



## Relationship summary for retail investors

Equitable Advisors, LLC,<sup>1</sup> (Equitable Advisors, the firm, we, us or our) is a broker/dealer registered with the Securities and Exchange Commission (SEC) pursuant to the Securities and Exchange Act of 1934 and a member of the Financial Industry Regulatory Authority, Inc. (FINRA) and Securities Investor Protection Corporation (SIPC). Equitable Advisors is also an investment adviser registered with the SEC pursuant to the Investment Advisers Act of 1940. Brokerage and investment advisory services fees differ, and it is important for you, the retail investor, to understand the differences. By visiting [investor.gov/CRS](https://investor.gov/CRS), you have access to free and simple tools to research firms and financial professionals, as well as educational materials about broker/dealers, investment advisers and investing.

### What investment services and advice can you provide me?

Equitable Advisors offers both brokerage and investment advisory services to retail investors through financial professionals (FPs) located across the country. These FPs are largely dually registered as registered representatives (RRs) licensed to offer brokerage products and as investment adviser representatives (IARs) licensed to offer investment advisory services; however, some FPs are only licensed as RRs. It is important for you to understand brokerage and advisory services and how they compare. Please note this Relationship Summary and other documents referenced herein are available at [equitable.com/CRS](https://equitable.com/CRS), our disclosure website.

Brokerage	Advisory
<b>Principal services, accounts or investments we make available to retail investors</b>	
<p>As a broker/dealer, Equitable Advisors can recommend and effect securities transactions for you, including buying and selling securities that can be either held in accounts with LPL Financial, LLC (LPL), our clearing firm ("brokerage accounts"), or held in accounts directly with the issuer of the securities purchased (sometimes referred to as "directly held accounts"). We also offer IRA accounts, where your investments will be held with the custodian of the IRA. More information about our brokerage services is available on our disclosure website.</p>	<p>As an investment adviser, Equitable Advisors can provide ongoing investment advice to you. We offer various asset management programs, including programs managed by your FP and programs managed by third-party investment advisers, as well as financial planning services. More information about our investment advisory services is available in our Form ADV Part 2A brochure, available on our disclosure website and by going online at <a href="https://adviserinfo.sec.gov/firm/summary/6627">adviserinfo.sec.gov/firm/summary/6627</a> and clicking "Part 2 Brochures."</p>
<p>Equitable Advisors offers its brokerage services through FPs who are RRs of the firm. To become registered, these FPs must pass qualifying exams administered by FINRA. Not all of our FPs can offer the full range of broker/dealer investments and services we offer, and your FP may not be licensed in every state. Please visit <a href="https://brokercheck.finra.org">brokercheck.finra.org</a> for more information on your FP's licenses.</p>	<p>Equitable Advisors offers its advisory services through FPs who are IARs of the firm. Not all of our FPs are IARs, and not all IARs are licensed in every state. Please visit <a href="https://adviserinfo.sec.gov/IAPD/IAPDsearch">adviserinfo.sec.gov/IAPD/IAPDsearch</a> for more information on your FP's registration status.</p>
<p>The principal investments we make available to retail investors include: stocks; bonds and fixed income products; exchange-traded funds and notes; options; Section 529 college savings plans; a full array of registered investment companies, such as open- and closed-end mutual funds; unit investment trusts, variable life and annuity products; and alternative investments. For additional information on these securities, please visit our disclosure website and review the Equitable Advisors Principles of Investing brochure. For additional information on alternative investments, please review the Equitable Advisors Alternative Investments Guide, also on the disclosure website.</p>	<p>Equitable Advisors offers two main types of investment advisory services: asset management and financial planning.</p> <p><b>Asset management services</b> include access to ongoing advice about specific investments in wrap fee and other portfolio management programs, mutual fund asset allocation programs, and third-party investment advisory firms. With some exceptions, the investments available to you are the same as those available to you in a brokerage account.</p> <p><b>Financial planning services</b> include education, advice, and the preparation and delivery of a written financial plan or advice that will include general recommendations to help you achieve your financial goals; it does not include analysis or recommendations regarding specific investments or insurance products.</p> <p>For additional information on these services, please review the General Conflicts of Interest Disclosure on our disclosure website, as well as items 4 and 7 of our Form ADV Part 2A brochure.</p>
<b>Questions to ask your FP</b>	
Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?	
How will you choose investments to recommend to me?	
What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?	

<sup>1</sup> Equitable Advisors is a wholly owned indirect subsidiary of Equitable Holdings, Inc. (EQH). EQH is a public company listed on the New York Stock Exchange. Equitable Advisors is also affiliated with Equitable Financial Life Insurance Company (including the trusts underlying certain products), Equitable Financial Life Insurance Company of America, EQ AZ Life Reinsurance Company, AllianceBernstein, Equitable Investment Management Group, LLC, 1290 Funds®, PlanConnect LLC, and PlanMember Securities Corporation. Equitable Advisors sells products and utilizes services of these affiliates, which, accordingly, may earn more or less revenue depending upon your investment strategy.

