdivision; a pool of assets sponsored or established by the state or political subdivision or any agency, authority or instrumentality thereof, including but not limited to a defined benefit plan or a state general fund; and a plan or program of a government entity

3 The term "municipal entity" carries the same definition found in Section 15B(e)(8) of the Securities Act, as amended, and includes, but is not limited to municipal corporate instrumentality of a State and any other issuer of municipal securities.

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

This section applies to AAS' IMS non-wrap and RMS Select Model programs.

AAS' RMS Select Model Portfolios are overseen by AAS' investment oversight committee ("IOC" or "Committee"), chaired by the Firm's Chief Investment Officer. The IOC monitors the current state of the economy and markets, researches and selects the various investments and investment strategies for AAS' portfolio models, and analyzes and reports on the performance of such models.

For AAS' IMS programs with discretionary authority, your Advisor serves as the portfolio manager. Each Advisor uses differing methods of analysis and investment strategies in formulating investment advice or managing assets and those assets may be subject to differing or additional risks. AAS encourages you to discuss this with your Advisor.

<u>**Methods of Analysis**</u>

AAS and its Advisors use a variety of methods of analysis, including any one or combination of the following:

- **Economic Analysis:** Economic analysis generally involves studying various factors in an economy, including macro-economic factors (such as interest rates, inflation, and growth) and micro-economic factors (such as market share, supply, and consumer demands) specific to a particular industry, sector, or company. Economic analysis generally considers data in aggregate, presenting risk when individual items need to be considered separate.

- **Fundamental 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. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the security.

- **Qualitative Analysis:** Qualitative generally involves analyzing a company's or an issuer's overall value based on non-quantifiable indicators, such as management expertise and philosophy, employee and customer satisfaction, quality assurance and market recognition, and legal or regulatory issues. Qualitative observations typically cannot be readily measured and, therefore, are inherently subjective.

<u>**Investment Strategies**</u>

Advisors' investment strategies are based on the client's specific situation, including the client's designated investment objective(s), risk tolerance(s), investment time horizon, and investment restrictions (if any). Advisors may use one or a combination of the following investment strategies outlined below.

Each of AAS' RMS Select Model Portfolios is designed to focus on a specific investment style, using specified-types of securities. In turn, AAS and/or the Advisor align a client's specific situation, using the client's designated investment objective(s), risk tolerance(s), investment time horizon, and investment restrictions (if any), with one of the RMS Select Model Portfolios. In constructing RMS Select Model Portfolios, the Committee uses a combination of the following investment strategies outlined below.

- **Portfolio Diversification:** Portfolio diversification attempts to reduce investment risks by spreading assets across a variety of investments and is a key component of the modern portfolio theory ("MPT"). A portfolio can be primarily diversified in terms of asset classes, investment style, and geography, as further described below:

    - **Asset Allocation:** Asset allocation centers around the decision about what asset classes (i.e., cash, equities, bonds, etc.) to include in a portfolio, and how much to include in each. Asset allocation investment strategies attempt to optimize the risk and reward of a portfolio by investing among several asset classes. Strategic asset allocation calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment valuations and cashflows skew asset allocation percentages. Tactical asset allocation allows for a range of percentages in each asset class (e.g., equities 40-50%), establishing investable parameters (minimum and maximum boundaries) to make minor adjustments based on economic, market and other factors.

- **Investment Style:** Investment style refers to the general portfolio characteristics that are favored by the manager's investment philosophy (as further described below). The most well-known styles in equity investing are based on company size (e.g., small, mid, and large-cap) and fundamental attributes (e.g., value, blend, growth, and momentum).

- **Geography:** Geography usually refers to countries but more often to regions, such as the Americas, Europe and the Middle East, Asia, the United States or international (non-U.S.).

- **Investment Management Philosophy:** An investment management philosophy is the beliefs and principles that guide the way an investor and investment manager approach investment-making decisions.

  - **Active Management:** Active investing seeks to outperform a designated benchmark on a relative-basis typically by specializing in a particular sector (e.g., technology, etc.) or sub-subsector (e.g., semiconductors, software, hardware, etc.) and taking sometimes concentrated positions in individual securities or targeting event-driven, market inefficiencies (e.g., corporate events, bankruptcies, etc.

  - **Passive Management:** Passive investing seeks to track a designated benchmark on a relative-basis by applying a rules-based, investment approach that does not typically involve specializing in individual securities and/or short-term trading practices. Indexing is a passive management philosophy that refers to strategies intended to replicate the performance of non-investable benchmark index (e.g., S&P 500 Index).

<u>**Risk of Loss**</u>

Investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors which are neither within the control of, nor predictable by AAS. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war or regional/global pandemic) that affect investments in general or in specific industries or companies. The investment decisions made, and the actions taken in managing client assets will be subject to various market, liquidity, currency, economic, political and other risks. Investing in securities involves a risk of loss that clients should be prepared to bear. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments will fluctuate due to market conditions and other factors. Investments may lose value and past performance is never a guarantee of future results.

The information contained in this Brochure cannot disclose every potential risk associated with an investment strategy, nor all of the risks applicable to a particular manager, security or investment. Risks vary by client according to their investment objectives, guidelines, liquidity needs or risk tolerances and not every strategy or portfolio will be exposed to each of the risks described in this Brochure. This list is not intended to be exhaustive of all of the risks associated with investing in strategies or securities that are utilized or recommended by AAS. Rather, it is a general description of the nature and risks of the investment advisory services provided by AAS and the related investments.

This summary is qualified in its entirety by reference to the prospectuses and offering documents that apply to the funds and/or strategies that AAS recommends and/or in which a client invests. Clients should carefully read any applicable prospectuses and/or offering documents and should consider consulting with their legal and/or tax professionals before engaging in any particular investment strategy or transacting in any specific investment. Past performance is no guarantee of future results.

A. GENERAL RISKS

Asset Allocation: A portfolio that holds large cash positions may deviate from the stated benchmark and could underperform as a result. Differences in the security holdings and weights of a portfolio versus the strategy benchmark will result in disparities between a portfolio's performance relative to its benchmark. A portfolio may perform better or worse than a similarly managed account for various reasons including, but not limited to, the frequency and timing of rebalancing and trading each portfolio and the size and number of positions in each portfolio.

Concentration: Strategies that are concentrated in only a few securities, sectors or industries, regions or countries or asset classes could expose a portfolio to greater risk and may cause greater portfolio volatility.

Investment Strategy (Model): AAS cannot and does not guarantee that the investment strategies offered will be able to achieve a particular level of return or maintain a particular risk profile. AAS' investment strategies are developed by AAS. Each investment strategy's performance is based on a composite aggregation of related portfolios managed by AAS, the securities in the portfolio are directly owned by the separate account's owner(s) and the separate account's owner(s) have the right to terminate the investment advisory agreement with AAS at any time. Investors in each strategy will have slightly different weightings in holdings, asset classes and performance results, primarily due to the timing of an investment (cash) into and out of the respective strategy. Separate accounts are unregistered investment vehicles and do not have the legal or regulatory requirements as registered securities.

Market: Securities markets are volatile and investing in securities involves the risk of loss that clients should be prepared to bear. The direction of the capital markets (*e.g.*, stock, credit, interest rate, real estate, private equity, volatility, *etc*.) are difficult to predict and are dependent upon changes in a number of factors, including, but not limited to, interest rates, inflation, and a host of additional economic and political factors. There is always a risk that the capital markets as a whole will decline, bringing down the value of individual securities regardless of their fundamental characteristics. Market risk is also known as systematic risk or undiversifiable risk. This risk is both unpredictable and impossible to completely eliminate.

Security Selection: The risk of choosing a security that underperforms the market for unanticipated reasons. There can be no assurance that clients will ever come to realize the value of some of these investments, and that the investment will ever increase in value. During this time, the client may have funds locked up in an underperforming investment, which presents an opportunity cost for other investments.

B. INVESTMENT-SPECIFIC RISKS

Alternative and Complex Products*:* Complex products, including but not limited to, structured notes, leveraged ETFs, non-traded real estate investment trusts (REITs) and options, may use advanced trading techniques such as leverage, options, futures, swaps, and other derivatives or assets which lead to additional risks. Investing in a complex product should not be compared to investing in the underlying asset, as the features and risks may differ significantly. Investors should be aware of any attributes related to limits on the upside or downside potential of returns, call options, income, risk reduction strategies, early termination events, tax consequences, and market events that impact the complex product or its underlying asset. Certain complex products carry additional risk, including the potential for losses that may exceed the original investment amount.

Alternative Investments are subject to various risks such as limitations on liquidity, pricing mechanisms, and specific risk factors associated with the particular product, which for products associated with real estate, would include, but not be limited to, and property devaluation based on adverse economic and real estate market conditions. Alternative Investments may not be suitable for all investors. A prospectus that discloses all risks, fees and expenses, and risk factors associated with a particular Alternative Investment may be obtained from your Advisor. Read the applicable prospectus(es) or offering document(s) carefully before investing.

Investors considering an investment strategy utilizing Alternative Investments should understand that Alternative Investments are generally considered speculative in nature and involve a high degree of risk, particularly if concentrating investments in one or few Alternative Investments or within a particular industry. The risks associated with Alternative Investments are potentially greater and substantially different than those associated with traditional equity or fixed income investments.

Annuities: A variable annuity contract is subject to product terms and limitations and the claims-paying ability and financial strength of the issuing insurance company. A variable annuity contract contains certain fees, restrictions and risks; withdrawals may be subject to ordinary income taxes and, if made prior to age 59½, may be subject to a 10% federal tax penalty; and surrender charges may also apply. Additionally, the potential tax benefits of a variable annuity contract are eliminated if the variable annuity contract is used to fund a qualified plan, such as a 401(k) or IRA. An index annuity should not be compared to investing in the underlying asset, as the features and risks may differ significantly. An indexed annuity contract contains certain fees, restrictions and risks, including market risks. Investors should be aware of any attributes related to limits on the upside or downside potential of returns, risk reduction strategies, early termination events, tax consequences, and market events that impact the indexed annuity, including the potential for losses that may exceed the original investment amount.