Brokerage	Advisory
<b>Account monitoring</b>	
Brokerage services do not include ongoing monitoring; there is no “hold” recommendation unless made explicitly and in writing. Once a transaction is executed, it is up to you to monitor the investment. We suggest you request a meeting at least annually with your FP to discuss your investments.	In each asset management program offered through Equitable Advisors, our standard services include ongoing monitoring of your investments, according to terms set forth in your investment advisory agreement, to ensure they continue to help meet your investment objectives. Our financial planning services do not include ongoing monitoring.
<b>Investment authority</b>	
While FPs may make recommendations to you as to specific securities, FPs may not exercise discretionary authority when acting in their brokerage capacity. This means FPs cannot place trades on your behalf without your consent and you must approve all transactions in your brokerage or directly held account prior to execution.	In most cases, asset management services are provided on a non-discretionary basis and FPs may not exercise discretion on your behalf when acting in their advisory capacity. This means that you must approve all transactions prior to execution. However, in a limited number of cases, you may authorize your FP or a third-party advisor to have ongoing discretion to buy and sell securities on your behalf. Please refer to Item 16 of our Form ADV Part 2A brochure for more information about discretion.
<b>Limits on investment offerings or investment advice</b>	
We offer a wide array of investments and products, with some limitations. Investment and product offerings may be limited by the specific licenses and qualifications held by your FP, so we encourage you to ask your FP about his or her licensing and product credentialing. Moreover, while Equitable Advisors offers many third-party investments and products, Equitable Advisors and its FPs also offer proprietary products — products issued by the firm’s affiliated insurance carrier (Equitable Financial Life Insurance Company) and mutual fund companies (AllianceBernstein and 1290 Funds®). For additional information on conflicts of interest related to the offering of proprietary products, and on limitations to our offerings, please review our General Conflicts of Interest Disclosure, which is available on our disclosure website.	We offer a wide variety of investment advisory services, with similar limitations that exist on the brokerage side. While Equitable Advisors provides investment advice relating to many third-party investments and products, Equitable Advisors and its FPs also provide investment advice relating to proprietary products — products issued by the firm’s affiliated insurance carrier (Equitable Financial Life Insurance Company) and mutual fund companies managed by affiliates (AllianceBernstein and 1290 Funds®). For additional information on conflicts of interest related to investment advice on proprietary products, and on limitations to our offerings, please review refer to the General Conflicts of Interest Disclosure, and Items 4, 5 and 14 of our Form ADV Part 2A brochure.
<b>Account minimums</b>	
Your brokerage account may have a minimum account balance requirement. Please refer to your account agreement for additional details. Certain investments we offer have minimum investment amount requirements.	Equitable Advisors’ advisory services and programs have specific minimum investment and/or account balance requirements. Please refer to the Products and Services Guide on our disclosure website and our Form ADV Part 2A brochure for additional details.

## What fees will I pay?

Brokerage	Advisory
In a brokerage account, each time you buy or sell a security (including variable life and annuities), you will typically pay a scheduled commission (or markup/markdown, if the trade is made on a principal basis) — sometimes embedded in the product price and other times charged separately — along with certain transaction fees. So in general, the more you trade, the more you pay in commissions and fees. Accordingly, if you plan to trade relatively frequently, you may wish to consider an advisory account where the AUM fee may better suit your needs. (Transfers among mutual funds within the same fund family and variable annuity sub-accounts following the initial purchase are typically not subject to commissions, and may or may not incur fees.) Because of this pricing structure, your FP usually benefits more when you place trades more often; this conflict of interest is discussed in greater detail in our General Conflicts of Interest Disclosure. Additionally, the amount of the fee and commission is not the same for every investment type. For example, mutual funds (and other types of investment company products) typically charge sales loads that are percentages based on the principal amount invested, whereas transactions in other investments such as stocks, ETFs, and bond/fixed income products involve commissions based on the firm’s published schedule that are either added to or deducted from the principal amount invested. For certain mutual funds, the firm as broker/dealer may also receive other types of brokerage-related compensation, such as distribution and servicing (12b-1) fees which are shared with your FP. For more information about the fees and costs associated with our brokerage services, please refer to our General Conflicts of Interest Disclosure.	For asset management services, you typically pay a quarterly assets under management (AUM) fee that is a percentage of AUM negotiated between you and your FP. The amount of the fee the firm can receive may not exceed 2.5% annually, and for most advisory programs it includes the cost of advisory services and certain transaction costs and administrative fees charged by the broker/dealer or bank that has custody of your assets (which can be Equitable Advisors). Depending on the account type, there are typically other additional fees, such as IRA fees, termination fees, transfer fees and low balance fees, which are described in the account opening documentation. Where the AUM fee includes the cost of multiple services, it is higher than the AUM fee associated with an advisory program that does not include the cost of advisory, brokerage and custody in one fee. Depending on the advisory program, frequency of trading, and the types of investments purchased and sold in one of our asset management program accounts, the AUM fee may result in higher fees overall. In addition, because it is generally based on a percentage, the total amount of AUM fees you pay increases as the dollar value of your account grows, and decreases when the dollar value goes down. As a result, we have an incentive to encourage you to increase the amount of assets in your account. If you plan to hold your investments for relatively long periods of time and are not interested in your FP monitoring your holdings, a brokerage account may better suit your needs. For financial planning services, clients have the option of paying asset-based fees, flat fees or hourly rates. These are billed as stated in your advisory contract. For more detailed information about the fees and costs associated with our advisory services please refer to Item 5 of our Form ADV Part 2A brochure.

## Fees associated with investments in general

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you may make on your investments over time. Please make sure you understand what fees and costs you are paying. In addition, depending on your investments, you will pay certain ongoing fees and costs. For example, mutual funds typically also deduct other ongoing fees and expenses, such as management fees or servicing fees, from fund assets; these fees are separate from the brokerage commissions and

12b-1 fees discussed above. In the case of variable life and annuity products, additional fees and costs associated with benefits and features may also apply, and surrender fees may be charged on withdrawals. For further information about all commissions and fees associated with a product, see the product's prospectus. For more general guidance see our Principles of Investing brochure, available on our disclosure website.

## Question to ask your FP

Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

## What are your legal obligations to me when providing recommendations as my broker/dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker/dealer, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money inherently creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.

### Proprietary products

Many products we offer are issued, sponsored, or managed by the firm or its affiliates. These proprietary products create a conflict for us because our affiliates also receive fees and compensation when you purchase a product they issue, sponsor or manage. In addition, consistent with IRS Rules, FPs must meet certain minimum sales requirements in proprietary products to qualify for health and retirement benefits, and this creates an incentive to recommend proprietary products over third-party products. More about this and other related conflicts is discussed in our General Conflicts of Interest Disclosure.

### Revenue sharing

The firm receives revenue sharing in the form of marketing support payments from certain mutual funds, alternative investments, and other product providers. These payments support our marketing and training efforts, among other things, and are generally not shared with your FP. These payments cause certain products to have more visibility and prominence among FPs, and are an incentive for us to offer or continue offering investments and services that entail such payments and to encourage you to increase the amount of assets in those investments. For additional detail regarding sources of revenue and conflicts of interest, see the firm's General Conflicts of Interest Disclosure and Form ADV Part 2A brochure.

### Third-party payments

The firm and/or its FPs will receive compensation from third parties when your FP recommends certain investment platforms or investments. For example, the firm receives an advisory reallowance fee from LPL based on a percentage of advisory AUM custodied at LPL in advisory programs for which LPL is a sponsor. These fees create an incentive for Equitable Advisors to select or recommend those advisory programs that entail the payment of such fees which, because they are based on a percentage, increase when you increase the amount of assets in your advisory account in any such programs. In addition, the firm receives transaction charges, and service fees, cash sweep-related fees, IRA and qualified plan fees, administrative servicing fees for trust accounts, and marketing support from certain mutual funds and ETFs held in investment advisory and brokerage accounts, and, in non-retirement accounts, receives 12b-1 fees. These payments create an incentive for the firm to sell you investments that entail such payments and to maintain our relationships with the issuer and their affiliates. Since the amount of compensation we receive varies among and between the issuers and the different investments and types of investments that we offer as a broker/dealer, we have an incentive to sell you those investments that pay us more compensation. These fees, some of which are shared with your FP, are described in the General Conflicts of Interest Disclosure or the Form ADV Part 2A (for advisory programs), as well as in the account agreement or product offering documentation. In IRA and Qualified Plan advisory accounts, 12b-1 fees are returned or not charged. In certain instances the firm or your FP will receive a "finder's fee" from a mutual fund company for placing an investor's assets into the fund. Such a fee generally is triggered for an asset placement of at least \$1 million; the amount of the fee will be disclosed in the prospectus or Statement of Additional Information (SAI) of the mutual fund, and generally replaces the upfront commission. Certain IARs will also receive additional compensation pursuant to third-party incentive programs maintained by certain investment advisory program providers; these programs offer additional levels of service, support and rewards, and expense reimbursements to FPs as the assets placed in these programs increase. This creates an incentive for your FP to recommend the products or services of the third parties providing these finder's fees or other additional compensation over the products or services of third parties that do not provide such compensation or benefits.

## Questions to ask your FP

How might your conflicts of interest affect me, and how will you address them?

How do financial professionals make money?

Brokerage	Advisory
<b>Commission for each trade.</b> In connection with brokerage accounts, the firm and your FP typically (see exceptions discussed above) make money in the form of a commission each time you place a trade (even initial purchases are “trades”). This creates an incentive for your FP to recommend that you trade more often. Depending on the investment product, your FP can also receive a share of 12b-1 fees, trails or sales loads paid to the firm by the product issuer. Moreover, these forms of compensation are not the same for every product, creating an incentive for your FP to recommend you purchase a product that pays more compensation.	<b>Annualized fee based on AUM.</b> Your FP receives part of the advisory fee charged to your account. This creates an incentive for your FP to recommend you increase the amount of assets in your advisory account in order to receive more advisory fees.

Brokerage and Advisory

In addition to brokerage commissions and/or advisory fees, your FP will receive other compensation related to the sales of proprietary products. For example, when you purchase proprietary products in your brokerage or in your advisory account, your FP can become eligible to receive other compensation and benefits such as health, retirement and equity benefits that are detailed in the General Conflicts of Interest Disclosure. Your FP can also receive compensation in connection with certain investment advisory programs, as discussed above. We may compensate your FP in other ways as well. As an incentive to bring new FPs to Equitable Advisors from another company, we may offer forgivable loans or other cash incentives. We may also waive or reduce administrative costs or provide equity awards or other benefits as an incentive to your FP to remain with Equitable Advisors. Your FP may also receive non-cash compensation, such as awards, prizes and trips in connection with their sales activity. All of these forms of compensation create an incentive to bring more business to the firm and keep it here, which can create pressure that conflicts with your best interests. For more information about such compensation and benefits, see the General Conflicts of Interest Disclosure, the firm’s Form ADV Part 2A brochure, and/or the product prospectus or other offering documentation. We encourage you also to ask your FP for details regarding all of the ways in which he or she benefits from any recommended strategy or transaction. In addition, we encourage you to ask for such details if you are considering doing a “rollover” of retirement assets from one account to another, or if you are considering replacing one investment product with another.

Do you or your financial professionals have legal or disciplinary history?

Yes. Visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research the firm and its financial professionals.

Additional information

This Relationship Summary for Retail Investors, also called “Form CRS,” may change from time to time. Whenever there is an important change, we will notify you in your account statement packet, on confirmations and/or in a separate communication.

If you need any additional information about the brokerage or advisory services provided by the firm or wish to receive or access an up-to-date version of this Relationship Summary, please do not hesitate to do any of the following:

- Ask your FP.
- Visit [equitable.com/CRS](https://equitable.com/CRS) to access the online version of this form with links to all the documents it references.
- Call us: (866) 283-0767, Option 2. Upon request, we will send you a hard copy of our most up-to-date version of our Relationship Summary and all documents referenced herein.

In addition, for plain-language information concerning the basics of investing, diversification, common mutual fund share classes, common investment risks, 401(k) plan rollover options, firm and FP conflicts of interest, and more, see our Principles of Investing brochure on our disclosure website.

Questions to ask your FP

As a financial professional, do you have any disciplinary history? If so, for what type of conduct?

Who is my primary contact person? Is he or she a representative of a broker/dealer or an investment adviser?

Who can I talk to if I have concerns about how this person is treating me?