Bank Deposit Sweep Program: As described in **Item 4**, the Bank Deposit Sweep Program is through AIS, AAS' affiliated broker-dealer, and NFS and is the sole cash sweep option available to all advisory accounts, except 401(k) related advisory accounts. AIS earns revenue on all accounts in the Bank Deposit Sweep Program, except ERISA accounts, 401(k) accounts, Simple IRAs and SEP-IRAs, and this creates a conflict of interest. Additionally, banks participating in the Bank Deposit Sweep Program do not have a duty to offer the highest rates available or rates that are comparable to money market funds. Furthermore, you (the client) are responsible for monitoring the total amount and insurable capacity of deposits both as part of and outside of the Bank Deposit Sweep Program, for the purpose of determining the FDIC insurance coverage for those deposits. To the extent deposits exceed the applicable FDIC maximum coverage amount, these excess funds are ineligible for FDIC insurance. All funds not insured by the FDIC are at risk of loss in the event of a bank failure.

Cash-Equivalents (Money Market Funds): Cash equivalents are short-term, highly-liquid investments, such as money market funds (a type of mutual fund) and are subject to interest rate and issuer-specific changes. Interest rate increases can cause the price of a money market security to decrease. Likewise, a decline in the credit quality of an issuer can cause the price of a money market security to decrease. An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at one dollar per share, it is possible to lose money by investing in a money market fund.

Concentrated Investment Strategies*:* Certain investment strategies may be concentrated in a specific sector or industry. If you invest in a portfolio or strategy that is made up of a concentrated position, sector or industry, your portfolio will be more likely to sharply increase or decrease in value with changes in the markets. Concentrated strategies are more volatile because the risk associated with each company represents a large percentage of your overall portfolio value.

Equities (Stocks): Equity instruments are subject to equity market risk, which is the risk that common stock prices will fluctuate over short or even extended periods. Equity securities generally have greater price volatility than fixed income securities. The market price of equity securities may increase or decrease, sometimes rapidly or unpredictably. Equity securities may decline in value due to factors affecting markets generally, particular industries, sectors or geographic regions represented in those markets, or individual security concerns.

Exchange Traded Funds ("ETFs"): ETFs are, by definition, portfolios of securities, and although the risk associated with investments in ETFs may be low relative to investments in securities of individual issuers, there are events that can trigger sharp, and sometimes adverse, price movements in ETFs that are not related to movements of the markets in general. These events include, but are not limited to, unanticipated dividends, changes to regular dividend amounts, announcements of rights offerings and possible unexpected revisions to the net asset values of the ETF. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.

Fixed Income (Bonds or Debt): Debt securities are affected by changes in interest rates. When interest rates rise, the value of debt securities are likely to decrease. Conversely, when interest rates fall, the values of debt securities are likely to increase. The values of debt securities may also be affected by changes in the credit rating or financial condition of the issuing entities.

Leveraged Investment Strategies (Margin, Options, Loans/Borrowing): Borrowing against securities may not be suitable for all investors. A decline in the value of collateralized assets, including as a result of markets going down in value, may require deposits of more securities or funds to maintain the level needed to avoid a maintenance call or pay down the line of credit. Investors should be aware of any attributes related to limits on the upside or downside potential of returns, call options, income, risk reduction strategies, early termination events, tax consequences, and market events that impact the product or strategy. Certain products/strategies carry additional risk, including the potential for losses that may exceed the original investment amount.

Management Risk: The services we offer involve your Advisor developing and implementing an investment strategy for you. Developing and implementing a profitable investment strategy inherently involves making decisions about the future behavior of, among other things, the securities markets as a whole and the market for individual securities. Because there is no available methodology for accurately predicting future events over time, there can be no guarantee that your Advisor will be successful in developing a profitable investment strategy for you or in implementing the strategy he or she develops.

Money Market Funds: An investment in a money market mutual fund, unlike bank deposits, is not insured or guaranteed by the FDIC or any other governmental agency, and it is possible to lose money by investing in a money market mutual fund. Money market mutual funds are covered by SIPC, which protects against the custodial risk (not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of $500,000, of which $250,000 may be cash.

A money market mutual fund generally seeks to achieve a competitive rate of return (less fees and expense) consistent with the fund’s investment objectives, which can be found in the fund’s prospectus. As discussed in Item 14, rates in a money market fund will vary over time and may be higher or lower than the rate paid on the Bank Deposit Sweep Program or other money market mutual funds not offered as part of a cash sweep. The Firm typically earns more by designating the Bank Deposit Sweep Program as the default sweep program for your account. Accordingly, the Firm has a conflict in selecting cash sweep programs which is discussed further in Item 14.

Mutual Funds: The risks with mutual funds include the costs and expenses within the fund that can impact performance, change of managers, and the fund straying from its objective (*i.e.*, style drift). Mutual funds have certain costs associated with underlying transactions, as well as operating costs such as marketing and distribution expenses and underlying advisory fees. Mutual fund costs and expense vary from fund to fund and will impact a mutual fund’s performance. Additionally, mutual funds typically have different share classes, as further discussed below, that trade at different Net Asset Value (“NAV”) as determined at the daily market close and have different fees and expenses.

Mutual Fund Share Classes: Mutual funds that offer different share classes are priced differently and have varying levels of internal costs. For example, institutional share classes often have higher trading costs; however, the internal costs of the fund are lower. Over a period of time, certain share classes will become more expensive if held in an account for an extended period of time. Additionally, even though multiple share classes may be available, a custodian may only make available a limited number of share classes, or a custodian may not choose to offer the least expensive share class that is available. Other custodians and investment advisers may offer the same mutual fund or a different mutual fund share class at a lower overall cost to the investor.

Options: Certain types of option trading are permitted in order to generate income or hedge a security held in the program account; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the program account. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and the program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the program account.

Structured Products: Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer’s ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer’s credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

Tax Overlay Strategy: A tax overlay (or tax-managed) strategy relies on various techniques, assumptions, and calculation methodologies and cannot be guaranteed to reduce or minimize a client's overall tax liabilities, or as to the tax results that may be generated by a given transaction (or transactions). A tax-managed strategy may cause a client portfolio to hold a security in order to achieve more favorable tax treatment or to sell a security in order to create tax losses. Factors that could impact the value of tax-managed investing techniques include, but are not limited to market conditions, the tax characteristics of securities used to fund an account, client-imposed investment restrictions, client tax rate, asset allocation, investment approach, investment universe, and any tax law or firm policy changes. The pre-tax performance of a tax-managed account may be lower than the performance of similar advisory accounts portfolios not employing a tax overlay strategy. Under current IRS regulations wash sales, which occur when securities are sold at a loss and then re-purchased within 30 days, and any tax loss sought through the sale of a security may be disallowed by the IRS. AAS' Advisors cannot monitor all assets held outside of clients' AAS account. Tax-managed investing does not equate to comprehensive tax advice, is limited in scope, and not designed to eliminate taxes in an account.

C. PROCEDURAL AND OPERATIONAL RISKS

Cybersecurity and Information Security: A portfolio is susceptible to operational and informational security risks due to the increased use of the internet. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks, or devices through "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cybersecurity failures or breaches of third-party service providers may cause disruptions at third-party service providers and impact business operations, potentially resulting in financial losses; the inability to transact business; violations of applicable privacy and other laws, regulatory fines, or penalties; reputational damage; unanticipated expenses or other compensation costs; and/or additional compliance costs. AAS has an established business continuity and disaster recovery plan and related cybersecurity procedures designed to prevent or reduce the impact of such risks; there are inherent limitations in such plans and systems due in part to the evolving nature of technology and cyberattack tactics. Additionally, AAS employs reasonable security standards and safeguards to protect clients' personal information and prevent fraud. Additional information about AAS' business continuity and disaster recovery plan and privacy policy is available at https://www.avantax.com/disclosures/account-protection-and-privacy. **If you suspect fraudulent activity in your AAS account(s), you should immediately contact the Firm at 866-218-8206, Option 2 (Client Service) or contact your account custodian using the information on the custodial statement.**

Operational Risk: Portfolios are exposed to operational risk introduced through human intervention or the failure of automated processes. Operational risks include, but are not limited to, reconciliation errors, trading the wrong security, trading a security for an unintended portfolio or purchasing a security that a portfolio was intended to sell, or vice versa.

Technology and Third-Party Vendors AAS relies on third-party vendors and technology providers in order to provide many of its services. Additionally, some of the technology used is provided by third-party vendors and is, therefore, beyond AAS' direct control. AAS seeks to ensure adequate backups of hardware, software, telecommunications, internet-based platforms, and other electronic systems, through its vendor due diligence procedures, but there is no guarantee that any or all third-party service provider risks will be mitigated. In addition, natural disasters, power interruptions and other events may cause system failures, which will require the use of backup systems. Backup systems may not operate as well as the primary systems and may fail to properly operate, especially when used for an extended period. To reduce the impact a system failure may have, AAS evaluates its backup and disaster recovery systems and performs periodic testing of its backup systems operations. Despite AAS' reasonable efforts, hardware, telecommunications, or other electronic systems malfunctions may be unavoidable and result in consequences such as the inability to execute client transactions or monitor client accounts.

Item 9: Disciplinary Information

On December 20, 2021, Avantax Advisory Services, Inc. (“Avantax”) entered into a settlement with the Securities and Exchange Commission (“SEC”) in connection with the SEC’s findings that 1st Global Advisors, Inc. (“1st Global”), a firm that had been acquired and merged into Avantax in 2019, had not sufficiently disclosed to its advisory clients conflicts of interest arising from fees received by its affiliated broker from certain investment products.

To settle the 1st Global matter with the SEC, Avantax consented, without admitting or denying the SEC’s findings, to an Order regarding the inadequacy of disclosures by 1st Global between 2014 and 2019 concerning the revenue received from 1) 12b-1 fees; 2) certain no-transaction fee revenue received by 1st Global’s affiliated broker from mutual funds; and 3) money market cash sweep products that generated fees for 1st Global’s affiliated broker. Under the settlement, Avantax agreed (a) to cease and desist from committing or causing violations and any future violations of Sections 206(2) of the Investment Advisers Act of 1940; (b) to a censure; and (c) to pay affected investors $12,349,153.11 in disgorgement and $2,524,000 in prejudgment interest, as well as a civil monetary penalty of $2,000,000 for the conduct by 1st Global.

The Firm’s current registration record, including additional disclosure information, Brochure, and Form CRS, is available on the SEC website, www.adviserinfo.sec.gov, by selecting “Firm” and typing in Avantax Advisory Services, Inc. or its CRD# 104556.

If there are legal or disciplinary events material to a client’s or prospective client’s evaluation of an Advisor, those material facts will be disclosed through a Brochure Supplement. If a client or prospective did not receive a Brochure Supplement, the client should contact the Firm using the information on the cover page of this Brochure.

Item 10: Other Financial Industry Activities and Affiliations

The Firm’s and its Advisors’ other financial industry activities and affiliations create conflicts of interest and, in many cases, incentivizes AAS and its Advisors to recommend an affiliate’s products and/or services versus other, similar, non-affiliated providers. Additionally, many of AAS’ Advisors serve in multiple capacities and may be incentivized to recommend products or services that create the greatest compensation for the Advisor.

As further detailed in **Item 4** and **Item 11**, AAS seeks to address these conflicts of interest by monitoring and enforcing a Code of Ethics, along with other compliance and supervisory policies and procedures, and through the establishment of the investment oversight committee (“IOC” or “Committee”), chaired by the Firm’s Chief Investment Officer. Furthermore, AAS seeks to disclose material conflicts of interest to its clients and prospective through this Brochure and other documents.

Avantax Wealth Management Entities

Affiliates with which AAS is under common control and shares operations and/or supervised persons with (collectively, the “Avantax Wealth Management Entities”) includes:

- **Affiliated Broker/Dealer**: Avantax Investment Services, Inc. (“AIS”) is a SEC-registered broker-dealer and government securities dealer or broker, member FINRA/SIPC. AIS is authorized to solicit, buy and sell securities and annuities in one or more states. Additional information about AIS is available on brokercheck.finra.org, by searching “Avantax Investment Services, Inc.” or CRD# 13686.

- **Affiliated Investment Adviser, Financial Planner and Pension Consultant**: Avantax Planning Partners, Inc. (“APP”) is a SEC-registered investment adviser. APP provides financial planning, portfolio management, retirement plan services and other investment advisory services. Additional information is available on www.adviserinformation.sec.gov, by searching “Avantax Planning Partners, Inc.” or CRD# 106237.

- **Affiliated Insurance Agencies**: Avantax Insurance Agency, LLC (“AIA LLC”) and Avantax Insurance Services, LLC (“AIS LLC”) offer a variety of insurance products and services (collectively, “Avantax Insurance”). **Note:** Insurance products and services are not deposits, not FDIC insured, not guaranteed by a bank, not insured by any federal government agency, and may go down in value. Not all insurance products and services are available in all states.

AAS' clients and prospective clients are not under any obligation to obtain professional services or products (of any kind) from the Avantax Wealth Management Entities; however, certain services and/or products made available through AAS are from one or more of the Avantax Wealth Management Entities.

Cetera Entities

As further described in **Item 4**, AAS is an indirect subsidiary of Aretec and, as a result, affiliated with Cetera Financial Group. Cetera Financial Group owns a network of independent broker-dealers, investment advisers registered with the SEC, and general insurance agencies ("Cetera Entities"), including but not limited to:

- **Cetera Affiliated Brokers/Dealers**: Cetera Advisors LLC (CRD# 10299), Cetera Advisor Networks LLC (CRD# 13572), Cetera Financial Specialists LLC (CRD# 10358), and Cetera Investment Services LLC (CRD# 15340).

- **Cetera Affiliated Investment Advisers:** Cetera Advisory Services LLC (CRD# 285648), Cetera Investment Advisers LLC (CRD# 105644), Cetera Investment Management LLC (CRD# 165436), and The Retirement Planning Group LLC (CRD# 129625)

- **Cetera Affiliated Pension Consultants:** Cetera Retirement Plan Specialists

- **Cetera Affiliated Insurance Agencies**: Cetera Advisors Insurance Services LLC, Cetera Advisor Networks Insurance Services LLC, Cetera Insurance Agency, LLC, and NFG Brokerage, LLC

- **Cetera Affiliated Trust Company:** Cetera Trust Company, N.A.

AAS is under common control and shares operations and/or supervised persons with some of these Cetera Entities. Currently, AAS has no reason to believe that the relationship with the Cetera Entities creates a conflict of interest with AAS clients. AAS' clients and prospective clients are not under any obligation to obtain professional services or products (of any kind) from the Cetera Entities; however, certain services and/or products made available through AAS may be provided by one or more of the Cetera Entities. A complete list of Cetera Related Entities is available upon request by contacting the Firm using the information on the cover page of this Brochure.

CPA Firms

AAS is not an accounting firm and does not provide tax advice, however, the Firm maintains collaborative, referral arrangements with independent, nonaffiliated certified public accounting firms ("CPA firms") and their accounting professionals ("CPAs"), many of whom are registered with AAS as investment adviser representatives ("IARs" or "Advisor Representatives"). When an Advisor Representative determines that their clients need tax or accounting services, those clients are referred to the Advisor Representative's CPA firm. In addition, if account or tax clients of an Advisor Representative needs financial planning or other investment advisory services, the Advisor Representative, acting in a separate capacity as an accountant, refers clients to AAS.

Clients that are referred to AAS by a CPA firm will receive a commission and fee disclosure document, describing the direct and indirect compensation paid to the CPA firm. See **Item 14** for additional information on client Referrals and Other Compensation, including conflicts of interest and material arrangements with CPA firms.

Custodians

As previously described in this Brochure, AAS' affiliated broker-dealer, AIS, provides brokerage, custody and execution services through its clearing arrangement with National Financial Services LLC ("NFS" or "Custodian"), a non- affiliated firm, member NYSE, SIPC and a Fidelity Investments® Company.

As further detailed in **Item 5 and Item 12**, AAS receives research and other products or services (other than custody of securities, trade execution, clearance and settlement of transactions) from NFS. The products and services are provided to AAS as part of its overall relationship with the custodians; however, some of these benefits may be based on the amount of advisory assets held by the custodian. The receipt of these benefits creates a conflict of interest because any advice from AAS' Advisors may be based in part on the benefit to AAS or its Advisors and the availability of the foregoing research and other benefits and not solely on the nature, cost or quality of custody or brokerage services provided by the custodian.

Additionally, as further details in **Item 14,** AAS' affiliated broker-dealer, AIS, receives direct and indirect compensation from NFS in part based on AAS' advisory client and assets held in custody with NFS.

Third-Party Investment Managers and Turnkey Asset Management Platforms

As further detailed in **Item 4 and Item 5**, AAS utilizes third-party investment manager programs designed to allow AAS' Advisors to recommend (solicitor/promotor) and/or select (co-advisory) unaffiliated investment advisers for clients. These third-party investment managers (sometimes referred to as sub-advisors or third-party asset managers) may be selected directly by AAS' Advisors or available to AAS through a custodian-sponsored program and may handle all or a portion of a client's assets. Under this scenario the client will enter into a separate, written agreement with the third-party investment manager, detailing the fees and expenses that the client will pay to such third-party investment manager, in addition to the fees paid to AAS and its Advisors.

AAS and its Advisors may also recommend (solicitor/promotor) and/or select (co-advisory) Turnkey Asset Management Platforms ("TAMPs") to handle all or a portion of the asset management process. TAMPs typically include technology, investment research, portfolio management and other outsourcing services. TAMPs generally provide services that enable the Firm and its Advisors to integrate multiple providers, programs, products, and custodians.

For more information regarding custodian-sponsored programs and services, third-party investment manager programs and/or Turnkey Asset Management Platforms ("TAMPs"), including additional information on the advisory services and fees that are applicable, the types of investments available in the programs and the potential conflicts of interest presented by the programs, refer to the information provided by the Advisor, including, but not limited to, the applicable sponsor's/program's disclosures and agreement(s).

Investment Companies (Mutual Funds and Exchange Traded Funds)

While AAS does not have a related person that is an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), client assets are primarily invested through investment companies that offer mutual funds and exchange traded funds ("ETFs"). Some of these investment companies have entered into revenue sharing agreements with AAS' affiliate(s). See **Item 5** and **Item 14** for additional information about investment company revenue sharing payments.

Other Financial Industry Relationships or Arrangements

AAS has no relationship or arrangement with any futures commission merchant, commodity pool operator, commodity trading advisor, or sponsor or syndicator of limited partnerships that it believes to be material to the Firm's advisory business or its clients.

Advisors' Other Business Activities

If your Advisor serves in multiple capacities, a conflict of interest exists because your Advisor has an incentive to recommend products or services that create the greatest compensation for your Advisor. Clients should review the Advisor's Form ADV Part 2B Brochure Supplement to determine whether the client's Advisor is engaged in any of the activities described in this section that may create a conflict of interest. If the client did not receive the Advisor's Form ADV Part 2B Brochure Supplement, the client may contact the Firm using the information on the cover page of this Brochure. **Clients are not under any obligation to purchase or sell any commission products or any other services from AAS' Advisors.** AAS does not (itself) provide tax or legal advice and clients should discuss any questions with or request further information from the Advisor and/or legal and tax professionals prior to engaging in a tax overlay strategy.