# LPL FINANCIAL LLC (LPL) RELATIONSHIP SUMMARY

Effective March 31, 2022

LPL (referred to as “we” or “us”) is registered with the U.S. Securities and Exchange Commission as a broker-dealer and an investment adviser. We have a network of financial professionals (“Professionals”) who offer brokerage and investment advisory services. Brokerage and investment advisory services, and the fees we charge for them, differ, and it’s important that you understand the differences. This relationship summary will

explain the various services we offer, how we charge for those services, and conflicts of interest that exist when we provide our services. To help you research firms and financial professionals, you can access free and simple tools at [Investor.gov/CRS](https://investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

## What investment services and advice can you provide me?

Our Professionals offer brokerage services, investment advisory services, or both, depending on their licenses. Each Professional generally provides access to a range of investment products, such as stocks, bonds, exchange-traded funds (ETFs), mutual funds, annuities, and alternative investments. Please note that the range of investment options available to you may be limited depending on the licenses your Professional holds or if he or she is located at a financial institution that does not offer certain options. Your Professional or account program may also have specific

requirements, such as account or investment minimums. We encourage you to ask your Professional whether any investment limitations or account requirements apply.

If your Professional offers you both brokerage and advisory services, your Professional will inform you when he or she offers an investment recommendation or advice, and whether the recommendation or advice is part of a brokerage or advisory service. Some of the key differences between brokerage and investment advisory services are described below.

### Brokerage Services

- Brokerage services include taking your orders and executing your securities transactions; making recommendations for you to buy, sell, or hold securities; and holding your securities for safekeeping (known as having “custody” of your securities).
- In most cases, we provide recommendations to you on specific investments, but you make the final investment decisions for your account. We also have a program available through a limited number of financial institutions in which you make investment decisions on your own without any recommendations from us.
- We don’t monitor brokerage account investments for you, unless we state otherwise in writing.
- We may provide brokerage services (but not investment recommendations) to you if your Professional is providing advisory services through a separate investment advisory firm.

### Investment Advisory Services

- Some of the investment advisory services we offer include wrap fee programs and non-wrap fee programs; mutual fund asset allocation programs; advisory programs offered by third-party investment advisory firms; financial planning services; retirement plan consulting; investment research; digital advice programs; and other custom advisory services.
- You’ll typically grant us discretion to buy and sell investments in your account without asking you in advance. You may limit our discretion, such as by imposing reasonable restrictions on investing in certain securities or groups of securities. In other investment advisory accounts, you grant investment discretion to another financial institution.
- Some of our investment advisory accounts are nondiscretionary, which means you are required to preapprove each investment transaction that we recommend.
- We’ll typically monitor accounts, and specific investments within accounts, on an ongoing basis to align with your investment goals. However, in limited-scope consulting or advisory relationships, we won’t provide ongoing monitoring.



**More detailed information** about our advisory services can be found in the [Form ADV for your advisory program](#). Detailed information about our brokerage services can be found at [Brokerage Compensation Information and Related Conflicts of Interest](#). If viewing a paper version of this form, please visit [lpl.com/CRS](http://lpl.com/CRS) for hyperlinks to these documents.

#### **Questions to ask your Professional:**

- *Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

## What fees will I pay?

Investing is an individual journey, and we want to provide you with options. Below we outline the fees you could be charged for both brokerage and advisory accounts depending on your investment

choices. Fee Schedules for our brokerage and advisory programs can be found [lpl.com](http://lpl.com).

### **Fees Associated with Brokerage Services**

- For brokerage services, we charge a transaction-based fee (sometimes referred to as a commission) every time you buy or sell an investment. The amount you pay as a transaction-based fee varies according to the particular investment and amount invested. The more trades you make, the more transaction-based fees we earn. This creates an incentive to encourage you to trade often.
- For investments in stocks or ETFs, the transaction-based fee is usually charged as a separate commission or sales charge. For investments in bonds, this fee is typically included as part of the price you pay for the investment (called a markup or markdown).
- For investments in certain products like mutual funds, annuities, and alternative investments, we receive transaction-based fees from the investment product sponsor in the form of asset-based sales charges (e.g., sales loads). These fees are based on the amount invested in a product and, depending on the product, may be based on how long you hold the investment. Our receipt of asset-based sales loads creates an incentive to recommend products or sponsors that include such charges.

### **Fees Associated with Investment Advisory Accounts**

- For investment advisory services, we typically charge an ongoing quarterly fee (sometimes referred to as an asset-based fee). This fee is a percentage of the value of your account. You pay this fee even if you don't buy or sell investments. The more assets you have in an asset-based fee account, the more you'll pay us in fees. This creates an incentive to encourage you to increase the size of your account, including by transferring or rolling over assets from other accounts. For some types of accounts, there is a per transaction charge in addition to an asset-based fee. We may also charge an hourly fee or fixed fee for additional services such as financial planning and consulting services that are of limited duration or nature.
- For wrap fee program accounts, you will pay us a single asset-based fee for advisory services. This fee also covers most transaction costs and certain administrative and custodial costs associated with your investments. If you expect to trade infrequently or to pursue a "buy and hold" strategy, a wrap fee program may cost you more than paying for the program's services separately, and you may want to consider a brokerage relationship rather than an advisory relationship.
- The fee you pay to your Professional is generally negotiated with him or her directly, and subject to different maximums, depending on the advisory program selected.

### **Other Fees and Costs**

If applicable to your account, we'll charge you directly for other fees in addition to brokerage commissions and advisory fees, including: (1) account maintenance fees such as custody, trade confirmation processing, corporate actions, and transfer fees; (2) cash management fees such as cash sweep, checking, and wire fees; and (3) investment specific fees such as those for

administration of alternative investments or for foreign securities. See the Fee Schedules for our brokerage and advisory programs at [lpl.com](http://lpl.com) for more information. You should understand that these fees are not charged by us if your investment is in an account that is held directly with the sponsor, and not in an LPL investment account.