Accountants: AAS is not an accounting firm and does not provide tax advice; however, certain Advisors, in their individual capacities, are accountants or Certified Public accountants ("CPAs"). When Advisors that are accountants determine that their clients need tax or accounting services, those clients are referred to the Advisors accounting firm or practice. In addition, if account or tax clients of an Advisor need financial planning or other investment advisory services, the Advisor, acting in the capacity as an accountant, refers clients to AAS (or an affiliate).

Affiliated Broker-Dealer, Investment Adviser and Insurance Agencies: Most of AAS' Advisors are also registered with one or more Avantax Wealth Management Entities, such as registered representatives of AAS' affiliated broker-dealer, AIS, registered investment adviser representatives with AAS' affiliated advisory firm, APP, and/or licensed insurance agents with Avantax Insurance. Brokerage services, insurance services and investment advisory services are different, and the fees charged for those services are often separate. For example, an Advisor will earn investment advisory fees on an account managed under a written agreement through AAS and, if applicable, in the capacity as a registered representative with AIS, earn transaction-based compensation or commissions on brokerage services at AIS or insurance services through Avantax Insurance.

While accounts are reviewed for suitability by an appointed supervisor and the Firm monitors for certain in appropriate trading, you should be aware of the incentives we have to sell certain account types and investment products for which AAS receives compensation (as described above) and you are encouraged to ask us about any conflict presented. Please be aware that you are under no obligation to purchase products or services recommended by us, members of our Firm, or a related entity in connection with providing you with any advisory services.

Attorneys: AAS is not a law firm and does not provide legal advice, however, certain Advisors, in their individual capacities, are practicing attorneys. When such individuals determine that their clients need legal services, those clients are referred to the Advisor's law firm or practice. In addition, if legal clients need financial planning or other investment advisory services, the Advisor (acting in the separate capacity as an attorney) refers clients to AAS (or an affiliate).

Banking or Thrift Institutions: AAS is not a bank or thrift institution nor affiliated with any banking or thrift institutions; however, in certain circumstances, investment advisory services of AAS may be marketed through banks and other depository institutions, in accordance with applicable regulations. Further, some Advisors conduct business from and/or are affiliated with a bank or other depository institution.

Insurance Agents: AAS is not an insurance agency, but is affiliated with two insurance agencies, as described above. Additionally certain of AAS' Advisors, in their individual capacities, are licensed insurance agents with and recommend the purchase of certain insurance-related products on a commission basis through non-affiliated insurance agencies. As a result, these individuals may be incentivized to recommend one insurance agency over another.

Other Investment Advisers, Financial Planners and/or Pension Consultants: Some Advisors own or are affiliated with Independent Investment Adviser firms ("I-RIA"). AAS and the I-RIAs are not affiliated companies and I-RIAs do not act as sub-advisors for AAS. Some Advisors provide asset management, financial planning, pension consulting and similar services as AAS, separately, through the I-RIA, while others only provide client referral or limited advisory services through the I-RIA. Fees provided to an I-RIA are separate and distinct from the fees paid to AAS and its Advisors in their capacities as Advisors. Clients that engage an I-RIA will receive a copy of the I-RIA's disclosure document and execute a client agreement with, and specifying the services provided and fees charged by, the I-RIA.

Real Estate Agents / Mortgage Loan Originators: AAS is not a real estate broker or dealer; however, certain Advisors in their individual capacities, are real estate agents or mortgage loan originators. In this separate capacity, the Advisor who is a licensed real estate broker will earn commissions for real estate transactions. Advisors that are mortgage brokers will earn commissions when selling or refinancing real estate loans.

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

Code of Ethics

We are committed to providing brokerage services and investment advice with the utmost professionalism and integrity.

AAS has adopted a code of ethics that includes standards of business conduct, reflecting the Firm's and its Advisors' fiduciary obligations, and provisions that require all supervised persons to comply with applicable federal securities laws. This code of ethics sets forth guidelines and restrictions for personal securities trading, including an absolute prohibition of trading on the basis of "inside" (i.e., material, non-public) information. AAS provides the code of ethics and related training to all supervised persons as a part of new hire orientation, and then annually thereafter. AAS' supervised persons are required to attest to having read and understood the code of ethics.

A copy of AAS' code of ethics is available upon request by contacting the Firm using the information on the cover page of this Brochure or by contacting your Advisor.

Personal Investing by Your Advisor
Your Advisor may purchase or sell the same security as you. This type of trading activity creates a conflict between your Advisor and you because your Advisor's transaction may receive a better price than your transaction. Our Code of Ethics places restrictions on your Advisor's personal trading activities. These restrictions include a prohibition on trading based on non-public information, pre-clearance requirements for certain personnel transactions with advance knowledge of model transactions and a requirement that any personal securities transactions do not disadvantage clients or otherwise raise fiduciary or antifraud issues.

Also, your Advisor may not purchase securities in an initial public offering or participate in a private placement without our written approval.

Personal Holdings and Transaction Reporting
We receive information of the security transactions purchased and/or sold by your Advisor in their personal accounts. We also receive information listing all securities that they currently own in their personal securities accounts. We also use monitoring systems to supervise trading in Advisor personal accounts that are held through AAS. Certain investments are not required to be reported to us by your Advisor, such as mutual funds holdings and securities issued by the Government of the United States.

Participation or Interest in Client Transactions
Generally, neither AAS nor any related person of AAS recommends to clients, or buys or sells for client accounts, securities in AAS or where any related person of AAS has a material financial interest. For example, AAS does not generally act as (1) a principal when buying securities from (or selling securities to) clients; (2) general partner in a partnership that clients are solicited to investment; or (3) an investment adviser to an investment company (i.e., mutual fund) that is recommend to clients.

Item 12: Brokerage Practices

This section applies to AAS' non-wrap and RMS Select Model programs.

Generally, the Firm does <u>not</u> accept directed brokerage arrangements, which is where a client requires that account transactions be affected through a specific client directed broker-dealer. **Client transactions are executed through the designated custodian(s) or Platform Provider(s), third-party investment manager(s) and/or TAMP(s).** Clients should be aware that some third-party investment managers and/or TAMPs execute trades away from the custodian. For more information about the brokerage practices of any Platform Provider, third-party investment manager or TAMP, clients should refer to the information provided by the Advisor, including, but not limited to, the applicable disclosure(s) and applicable agreement(s).

For AAS' Investment Management Solutions (IMS) platform, advisory accounts are required to be established and held through AAS' affiliated broker-dealer, AIS. AIS provides brokerage, custody and execution services through its clearing arrangement with National Financial Services LLC ("NFS" or "Custodian"), a non- affiliated firm, member NYSE, SIPC and a Fidelity Investments® Company. AAS selected AIS primarily due to its affiliation and AIS' relationship with NFS. As part of this relationship, AAS' receives substantial economic and non-economic benefits from NFS, including but not limited to, access to the Bank Deposit Sweep Program (as detailed in **Item 5** and **Item 12**), accessibility to dedicated service personnel, electronic and institutional trading, third-party research and technology, technical and operational support, advisory fee processing, and electronic communications and reporting to clients. AAS' and AIS' affiliation creates conflicts of interest and, in many cases, incentivizes AAS and its Advisors to recommend an affiliate's products and/or services versus other, similar, non-affiliated providers. Additionally, many of AAS' Advisors serve in multiple capacities and may be incentivized to recommend products or services that create the greatest compensation for the Advisor. F**or additional information about AIS' order execution and routing practices, visit https://www.avantax.com/disclosures/order-execution-routing or contact the Firm using the information on the cover page of this Brochure.**

For retirement plan accounts electing to participate in AAS' RMS Select Model Program, accounts are required to be established and held through either Aspire or July Business Services, whereby Matrix Settlement and Clearance Services, LLC ("MSCS"), a Broadridge Financial Solutions, Inc. company and a third-party vendor retained by AAS, facilitates trade processing and custodial services through its affiliates Matrix Trust Company ("Matrix") and MSCS Financial Services Division of Broadridge Business Process Outsourcing, LLC, member FINRA and an SEC registered broker-dealer, ("MSCSFS"). Matrix will use commercially reasonable efforts to transmit and confirm orders of purchase or redemption of underlying securities for the plan's unitized portfolio and will use commercially reasonable efforts to provide the net asset value ("NAV") for the plan's unitized portfolio each day. **For additional information regarding Matrix' order execution and routing practices, refer to the applicable disclosure(s), agreement(s), and unitization letter.**

AAS is obligated to seek best execution for all trades; however, 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 services. **While AAS reviews the accuracy, timeliness and execution of trades processed through the designated custodians, AAS cannot guarantee that a client will receive the most favorable execution of trades, which in turn may cost clients more money.** Periodically, AAS reviews the custodial services provided by other qualified custodians in comparison to those provided by NFS and MSCS.

AAS and its Advisors have the ability to aggregate, "bunch," or "block" client transactions. If elected, advisory accounts included in the bunched trade will receive an average price, if the entire order is not filled at a single price. Average pricing only occurs for trades in the same security entered at the same time by the same Advisor and not among different Advisors and only for stocks and ETFs. It is possible that there will be two or more aggregate trades for the same security for the same Advisor on the same day (e.g., one bunched trade is entered in the morning and one or more are entered later that same day). AAS does not generally do an average price calculation across multiple aggregate trades (either among the same or different Advisors). If the order does not execute in its entirety, the shares are allocated on a pro rata basis based on the original aggregated trade. There can be occasions where the pro rata allocation is increased or decreased to avoid holding odd lot or small numbers of shares, especially for smaller accounts. This allocation is determined in good faith in an attempt to be fair and equitable.

AAS' policies do not require your Advisor to block trade client orders. When an Advisor chooses not to aggregate client orders for the same security a conflict of interest exists. In such instances, the Advisor must decide which client order to place first which may result in one client receiving a better execution price over another client and could lead to certain client accounts receiving more favorable order executions over time. The Firm does not monitor Advisors choosing not to aggregate orders to determine whether any one client or group of clients is systematically disadvantaged over time.

Trades for tax-managed investing accounts may be processed separately from non-tax managed investing accounts. Therefore, same-day or multi-day trade timing differences can occur between the processing, submission and the execution of securities transactions, resulting in execution price differences between accounts and clients.

Agency Cross or Principal Trades
An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlling, controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Principal transactions arise when the Firm acts as an investment adviser and broker in a transaction between an advisory client on one side of a transaction and the Firm (including accounts of Firm representatives) on the other side of the transaction. This includes buying securities from or selling any security to an advisory client from the Firm's own account.

AAS does not engage in cross trading. AAS permits principal trades in exceptional circumstances with approval from an Advisor's supervisor and the Firm's compliance department. If an exception is approved, the Firm will receive consent from the client prior to executing the transaction and the principal transaction will be consistent with SEC guidelines. The Firm monitors trading for potential agency and principal trades and reviews every permitted principal transaction for suitability. Some of the items that the Firm reviews include, but are not limited to, security pricing and trade volume in order to determine if a principal transaction is in the client's best interest. No commission is received for the execution of principal transactions.

Item 13: Review of Accounts

Transactions that occur in AAS' investment advisory accounts are reviewed by Avantax personnel for adherence to criteria and guidelines on security selection, concentration, diversification and other restrictions that may apply. The Avantax personnel are assisted by various data processing exception reports and do not review every individual transaction. Other plan-related and financial planning services are reviewed on a risk-adjusted basis, as-needed, by Avantax personnel for adherence to contractually-obligated services and other criteria.

Investment advisory accounts, plan investment consulting and investment management accounts, and financial plans under the Seasonal Model are reviewed by your Advisor on at least an annual basis. AAS and/or its Advisors conduct account reviews on an other-than-periodic basis upon the occurrence of a triggering event, such as a change in client profile, a market correction or material market event or otherwise by client request. These annual or other-than-periodic reviews are typically conducted with the client in person, by phone or via video conference. **Note:** It is your (the client's) responsibility to promptly notify your Advisor, or AAS, of any changes in your client profile (i.e., investment objective, risk tolerance, investable time horizon, financial situation, liquidity considerations, etc.)

AAS provides written Quarterly Performance Reports ("QPRs") to its Advisors on a quarterly basis who, in turn, will make the QPRs available to the advisory clients. Alternatively, clients may elect electronic delivery of QPRs via an online client portal by requesting access from the client's Advisor. The QPRs provide information regarding an account's investment performance, asset allocation, investment holdings and other information. The QPRs are generated by a third-party service provider and, while the information is believed to be reliable, timing, sources of data and/or calculation methods will result in differences between what is reported on custodial statements.

For plan clients invested through AAS' RMS Select Portfolios, AAS provides quarterly composite performance reports that are available for viewing only via the client online portal.

Advisors may also provide other written, periodic reports to clients regarding their accounts. The content and frequency of these reports will vary based on the Advisor and/or the client's needs.

Clients are urged to compare any report provided by AAS and its Advisors with the confirmations and statements directly received from the custodian.

Item 14: Client Referrals and Other Compensation

Client Referrals

AAS and/or its Advisors sometimes receive client referrals from outside solicitors, usually attorneys, CPAs or other professionals (collectively, "promoters"). AAS has established the Strategic Alliance Program that is a referral program designed to compensate these promoters for referring advisory business to AAS. If a client is referred to AAS or an Advisor by a promoter, AAS pays a portion of the earned advisory fee to the promoter, typically for as long as the client maintains an advisory relationship with AAS, as compensation for the referral. AAS does not charge additional fees to the client if the client is referred to AAS by a promoter. Solicitation/referral arrangements are disclosed to clients at the time of the solicitation/referral via execution of a Disclosure Statement that outlines the nature and amount of the compensation AAS pays to the promoter. Additionally, the promoter is required to provide prospective clients with a current copy of AAS' Form ADV Part 2A no later than the date on which the client enters an advisory relationship with AAS and the Advisor. Promoters participating in the Strategic Alliance Program are prohibited from soliciting municipal or other government entities.

Referrals From AAS to APP's RPS Program: Advisors of Avantax Advisory Services, Inc. ("AAS"), APP's affiliate, may introduce or refer current or prospective investment advisory clients to APP's RPS Program. APP will pay AAS, who in turn pays the AAS' Advisor, a percentage of the annual investment management fee paid by referred clients, pursuant to the terms of a written agreement between APP and AAS' Advisor. For referred clients with account sizes $1,000,000 or less, APP will pay AAS 20% of the total fee actually collected by APP; for accounts over $1,000,000, APP will be pay AAS 40% of the total fee actually collected by APP. This creates a conflict of interest, as this arrangement incentives AAS and its Advisors to recommend an affiliate's products and/or services versus other, similar, non-affiliated providers.

AAS also refers clients to unaffiliated third-party investment manager(s) and/or TAMP(s), as outlined throughout this

Brochure, and receives a fee for doing so. See **Item 5** and **Item 10** for additional information.

AAS and/or its Advisors may also have legacy referral arrangements, such as with unaffiliated banks or credit unions or other individuals, that allows for the payment of compensation based on a pre-determined percentage of the advisory fee paid by the client. Such arrangements typically extend for as long as the client maintains an advisory relationship with AAS and do not result in additional fees charged to the client. Clients introduced to AAS or an Advisor through one of these arrangements receive a written disclosure statement indicating disclosing the relationship and the amount of the referral fee.

Other Compensation

In addition to the information detailed in **Item 5, Item 10** and **Item 12**, AAS, its affiliates, and/or its Advisors receive economic and non-economic benefits from third-parties as a result of investment advice or other advisory services provided to AAS' clients (collectively, "other compensation"). In some instances, such other compensation is substantial and incentivizes AAS, its affiliates and/or its Advisors to act in a manner that may be self-motivated rather than on the clients' interests, creating conflicts of interest. Some of these conflicts of interest cannot be avoided because of AAS' business model; others are mitigated through AAS' compliance and supervisory policies and procedures. The information provided in this Brochure regarding other compensation is not intended to be exhaustive of all of the other compensation arrangements. Rather, it is a general description of the other compensation arrangements that AAS believes are material to its clients and potential clients in making an informed decision whether to engage AAS and its Advisors to provide investment advisory products and services. **By entering into a written agreement with AAS, you (the client) consent to AAS', its affiliates' and/or its Advisors' retaining their respective portion of other compensation (directly or indirectly) in connection with AAS' investment advisory products and services you (the client) receive from and through AAS.** AAS encourages you to discuss this with your Advisor or to contact the Firm, using the information provided on the cover page of this Brochure, with any client-specific questions.

Direct Other Compensation

- **Administrative Fee:** AAS charges Advisors an administrative fee, which ranges from 0.00% to 0.35% based upon an Advisor's total advisory assets under management through AAS. The administrative fee is included in (and not in addition too) a client's Program or Management Fee.

- **Training, Educational and Marketing Support – TAMPs/Third-Party Managers**: AAS receives direct financial support from third-party investment managers and TAMPs for conferences, trainings, ongoing advisor education, and marketing efforts. In consideration for this financial support, AAS assists in the distribution of the third-party investment managers' and TAMPs' marketing materials to AAS' Advisors, provides opportunities for the third-party investment managers and TAMPs to participate in AAS' conferences and meetings, and other support as agreed upon by the parties. These arrangements create conflicts of interest, as it directly incentivizes AAS to promote products and services from third-party investment managers and TAMPs that provide direct financial compensation related to educational and marketing support. AAS mitigates this conflict by not directly sharing such compensation with its Advisors (who ultimately provide you, the client, with advice and recommendations); however, the Advisors indirectly benefit from the support through education, conferences, and training opportunities.

- **Training, Educational and Marketing Support – Mutual Funds and Insurance***:* We and our representatives receive additional compensation from mutual fund and insurance companies, including Strategic Partners (defined below) that is not related to individual transactions or assets held in accounts. This money is paid, in accordance with regulatory rules, to offset up to 100% of the costs of training and education of our representatives and employees. In some instances, mutual fund and insurance companies pay a flat fee in order to participate in our training and educational meeting. These meetings or events provide our representatives with comprehensive information on products, sales materials, customer support services, industry trends, practice management education, and sales ideas.

  It is important to note that due to the number of mutual fund and variable insurance products we offer, not all product sponsors have the opportunity to participate in these training and educational events. In general, our Strategic Partners have greater access to participation in these events and therefore greater access to, and opportunity to build relationships with, our representatives.

Some of the training and educational meetings for which we or our representatives receive reimbursement of costs include client attendance. If you attend a training or educational meeting with your registered representative and a product sponsor is present, you should assume that the product sponsor has paid for all or a portion of the costs of the meeting or event.

- **Other Cash and Non-Cash Compensation:** In addition to reimbursement of training and educational meeting costs, we and our representatives receive promotional items, meals or entertainment or other non-cash compensation from representatives of mutual fund companies, insurance companies, and direct participation sponsors, as permitted by regulatory rules. The sale of mutual funds, variable insurance products and other products, whether of our Strategic Partners or not, may qualify our representatives for additional business support and for attendance at seminars, conferences and entertainment events. Further, some of our home-office management and certain other employees receive a portion of their employment compensation based on sales of products of Strategic Partners.

- **Compensation from Strategic Partners:** Although we offer thousands of mutual funds and hundreds of variable life and annuity contracts, we concentrate our marketing and training efforts on those investments offered by a much smaller number of select and well-known companies (Strategic Partners). Strategic Partners are selected, in part, based on the competitiveness of their products, their technology, their customer service and their training capabilities. Strategic Partners have more opportunities than other companies to market and educate our Advisors on the investments and products they offer. We also provide Strategic Partners with additional opportunities to make their products available in programs or services offered by the Firm. For a current list of our Strategic Partners, please see the below list of Strategic Partners.