You may also incur fees charged by the particular investment product in which you are invested, including mutual funds, ETFs, and other pooled funds, in addition to brokerage commissions and advisory fees charged by us. Some of these fees may be shared, as described below in [Third-Party Payments](#). Certain investment products have significant fees triggered by particular events, e.g., annuities may include mortality, expense, and administrative fees, and fees for excessive transfers or early withdrawals.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Detailed

information on our advisory fees can be found in the [Form ADV for your advisory program](#). Detailed information on our brokerage fees can be found at [Brokerage Compensation Information and Related Conflicts of Interest](#) and, depending on the investment product in which you invest, may be included in the product's prospectus or other offering document. If viewing a paper version of this form, please visit [lpl.com/CRS](http://lpl.com/CRS) for hyperlinks to these documents.

#### ❧ **Questions to ask your Professional:**

*Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

## What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

*When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means. If you have questions about whether any of these situations could apply to your investments, ask your Professional.*

### **Third-Party Payments**

We receive compensation from third parties related to investments you make in certain products, including mutual funds, ETFs, annuities, alternative investments, and other investments. This compensation includes ongoing distribution charges (e.g., 12b-1 fees or trail payments), which an investment product charges you and then pays to us. We also receive fees from investment products and/or their sponsors for recordkeeping and other administrative services we provide in relation to your investments. In some accounts we offer, uninvested cash is automatically placed into interest-bearing federally insured bank accounts. We receive fees for your participation in these "cash sweep" programs from the banks sponsoring the programs. The fees we receive are typically higher than the interest you earn on the cash held in the bank accounts and are in addition to any fees you pay to us. This creates an incentive for LPL if you maintain a cash balance in your account. [Revenue sharing payments](#) are another type of third-party compensation we receive from sponsors who participate in our marketing programs. These programs support our product marketing to our Professionals and for education and training efforts, and facilitate communications between sponsors and our Professionals. Finally, certain sponsors pay us to make their investment products available on our platform. Because we receive

payments from these third parties, there is an inherent incentive for us to recommend or invest your assets in those investment products. Detailed information regarding third-party payments can be found in the [Third-Party Compensation and Related Conflicts of Interest](#) document on [lpl.com](http://lpl.com).

### **Principal Trading**

In brokerage accounts, we sometimes directly buy from you or sell to you investments including bonds or certain shares of mutual funds, unit investment trusts (UITs), or alternative investments. These are called principal trades. If the principal trade involves a bond, we receive a markup or markdown by either buying the bond from you at a lower price than we will sell it for or by selling the bond to you at a higher price than we bought it for. That creates an incentive for us to either buy the bond from you at the lowest price possible or sell the bond to you at the highest price possible and maximize our profit on the principal trade. In advisory accounts, purchases of mutual funds, UITs, or alternative investments may be processed through our proprietary account, but we do not receive a markup or markdown in these trades. Also, in certain advisory accounts where a third-party investment advisory firm has discretion, we trade as principal and receive a markup or markdown.

Detailed information on our conflicts of interest can be found in the [Form ADV for your advisory program](#) and in [Brokerage Compensation Information and Related Conflicts of Interest](#). If viewing a paper version of this form, please visit [lpl.com/CRS](http://lpl.com/CRS) for hyperlinks to these documents.

#### ❧ **Questions to ask your Professional:**

*How might your conflicts of interest affect me, and how will you address them?*

## How do your financial professionals make money?

Our Professionals are primarily independent contractors, although a portion are employees or employees of an affiliated company. The agreement between each Professional and LPL sets out the payments we make to them. Those who provide investment advisory services receive a portion of the advisory fee you pay. Professionals who provide you brokerage services receive a portion of the commissions or markups/markdowns from your trades. Receiving a portion of the advisory or brokerage fees you pay to us creates an incentive for them to encourage you to increase your investment account size or trade more frequently. We also compensate Professionals based on production, including payments based on the amount of client assets they service and the products they sell. In addition, our Professionals receive different levels of compensation for selling different types of investments or services. This could include, for example, a share of the 12b-1 fees, trail payments, or sales loads paid to us by an investment product. Although your Professional must recommend investment products or manage your account in your best interest, these additional forms of compensation create an incentive for them to recommend specific financial products.

Our Professionals may receive compensation from us in other ways, including:

- Transition assistance if he or she moves to LPL from another company. This assistance can include forgivable loans, advance payment of advisory fees, and/or waiving or reducing other

costs associated with transitioning the Professional's business. This assistance creates an incentive to migrate and maintain business on our platform from another investment platform, and to sell or recommend the sale of investments held in an account if we do not offer those investments.

- Waived or reduced costs and fees (e.g., for administrative services that we provide for your accounts, attending our conferences and events, and free or reduced-cost marketing materials). These waived and reduced costs and fees create an incentive for Professionals to associate with us instead of other financial firms.
- Equity awards in our parent company, LPL Financial Holdings Inc., which give your Professional an incentive to remain with us during the vesting period applicable to his or her stock holdings (the period of time before the stock is unconditionally owned). This also gives the Professional a financial interest in the success of our business.

Your Professional is legally required to act in your best interest and not put his or her interests ahead of your own. We have systems in place to mitigate the conflicts of interest that arise from the way he or she makes money, including systems to review whether a recommendation is in your best interest. More information on compensation can be found at [Brokerage Compensation Information and Related Conflicts of Interest](#). If viewing a paper version of this form, please visit [lpl.com/CRS](http://lpl.com/CRS) for a hyperlink to this document.

## Do you or your financial professionals have legal or disciplinary history?

Yes. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research LPL and our Professionals.