  Our Strategic Partners pay extra compensation to us and/or our affiliates in addition to the usual product compensation described in the applicable prospectus. The additional amounts that Strategic Partners pay us vary from one Strategic Partner to another and from year to year. Some Strategic Partners pay us up to 0.45% of your total purchase amount of a mutual fund or variable insurance product. So, for example, if you invest $10,000 in a mutual fund, we could be paid up to $45. Additionally, some Strategic Partners make a quarterly payment or additional quarterly payment based on the assets you hold in the fund or variable insurance product over a period of time of up to 0.15% per year. For example, on a holding of $10,000, we could receive up to $15.

  Alternatively, we may receive compensation from the mutual fund or insurance company as: (1) a flat fee regardless of the amount of new sales or assets held in client accounts; or (2) the greater of such flat fee or amount based on assets and/ or new sales as referenced above. These payments are designed to compensate us for ongoing marketing and administration and education of its employees and Advisors. You do not make these payments. They are paid by the mutual fund and insurance companies and/or their affiliates out of the assets or earnings of the funds or insurance companies or their affiliates.

  It is important to note that you do not pay more to purchase Strategic Partner mutual funds or insurance products through us than you would pay to purchase those products through another broker-dealer, and your Advisor does not receive additional compensation for selling a Strategic Partner product.

  We also receive revenue sharing payments from companies that are not Strategic Partners.

  Conflicts of Interest in Receiving Revenue Sharing from Strategic Partners
  A conflict of interest exists in that we are paid more revenue-sharing fees if you purchase one type of product instead of another and/or you purchase a product from one particular sponsor instead of another. Your representative also indirectly benefits from Strategic Partner payments when the money is used to support costs relating to product review, marketing or training. Our Advisors do not receive any compensation associated with the revenue sharing payments.

List of Strategic Partners
The following is the list of revenue Strategic Partners in alphabetical order:

Mutual Fund Companies:

• *American Funds* • *Amundi Pioneer* • *Blackrock* • *Calvert* • *Cantor Fitzgerald* • *DWS* • *Eaton Vance* • *Federated* • *Fidelity Advisors* • *First Trust*	• *Hartford* • *Invesco* • *John Hancock* • *Lord Abbett* • *MFS* • *Morgan Stanley* • *PGIM* • *Transamerica Mutual Funds* • *T. Rowe Price* • *Voya Investments*

Annuity Carriers:

• *Allianz* • *Athene* • *Brighthouse* • *Delaware Life* • *Eagle Life* • *Equitable* • *F&G* • *Jackson National* • *Lincoln Financial* • *Mass Mutual Ascend* • *Nationwide*	• *New York Life Insurance Annuity* • *Pacific Life* • *Protective* • *Prudential* • *Sammons Financial Group* • *Securian / MN Life Insurance* • *Securian Financial Annuity* • *Security Benefit Life* • *Symetra* • *Transamerica* • *TruStage*

Exchange Traded Products Partner Program: AAS offers an exchange traded products partner program (ETP Partner Program), which as described below, has similar features to the Firm's Strategic Partner Program. The Firm currently has entered into agreements with the ETP Partners listed below, and intends to add additional ETP Partners on an ongoing basis. For the most current list of our ETP Partners, please refer to our website at https://avantax.com/disclosures or call your Advisor.

Although we offer thousands of exchange traded products (ETPs), we concentrate our marketing and training efforts on those investments offered by ETP Partners. An ETP Partner is selected, in part, based on the competitiveness of its products, its technology, its customer service and its training capabilities. An ETP Partner has greater exposure to our Advisors (e.g., at conferences), and more opportunities to market and educate our Advisors on investments and the products they offer.

An ETP Partner pays extra compensation to us and/or our affiliates in addition to the compensation described in the prospectus. The additional amounts may vary from one ETP Partner to another and from year to year. In general, an ETP Partner pays us the greater of an annual flat fee regardless of the amount of new sales or assets held in client accounts or up to 0.25% of the ETP's net expense ratio (as set forth in the prospectus or supplement) of your investment's average daily balance during the quarter. So, for example, for each $10,000 average quarterly daily balance of an ETP Partners' product held by our clients, we would be paid up to $25 on an annual basis. Further, if the annual flat fee were $500,000 and the total asset-based fee did not reach that amount we would still be paid $500,000.

These payments constitute compensation to the Firm. The payments are paid by the ETP Partner and/or their affiliates out of the assets or earnings of the ETP Partner or their affiliates. You do not pay more to purchase an ETP Partner's product through us than you would pay outside of the ETP Partner Program, and your representative does not receive additional compensation for selling an ETP Partner product. For the most current description of the compensation we receive from ETP Partners, please refer to the Firm's website at https://avantax.com/disclosures.

Conflicts of Interest in Receiving Revenue Sharing from ETP Partners
A conflict of interest exists in the recommendation of ETP Partner products since we receive additional revenue if you purchase an ETP Partner product and/or if you purchase a product from one particular sponsor instead of another. Your representative also indirectly benefits from ETP Partner payments when the money is used to support costs relating to product review, marketing or training, as described below. Our Advisors do not receive any compensation associated with the revenue sharing payments.

In general, if you are not comfortable with the use of ETP Partner products in your account and the resulting conflicts of interest, then you should notify your Advisor of this preference and you should not participate in any advisory program that includes ETP Partner products.

List of Exchange Traded Products Partners

• *American Funds* • *Blackrock* • *DWS* • *Eaton Vance* • *Federated* • *Fidelity Advisors* • *First Trust* • *Franklin Templeton*	• *Invesco* • *John Hancock* • *MFS* • *PGIM* • *T. Rowe Price* • *GlobalX* • *WisdomTree Asset Management*

Direct Participation Programs and Other Alternative Investments*:*
We, through our representatives, offer our clients a wide variety of direct participation programs and alternative investment products (Alternative Investments) including: non-listed real estate investment trusts, limited partnerships, 1031 exchange programs, non-traded business development companies, oil and gas programs, closed-end and interval funds, and direct alternatives.

Whether a client is charged a commission upon the sale of an Alternative Investment, be it assessed in full, in part, or not at all, it is based upon whether the investment is held in an advisory or brokerage account, and if it is on Avantax's approved products list. If a client purchases an Alternative Investment from the advisory approved products list, it will be sold in an advisory program without a commission and will be included in the billing and reporting of the account assets. If the Alternative Investment is not on the advisory approved products list, the representative has the ability to:

- Purchase the product for the client while charging a commission and holding it directly within a brokerage account; or
- Hold the product in an advisory account solely for convenience purposes, but it will be excluded from the billing and reporting of the account assets, and regular billing will continue on all other eligible assets held in the account.

We also receive from certain Alternative Investment sponsors additional compensation relating to administrative services, due diligence, and/or marketing allowance. The amount of these payments that we receive and/or the type of arrangement that we have varies by sponsor and/or class of shares, as some product sponsors pay a due diligence or marketing allowance fee for certain classes of shares: (i) up to 0.20% annually on assets held at the sponsor, (ii) up to 1.50% on the gross amount of each sale, depending on the product, or (iii) a flat fee regardless of the amount of new sales or assets held in client accounts. Other product sponsors pay a flat administrative services fee for certain classes of shares, based on a minimum amount of trades executed through an advisory platform. These payments are designed to compensate us for ongoing marketing, administrative services, and/or maintenance of advisory platform systems, as well as the training and education of our employees, and Advisors regarding these types of products. You do not make these payments. They are paid by the product sponsor out of the assets or earnings of that product sponsor.

It is important to note that you do not pay more to purchase such products through us than you would pay to purchase those products through another broker-dealer, and your representative does not receive additional compensation for selling products from sponsors that pay us such additional compensation.

A conflict of interest exists because we are paid more revenue-sharing fees if you purchase one type of product or class of a product's shares, instead of another and/or you purchase a product or class of a product's shares from one particular sponsor instead of another. Your Advisor also indirectly benefits from these sponsor payments when the money is used to support costs relating to product review, marketing or training.

You should read the applicable prospectus(es) or offering document(s) carefully before investing which may be obtained from your Advisor.

List of Alternative Investment Partners

• *Apollo Global Securities, LLC* • *Blackstone* • *Bluerock Capital Markets* • *Cantor Fitzgerald* • *Capital Square* • *CION* • *CNL Securities Corp* • *Cottonwood Communities, Inc.*	• *Eagle Point Securities* • *Griffin Capital* • *Hines Securities* • *Inland Securities* • *Preferred Capital Securities* • *Sealy* • *SmartStop Strategic Storage* • *Stepstone*

- **Research and Other Benefits from Third-Parties:** AAS receives research and other benefits, directly and indirectly, from the custodians, Platform Providers, third-party investment managers, TAMPs, products sponsors (e.g., mutual funds, ETFs, and alternative/complex product issuers), annuity and insurance carriers, and other business partners. Such research and other benefits include, but are not limited to, investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/ or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/ or software and/or other products used by AAS in furtherance of its investment advisory business operations. Other benefits include, facilitating payment of advisory fees from its clients' accounts, assisting with back-office training and support functions, recordkeeping and client reporting, and institutional trading and custody services (not available to retail investors). Many of these services are used to service all or some substantial number of AAS' advisory accounts, including accounts not serviced by the particular third-party that provides or pays for the research or other benefit(s).

  The custodians, Platform Providers, third-party investment managers, TAMPs, products sponsors (e.g., mutual funds, ETFs, and alternative/complex product issuers), annuity and insurance carriers, and other business partners also makes available to AAS other services intended to help AAS manage and further develop its business enterprise. These services include professional, compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing.

  The custodians, Platform Providers, third-party investment managers, TAMPs, products sponsors (e.g., mutual funds, ETFs, and alternative/complex product issuers), annuity and insurance carriers, and other business partners, in some instances, pay for (or arrange to pay for) the above-referenced types of services and other benefits. Where such services are provided by a third-party or AAS', the third-party makes a payment to AAS to cover the cost of such services, reimburse AAS for the cost associated with the services, or pay the third-party vendor directly on behalf of AAS.