### ❏ Questions to ask your Professional:

*As a financial professional, do you have any disciplinary history? For what type of conduct?*

## Additional Information

Please visit the [Disclosures page on lpl.com](#) for more information, including a copy of the agreement for the account and/or program you are considering, the Form ADV Brochure for any advisory program you are considering, detailed information on our brokerage services under [Brokerage Compensation and Related Conflicts of Interest](#), and more information regarding our brokerage and advisory programs under [Third Party Compensation and Related Conflicts of Interest](#).

Please visit the [Investor Regulatory & Educational Resources page](#) on [lpl.com](http://lpl.com) to learn more about how to determine your investment objective and risk tolerance, among other items.

We are affiliated with other investment firms. If your Professional works with Fortigent, LLC, you can find the relationship summary for that firm at [lpl.com/fortigent.html](http://lpl.com/fortigent.html). More information on our affiliations can be found in the [Form ADV for your advisory program](#).

If viewing a paper version of this form, please visit [lpl.com/CRS](http://lpl.com/CRS) for hyperlinks to cross-referenced documents.

**To request up-to-date information or a copy of this relationship summary, please call us at (800) 558-7567.**

We also encourage you to review the general information provided by the U.S. Securities and Exchange Commission regarding investing, choosing an investment professional, and related considerations, available by visiting [Investor.gov](http://Investor.gov).

### ❏ Questions to ask your Professional:

*Who is my primary contact person? Is he or she a representative of an investment adviser or a broker dealer? Who can I talk to if I have concerns about how this person is treating me?*



## ACCOUNT PACKET

### PERSONAL WEALTH PORTFOLIOS (PWP) ACCOUNT AGREEMENT

This Account Agreement ("Agreement") is entered into by and among LPL Financial LLC ("LPL"), a registered investment adviser and broker-dealer, Equitable Advisors, LLC ("Advisor"), a registered investment adviser ("Equitable Financial Advisors" in MI and TN), and the client indicated in Section I of the Account Application ("Client" or "you"), pursuant to which Client will open an account ("Account") with LPL and Advisor for the purpose of participating in the Personal Wealth Portfolios Program ("Program") through which LPL will direct and manage specified assets of Client. A description of the services to be provided and the parties providing the services are set forth below.

#### 1. LPL PERSONAL WEALTH PORTFOLIOS PROGRAM

The Account will be opened through which Client will select a model portfolio ("Portfolio") from asset allocation model portfolios designed by LPL. Client, with the assistance of Advisor through its designated investment adviser representative ("IAR"), will then select from the list of available investment options the specific mutual funds, exchange-traded funds ("ETFs"), and/or third party investment advisers ("PWP Advisors") who will provide investment models to LPL within each asset class of the Portfolio in which to invest, consistent with investment objectives chosen by Client. For each asset class in a Portfolio, LPL has selected mutual funds, ETFs, and/or PWP Advisors for Client to select from. Client will authorize LPL (or PWP Advisors in the case of Muni Models as defined below) on a discretionary basis to purchase and sell mutual funds, ETFs, closed-end funds ("CEFs"), exchange-traded notes ("ETNs") and equity and fixed income securities, and to liquidate previously purchased securities.

Advisor, through IAR, will obtain the necessary personal and financial data from Client, assist Client in determining the suitability of the Program, assist Client in setting appropriate investment objectives, assist Client in selecting a Portfolio, and assist Client in selecting PWP Advisors, ETFs or mutual funds within each asset class of the Portfolio. Client understands that the investment objective selected for the Account in the Account Application is an overall objective for the entire Account and may be inconsistent with a particular holding and the Account's performance at any time. Client understands that achievement of the stated investment objective is a long-term goal for the Account. Advisor, through its designated IAR, will initiate the steps necessary to open the Account.

For any month that there is activity in the Account, Client will receive a periodic account statement showing Account activity as well as positions held in the Account at month or quarter-end. If Client so elects in the Account Application, Client will not receive a confirmation of the transactions that occur within the Account, but confirmation details for the transactions will be displayed on the periodic brokerage statement. Client may request to receive confirmation statements by contacting Advisor, through its designated IAR, who will forward the request to LPL. Client may rescind the election to suppress trade-by-trade confirmations at any time upon written notice to LPL. Client will also receive performance information annually from LPL describing Account performance, positions and activity. Additional performance information is available upon request. By signing the Account Application, you authorize LPL to combine statements as instructed by you through Advisor and understand that such instructions will mean that LPL will share your account information with members of the combined group. LPL will confirm such instructions after receipt of the request. Client understands that it is important to review promptly confirmations, account statements, disclosures, and other documents and communications that LPL or Advisor provides. Client agrees to notify LPL or Advisor promptly if anything in the account documents appears inaccurate or suspicious.

The minimum Account size is \$250,000. In certain instances, LPL will permit a lower minimum account size.

Client may make cash additions to the Account at any time in any amount, but such deposits may remain in cash until certain conditions are met, including conditions related to trade size and position deviation from the target allocation. If previously purchased securities are deposited and subsequently liquidated (i.e., because they are not included as investments in the selected Portfolio), the cash proceeds from such liquidation will be invested in the same manner as described for cash additions. Client may withdraw Account assets upon request to Advisor, through its designated IAR, who will forward the request to LPL, subject to Section 8 below, and corresponding trades will be made based on the Program's parameters related to, among other things, trade size and deviation from the target allocations. In the event Client withdrawals cause the Account asset value to fall below the required minimum, Client understands this Agreement may be terminated under the provisions of Section 8.



## ACCOUNT PACKET

### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

LPL may accommodate requests for all or a portion of the assets in the Account to remain allocated to cash for a period of up to 90 days. After the expiration of that time period, LPL will reinvest the Account according to the model portfolio selected. Note that the Advisory Fee will continue to be charged on the value of all assets in the account, including cash holdings. Interest rates earned in LPL's cash sweep program may be lower than the interest rates available to deposits directly with a bank or other depository institution outside of the program or to investments in a money market fund or other cash equivalent.