  The products and services described above are provided to AAS as part of its overall relationship with these third-parties. These arrangements create conflicts of interest, as it directly incentivizes AAS to promote products and services from these third-parties. Additionally, the receipt of these benefits creates a conflict of interest because any advice from AAS' Advisor may be based in part on these benefits and not solely on each client's interests. In addition to disclosing these conflicts of interest, AAS has created and implemented a compliance and supervisory program to mitigate such conflicts through the oversight of client accounts and investment advisory activities.

- **Transition Assistance and Recruiting Incentives:** Your Advisor can be incentivized to join and remain affiliated with AAS, its affiliates or custodian (NFS). These incentives can include compensation arrangements such as bonuses and/or business transition loans in the form of a promissory note. The proceeds of such transition assistance or recruiting incentives are intended to be used for a variety of purposes, including, but not necessarily limited to, providing working capital to assist in funding the Advisor's business, satisfying any outstanding debt owed to the Advisor's prior firm, offsetting account transfer fees, technology set-up fees, marketing and mailing costs, stationery and licensure transfer fees, moving expenses, office space expenses, staffing support, termination fees associated with moving accounts and may include foregoing revenues during account transition. The amount of the transition assistance or recruiting incentive is generally based on the size of the Advisor's business established at the prior firm and/or assets held at the custodian.

  The receipt of Transition Assistance creates a conflict of interest, as it creates a financial incentive for an Advisor to recommend that clients maintain their accounts under the investment advisory service of AAS and/or a particular custodian. The opportunity for loan forgiveness presents a conflict of interest by presenting a financial incentive for the Advisor to remain with AAS whether or not it is advantageous to the Advisor's clients. In addition, AAS benefits from the transition assistance and recruitment incentives because the payment of such increases AAS' ability to attract new Advisors and, thereby, increases its assets under management and overall (Firm) revenue.

  Because the final decision to custody assets with any custodian is made by the client, clients should be aware of this conflict and take it into consideration in deciding whether to engage AAS and its Advisors for investment advice and whether to custody their assets at any particular custodian.

  Compensation from Third-Party Money Managers: We enter into a select number of relationships with third-party money managers (TPMMs) approved by our due diligence department (Approved TPMMs). AAS and your IAR receive a portion of the fee that you pay the Approved TPMM whenever we refer or recommend their advisory business to you. Approved TPMMs also compensate AAS with an additional fixed annual payment for providing ongoing due diligence, operational oversight, and opportunities to market and educate our IARs on investments and the products they offer (Additional Compensation). We only offer Approved TPMMs to clients. Approved TPMMs are selected, in part, based on whether they offer competitive products, their technology, their customer service, and their training capabilities. Approved TPMMs may attend or sponsor education and training meetings for our IARs.

  The following is our list of Approved TPMMs:

  - SEI
  - AssetMark

  We may, from time to time, update our Approved TPMMs. Similar to our Strategic Partner program, our Advisors do not individually receive any part of the Additional Compensation for recommending an Approved TPMM.

  You similarly do not pay more to purchase an Approved TPMM-offered product through us than you would pay to purchase those products through the TPMM directly, and your Advisor does not receive any part of the Additional Compensation for recommending or selling products from Approved TPMMs. The compensation your Advisor receives is paid out of the Approved TPMM's assets or earnings.

  Nevertheless, the Additional Compensation to AAS creates an incentive for us to promote Approved TPMM products over other products. Your Advisor indirectly benefits from these payments when the money is used to support costs relating to product review, operational oversight, marketing or training. To mitigate this conflict of interest, we routinely review our client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives.

  The Firm's Advisors receive reimbursements from Approved TPMMs for the costs of marketing expenses and costs incurred by the Advisor subject to the Firm's cash non-cash compensation policy. Such reimbursements will be paid to the Advisor from the program sponsor's own resources and not from client funds or assets. Such arrangements will have no impact on the fees being charged to clients by the Firm, the Advisor, or the program sponsor.

529 Plans: In addition to commission-based compensation for sales of 529 plans, 529 plan assets are included in the amount of total mutual fund or variable annuity assets for which revenue sharing is paid as described above. We do not separately account for these payments and do not have any 529 plan Strategic Partners.

Indirect Other Compensation

Bank Deposit Sweep Program: The Bank Deposit Sweep Program is the default investment option for cash balances in AAS' advisory accounts (excluding 401(k) accounts) custodied at NFS. The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. Under the Bank Deposit Sweep Program, the Firm enables clients' available cash balances awaiting investment or reinvestment in eligible accounts, including cash balances derived from the sale of securities, dividend payments, interest credited from bonds, and cash deposits, to be automatically deposited (swept) into interest bearing deposit accounts offered through one or more participating program banks (Program Banks). Deposits at an individual Program Bank are covered by FDIC insurance up to a maximum of $250,000 and an aggregate total across all Program Banks of up to $2,500,000, subject to bank availability. For purposes of calculating the available FDIC coverage at each Program Bank, cash deposited at a Program Bank is aggregated with all other deposits held by you outside of the Bank Deposit Sweep Program in the same insurable capacity at that Program Bank. Under certain economic conditions or for other reasons, it is possible for Program Banks to limit or reduce the amount of deposits they will accept through Bank Deposit Sweep Program. If Programs Banks cannot accept all the cash balances in your account due to such capacity constraints, then your excess funds will be invested in shares of a money market fund that the Firm makes available. If the money market fund is not accepting excess funds, then those excess funds will be maintained in your account as a free credit balance (discussed below). The overall amount of available FDIC insurance protection will vary depending upon the number of Program Banks accepting deposits through the Bank Deposit Sweep Program at any time. If most or all the Program Banks have insufficient capacity to accept funds (or further funds), then the aggregate amount of FDIC insurance coverage available to you could be significantly reduced.

Should you wish to move your free credit balance into a money market mutual fund or other product that AAS makes available for purchase, such as U.S. Treasuries or a brokered Certificate of Deposit, your financial professional can assist you. If you are invested in a wrap fee program, all transaction charges are included in the fees you pay for that program. We also offer a limited number of non-wrap fee programs which would require you to pay the transaction charge for purchasing such a product. If you are unsure of what type of program you are in, please discuss with your financial professional. You should consider your investment objectives, liquidity needs and risk tolerance in reviewing whether participation in the Bank Deposit Sweep Program or another product is appropriate for you. If you desire to maintain a large cash position for an extended period of time, you should contact your financial professional to discuss your options.

AIS is solely responsible for establishing the interest rate passed through to customer accounts, including AAS' client advisory accounts. AIS receives, as revenue share, the remaining program interest, if any, after deducting NFS' administrative fee, a vendor fee, and customer interest from the total program interest (i.e. the aggregated amount of interested received by NFS from participating banks based on AIS' program assets held at such bank). Both AIS' revenue share and NFS' administrative fee are variable based on contractual schedules tied to the Targeted Fed Funds ("TFF") Rate and the average daily balance of assets in the Bank Deposit Sweep Program. The vendor fee is static and assessed by NFS to cover third-party vendors (retained by NFS) that provide various program-related services. As of the date of this Brochure, NFS' annual administrative fee ranges from 0.04% - 0.54% and the annual vendor fee is 0.06% of the average daily balance of assets in the Bank Deposit Sweep Program. These fees are paid monthly, deducted from the total income generated by AIS' Bank Deposit Sweep Program. **For more complete information on the Bank Deposit Sweep Programs and current rates, review the comprehensive Standard Bank Deposit Sweep Program – Natural and Non-Natural Persons Disclosure Document and additional disclosure and program information available at https://www.avantax.com/disclosures/cash-sweep or by contacting the Firm using the information on the cover page of this Brochure.**

The revenue share generated from the Bank Deposit Sweep Program creates a material financial benefit to AIS. The more assets that are held in the Bank Deposit Sweep Program and/or as interest rates increase, the revenue share increases. Such increases do not directly correlate to increased returns for AAS' clients invested in the Bank Deposit Sweep Program. Cash balances in the Bank Sweep Program earn less than in other cash equivalent investment options that do not have FDIC insurance, and the rates of return paid to you on the cash balances varies over time. At times, the interest percentage earned by AIS will be higher than the interest percentage you earn on your cash balances. In addition, AIS sets the interest rate you earn, and this creates a conflict of interest for us to provide you with a low interest rate, which, in turn, allows us to earn more on your cash balances. **AAS is incentivized by its business model to use its affiliate's Bank Deposit Sweep Program, rather than individualized client circumstances.** To mitigate this conflict of interest, clients have the ability to not participate in the Bank Deposit Sweep Program by contacting the client's Advisor (or the Firm using the information on the cover page of this Brochure) and requesting a change.

In addition, we continue to charge an investment advisory fee while your cash is held in the Bank Deposit Sweep Account so the fees that AIS receives are in addition to the advisory fees that you pay us and your financial professional. This means that AIS and AAS earn two layers of fees on the same cash balances in your Bank Deposit Sweep account. If AAS were to reduce or eliminate our advisory fee for cash balances held in Bank Deposit Sweep accounts where such fee reduction is greater than the amount of compensation AIS receives on Bank Deposit Sweep Account deposits, this would create a conflict of interest for us to avoid or minimize such cash holdings or to utilize other products, where available. The interest rate you earn will generally be lower than interest rates available to depositors in interest-bearing accounts held at other FDIC-insured depository institutions, but such institutions could require a minimum amount to establish an interest-bearing deposit account that is maintained outside of the FDIC- Insured Programs. The income AIS earns based on the balances in the Bank Deposit Sweep Account program will in almost all circumstances be substantially greater than the amount of interest you earn from those same balances in the Bank Deposit Sweep Account program. The combined total fees that we and NFS may earn in the Bank Deposit Sweep Program will be a maximum of the Federal Funds Target Rate (as can be found online at https://fred.stlouisfed.org/series/DFEDTARU) plus 0.25% as determined by the total deposit balances at all of the Program Banks over a 12-month rolling period. Due to our affiliation with AIS, AAS therefore has an incentive for your funds to be swept into the Bank Deposit Sweep Account program rather than an alternative to the Bank Deposit Sweep Account.