Customized cash requests, liquidation requests in connection with withdrawals, and changes to the portfolio or investment objective selected may take up to 5 business days to process, and, in certain circumstances, may take longer. Client understands that the Program is designed as a long term investment program and that asset withdrawals (or requests to allocate all or a portion of Account assets into cash) will affect the performance of the Account.

Client understands and agrees that under certain circumstances (including but not limited to a low account balance or if, in Advisor's discretion, the Account is no longer suitable for Client), the Account may be converted to a brokerage account, in which case Client agrees that the terms of the brokerage master account agreement shall govern the account after conversion. In a brokerage account, a client is charged a commission for each transaction and IAR has no responsibility to provide ongoing advice with respect to the account.

LPL and Advisor each reserve the right to accept or reject this Agreement in each of their sole discretion and for any reason.

#### 2. APPOINTMENT OF LPL AS OVERLAY PORTFOLIO MANAGER (OPM)

Client hereby appoints LPL to act as Overlay Portfolio Manager (OPM). As OPM, LPL receives from each PWP Advisor a model portfolio of securities ("Model"). Except as described below for municipal security Models, LPL will have full discretion to invest in accordance with the Models provided or to select other investments. For example, LPL may not execute small trades. In addition, it is expected that there will be times when the OPM will not be able to invest in specific fixed income securities provided in the Models due to either the illiquid nature of certain issues or certain market conditions. In those circumstances the OPM will attempt to invest in fixed income securities with similar characteristics as those in the Models. For clients in California and New York, if tax-free fixed income securities are selected, the PWP Advisor will attempt to limit the fixed income securities purchased to state-specific, tax free fixed income securities, however, the PWP Advisor may also include non-state-specific securities.

Except as described below for municipal security Models, Client understands and acknowledges that LPL, and not Advisor, IAR or PWP Advisor, is making the investment decisions for the Account, subject to any restrictions Client may provide as described below. Advisor and IAR shall not act on a discretionary basis in relation to Account.

Advisor may assign a substitute IAR to service Account under certain circumstances, including but not limited to in the event of termination or retirement of IAR.

#### 3. TRADING AUTHORIZATION

Client hereby grants LPL complete and unlimited discretionary trading authorization with respect to the purchase and sale of mutual funds, ETFs and equity and fixed income securities and the liquidation of previously purchased mutual funds, ETFs, CEFs, ETNs and equity and fixed income securities and the liquidation of previously purchased securities in the Account. If a Portfolio is selected that includes a municipal security Model ("Muni Model"), Client hereby grants the PWP Advisor for that Model complete and unlimited discretionary trading authorization with respect to the purchase and sale of fixed income securities and the liquidation of previously purchased fixed income securities for the portion of the Account invested according to the Muni Model (the "Muni Sleeve"). Although the PWP Advisor has discretion over the Muni Sleeve, LPL has ultimate discretion over the entire Account and reserves the right to exercise discretion over securities in the Muni Sleeve (e.g., to rebalance the Account or to liquidate securities for withdrawal requests) and to remove or replace PWP Advisors for Muni Models. Client hereby appoints LPL and the PWP Advisor (in the case of a Muni Model) as agent and attorney-in-fact with respect to such trading authorization. Client authorizes LPL to appoint from time to time other PWP Advisors to take discretion over a portion of the Account managed according to that PWP Advisor's Model.



## ACCOUNT PACKET

### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

Client may also provide LPL with written instructions to not purchase certain equity securities, specific industries, specific sectors, and certain pre-defined categories (e.g. "sin" stocks). In the event that client restrictions prevent the investment in certain securities otherwise specified by a PWP Advisor, assets will be invested pro-rata across the remaining securities in the Model. Client understands that such restrictions will not apply to any mutual funds, ETFs or fixed-income securities that may be held in the Account. Client also understands that restrictions placed on the Account can affect the performance of the Account and that the OPM may choose not to accept an Account with restrictions that are inconsistent with the investments chosen by the OPM or as specified by the PWP Advisor.

LPL accommodates requests to perform tax harvesting, which may include using the proceeds of tax-related transactions to purchase appropriate securities (such as ETFs) for an account. In such case, proceeds of tax-related transactions may be held in cash or securities until appropriate wash sale periods have expired. Once the wash sale period has expired, the related proceeds will be invested according to the Portfolio selected. Similarly, LPL may delay a tax harvesting request to sell securities acquired in the previous 30 days until the wash sale period has expired. In order to permit trading in a tax-efficient manner, Client further expressly grants LPL or, in certain circumstances, the PWP Advisor the authority to select specific tax lots when liquidating securities within the Account. Other than as described in Section 16, LPL, Advisor and IAR are not authorized to withdraw or transfer any money, securities, or property either in the name of Client or otherwise.

Client understands that PWP Advisors, LPL, Advisor, IAR and their affiliates perform advisory and/or brokerage services for various other clients, and that each of the parties may give advice or take actions for those clients that differ from the advice given or the timing or the nature of any action taken for the Account. Although Advisor and IAR are acting as investment adviser and investment adviser representative, respectively, in this Program, Advisor is also registered as a broker-dealer and IAR as a broker-dealer registered representative, and may provide services to Client and/or others in that capacity outside of the Program. In addition, each of the parties may, but is not obligated to, purchase or sell or recommend for purchase or sale any security which each of the parties or any of their affiliates may purchase or sell for their own accounts or the account of any other client. Client also understands that cash awaiting investment or reinvestment will be invested in a money market mutual fund or an insured cash account ("ICA") and that certain fees and expenses shall be incurred in connection with the money market fund or ICA, which are in addition to the Account Fee.

Client authorizes LPL in its discretion to aggregate purchases and sales of securities for the Account with purchases and sales of securities of the same issuer for other clients. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the Account will be deemed to have purchased or sold its proportionate shares of the securities involved at the average price so obtained. For partially filled orders, the OPM will generally allocate trades pro-rata or on some other basis consistent with the goal of treating all clients equitably over time.