In our discretion, we may reduce the amount of a payment and vary the reductions among clients which would result in some clients getting paid a higher interest rate, and, therefore, earning more interest than other clients. Additionally, the payments the Firm receives generally vary by Program Bank and will affect the interest rate paid to you. If we were to reduce or eliminate our advisory fee for cash balances held in Bank Deposit Sweep accounts where such fee reduction is greater than the amount of compensation we receive on Bank Deposit account deposits, this would create a conflict of interest for us to avoid or minimize such cash holdings or to utilize other products, where available. The interest rate you earn will generally be lower than interest rates available to depositors in interest-bearing accounts held directly at a Program Bank or other FDIC-insured depository institutions, but such institutions could require a minimum amount to establish an interest-bearing deposit account that is maintained outside of the Bank Sweep Programs.

For ERISA advisory accounts, the Firm offers a money market mutual fund, which aims to provide a return on your account balances, as a cash sweep default option. The Firm and Advisor do not receive any sweep-related compensation in connection with cash in ERISA advisory accounts that are swept into any money market mutual fund that the Firm designates for ERISA advisory accounts. A money market mutual fund generally seeks to achieve a competitive rate of return (less fees and expenses) consistent with its investment objective(s), as described in its prospectus. Money market funds seek to preserve a net asset value of $1.00, with excess earnings that are generated through interest on portfolio holdings distributed to investors in the form of dividend payments. Average annual rates of return of the money market mutual fund option offered as the cash sweep option have varied over time and have typically been higher than the interest rate paid on deposits to you through the Bank Sweep Program. Due to stressed market conditions (e.g., which causes the Federal Reserve Bank to purchase government securities from the market in order to lower interest rates and increase the money supply, also known as "quantitative easing"), however, money market funds may not pay investors any excess dividends or distributions. Under severe market stress, a money market fund may fail to preserve a net asset value of $1.00 and/or may no longer be a viable business for the fund sponsor, which may force the sponsor to liquidate. As a result of any of these factors, it is possible to lose money in a money market fund.

Custodial Benefits, Compensation and Revenue Sharing: As previously described in this Brochure, AAS' affiliated broker-dealer, AIS, provides brokerage, custody and execution services through its clearing arrangement with National Financial Services LLC ("NFS" or "Custodian"), a non-affiliated firm, member NYSE, SIPC and a Fidelity Investments® Company. AIS receives direct and indirect compensation from NFS, in part, based on AAS' advisory clients and assets held in custody with NFS. **The compensation AIS receives from NFS is material and includes, but are not limited to:**

- continuous revenue sharing payments derived from certain types of transactions, positions, and assets in client accounts held at NFS, including AAS' advisory accounts;
- technology credits for utilizing NFS' and its affiliates proprietary technology products and services;
- reimbursement of transfer costs associated with transferring direct held mutual funds accounts to NFS or transfer other accounts onto NFS' clearing platform;
- open account payments, whereby NFS pays AIS a flat fee per open account on an annual basis for every account opened, subject to a maximum fee over the life of AIS' contract with NFS;
- credit interest on margin accounts and for non-sweep cash balances; and
- revenue share on the Bank Deposit Sweep Program, as further detailed above.

AIS has negotiated a long-term contract with NFS, that contains an early termination penalty, and is otherwise financially incentivized to use NFS as its custodian. AIS does not directly share this financial compensation with AAS' Advisors. **For more complete details on these conflicts of interest, refer to the Regulation Best Interest Disclosure document and the Schedule of Fees located at https://www.avantax.com/disclosures or by contacting the Firm using the information on the cover page of this Brochure.**

As further detailed in this Brochure, as part of AIS' overall relationship with NFS, AAS receives research and other products or services (other than custody of securities, trade execution, clearance and settlement of transactions) from NFS. Some of these benefits may be based on the amount of advisory assets held by the custodian. Additionally, AAS receives asset-based pricing on custodial charges in lieu of ticket or transactional charges. **The receipt of these custodial benefits creates a conflict of interest for AAS.** Additionally, the receipt of these benefits creates a conflict of interest because any advice from AAS' Advisors may be based in part on the benefit to AAS or its Advisors and the availability of the foregoing research and other benefits and not solely on the nature, cost or quality of custody or brokerage services provided by NFS. In addition to disclosing these conflicts of interest, AAS has created and implemented a compliance and supervisory program to mitigate such conflicts through the oversight of client accounts and investment advisory activities.

Collateralized, Non-Purpose Loan Program: As described in **Item 4**, AAS' affiliate broker-dealer, AIS, receives a referral fee from the fee (interest rate) that borrowers pay to the Bank when participating in the collateralized, non-purpose loan program. AIS receives 0.5% of the average principal amount outstanding on program loans that AIS customers, including AAS' advisory clients, have through the program. The balances are determined at month-end and paid monthly to Avantax. This arrangement presents conflicts of interest. If AIS received a lower referral fee or no fee, AAS' clients' fee (interest rate) would decline by that same amount. Likewise, if AAS' clients were to take a loan from a different institution outside of this program, AIS would not receive a referral fee. Accordingly, the referral fee creates a conflict of interest between AAS and the client. AIS does not share any portion of the referral fee with AAS' Advisors. Furthermore, when a client takes a loan secured by securities in the advisory account, the securities remain in the advisory account, which means that AAS continues to receive advisory fees based on the full value of the securities that are eligible for billing purposes, with no reduction or offset for the value of securities that secure the loan. In contrast, if the client were to liquidate the securities rather than borrow against them, AAS would no longer receive advisory fees based on the value of those securities. Therefore, AAS and its Advisors are incentivized to recommend that clients take a loan under this program rather than liquidate securities.

Markup on Brokerage and Custodial Fees: AIS, at its sole discretion, adds a markup to various brokerage and custodial fees that are paid by clients. The markup generates additional revenue for AIS. The actual fees and charges that clients will incur are dependent upon the type of account and the nature and quantity of the transactions that occur, the services that are provided, or the positions that are held in the account. Not all brokerage firms markup these or other fees.

Item 15: Custody

AAS is deemed to have custody of client funds and securities because of its authority to deduct, or instruct the custodian to deduct, advisory fees directly from clients' accounts. AAS also has custody under other scenarios, some that require it to undergo an annual surprise audit.

All client funds and securities are held by a custodian in accounts identified individually to the client. Some investments are custodied by or through the issuer, for example mutual funds or variable annuity products. Clients receive written transaction confirmations and/or accounts statements directly from the custodian (or issuer). Clients will also receive periodic, written reports from AAS and its Advisors. Clients are urged to compare any report provided by AAS and its Advisors with the confirmations and statements directly received from the custodian. The Firm's periodic, written reports should not be relied upon for tax purposes. In the event of any discrepancy between our report(s) and any statement you receive from NFS regarding the same investment, you should rely on the statement from NFS. **Note:** The custodian does not verify the accuracy of AAS' advisory fee calculation and clients do not receive an invoice from AAS showing calculation of its advisory fees. Clients should speak with their Advisor with any questions or contact the Firm using the information on the front of this Brochure.

Item 16: Investment Discretion

AAS accepts discretionary trading authority to manage accounts on behalf of clients. This discretionary trading authorization does not grant discretionary authority to withdraw funds or securities (other than for payment of advisory fees, as described in **Item 5**) nor does it allow for any trading outside the advisory program selected in the agreement.

The client will be required to execute a written agreement setting forth the terms and conditions under which AAS will manage the client's assets, and a separate custodial agreement(s), account application or other applicable documentation, depending on the type of account, with each designated custodian. AAS' written advisory agreement for discretionary investment advisory services designates AAS as the client's agent, granting AAS and the client's Advisor full authority to purchase, sell, or otherwise facilitate investment transactions involving the assets in the client's name within the discretionary account. (All discretionary authority retained by your Advisor is limited by the Advisor's securities registrations.)

Clients who engage AAS on a discretionary basis may, at any time, impose reasonable restrictions on AAS' discretionary authority (e.g., limit the types or amounts of particular securities, etc.). Such restrictions must be provided to AAS in writing and can affect the account's performance or limit the investment strategies available to the client.

You may rescind the discretionary authorization at any time by providing written notice to the Firm at the address on the front of this Brochure.

Item 17: Voting Client Securities

AAS does not retain the authority to vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client will be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Generally, clients will receive proxy materials directly from the applicable custodian(s) or issuer's proxy agent and should direct any questions as instructed in the specific proxy matter.

AAS does not provide legal advice or represent or facilitate class action claims or participate in other similar legal proceedings on behalf of clients. The responsibility and authority for responding to class actions and other legal proceedings rests solely with the registered shareholder (e.g., client) or legally appointed agent (e.g., custodian) of the client or the client's attorney.

As it pertains to proxy voting matters, class action claims, and other similar legal proceedings, AAS and its Advisors retain no authority, through the investment advisory relationship, and therefore have no responsibility for reviewing any proxy materials, corporate action materials, prospectuses and/or other offering documents and any other information related to such.

Clients should be aware that some third-party investment managers and/or TAMPs retain the authority to vote client proxies. For more information about the practices of a third-party investment manager or TAMP, clients should refer to the information provided by the Advisor, including, but not limited to, the applicable third-party's disclosure(s) or applicable agreement(s).

Item 18: Financial Information

AAS does not require or solicit prepayment of more than $1,200 in fees per client, six months or more in advance.

AAS has no financial commitment or condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.

AAS has not been the subject of a bankruptcy petition at any time.