Securities held in the Account which are in "street name" or being held by a securities depository are commingled with the same securities being held for other clients of LPL. Client ownership of these securities is reflected in LPL's records. Client has the right at any time to require delivery of any such securities which are fully paid for. The terms of many bonds allow the issuer to partially redeem or "call" the issue prior to the maturity date. Certain preferred stocks are also subject to being called by the issuer. Whenever any such security being held by LPL is partially "called", LPL will determine, through a random selection lottery process as prescribed by the Depository Trust Company ("DTC"), the ownership of the securities to be submitted for redemption without regard to unsettled sales. In the event that such securities owned by Client are selected and redeemed, the Account will be credited with the proceeds. Should Client wish not to be subject to this random selection process, Client must instruct LPL to register and deliver the securities to Client. Delivery will be effected provided that Client's securities are unencumbered or have not already been called prior to the receipt of Client's instructions. If Client takes delivery of the securities, they are still subject to call by the issuer and they will no longer be considered assets in the Account for management purposes. The probability of one of Client's securities being called is the same whether they are held by Client or by LPL for Client. Please refer to the "Marketing & Trading Disclosures" section on [lpl.com/disclosures.html](http://lpl.com/disclosures.html) for LPL's Call Securities Lottery Disclosure. In addition, a detailed description of the random selection procedure is available upon request.



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### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

Consistent with the overriding principle of best execution for equities, LPL directs orders in equity securities to exchanges and market makers based on an analysis of their ability to provide rapid and quality executions. In an effort to obtain best execution, LPL may consider several factors, including price improvement opportunities (executions at prices superior to the then prevailing inside market on OTC or national best bid or offer for listed securities). In no event will LPL, Advisor or IAR be obligated to effect any transaction for Client which it believes would violate any applicable state or federal law, rule or regulation, or the rules or regulations of any regulatory or self-regulatory body.

This trading authorization is a continuing one and shall remain in full force and effect and be relied upon until LPL, Advisor, and IAR have received a copy of a written termination notice, which writing will be deemed to terminate this Agreement effective upon receipt.

#### 4. PROXIES AND CORPORATE ACTIONS

LPL shall be responsible for voting proxies solicited by, or with respect to, the issuers of any securities held in the Account on Client's behalf, unless Client directs otherwise in writing. LPL will vote proxies in accordance with its proxy voting policies and procedures then in effect, which will include engaging one or more third party proxy advisor vendors to make proxy voting recommendations and handle the administrative functions of voting proxies. In the case of voluntary corporate actions, LPL will follow the instructions or default election of the PWP Advisors without reviewing Program clients' individual interests. LPL reserves the right to vote proxies or take corporate actions inconsistent with the recommendations of third party proxy advisor vendors or PWP Advisors, if it determines such actions are in the best interests of Program clients.

If Client is a plan subject to ERISA (as defined below), LPL shall vote client proxies in accordance with LPL's obligations under ERISA and applicable Department of Labor Regulations. Client may expressly retain the right and obligation to vote any proxies or exercise any voluntary corporate actions relating to securities held in the Account, provided Client provides prior written notice to the IAR and LPL.

Neither Advisor nor IAR will have any authority to act in any way with regard to proxies or voluntary corporate actions. LPL, Advisor, and IAR shall not be obligated to render any advice or take any action on behalf of Client with respect to any legal proceedings, including bankruptcies, involving securities or other investments held in the Account, or the issuers thereof. Client hereby retains the right and obligation to take action with respect to legal proceedings relating to securities held in the Account.

Client hereby designates LPL, as a broker-dealer and registered investment adviser, to receive all prospectuses, annual reports, and disclosure statements for mutual funds or ETFs held in the Account. Client retains the right to rescind this designation by notifying LPL in writing. Client may request fund prospectuses and reports from Advisor through its designated IAR.

#### 5. CLIENT AUTHORITY/ERISA AND RETIREMENT ACCOUNTS

If Client is a corporation, the party executing this Agreement on behalf of Client represents that execution of this Agreement has been duly authorized by appropriate corporate action, and the party executing this Agreement has the authority to enter into this Agreement on behalf of the corporation.

If this Agreement is entered into by a trustee or other fiduciary, including but not limited to someone meeting the definition of fiduciary under the Employee Retirement Income Security Act of 1974 ("ERISA"), of (i) an employee benefit plan subject to the fiduciary provisions of ERISA (an "ERISA Plan"), (ii) a "plan" within the meaning of Section 4975(e) of the Internal Revenue Code of 1986 (the "Code"), (iii) any entity whose assets are treated as "plan assets" for purposes of ERISA or Section 4975 of the Code (a "Plan Asset Entity"), or (iv) a plan, trust or entity subject to laws similar to the fiduciary duty provisions of ERISA or the prohibited transaction rules under Section 4975 of the Code (each of the foregoing, including any related trust or funding vehicle, a "Plan" and, collectively, "Plans"), such trustee or other fiduciary ("Responsible Plan Fiduciary") represents and warrants that Client's participation in the Program is permitted by the relevant governing instrument of such Plan and laws applicable to such Plan, and that Client is duly authorized to enter into this Agreement on behalf of such Plan.



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### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

If Client is an ERISA Plan or a Plan Asset Entity holding assets of one or more ERISA Plans, Responsible Plan Fiduciary additionally represents and warrants that the Responsible Plan Fiduciary executing and delivering this Agreement on behalf of Client is a “named fiduciary” (as defined under ERISA) who has power under the ERISA Plan(s) to appoint LPL, Advisor, PWP Advisor and IAR to provide their respective services under this Agreement. If Client is a Plan, Client shall obtain and maintain during the term of this Agreement any bond required by ERISA or other applicable law with respect to fiduciaries and shall include LPL, PWP Advisors and Advisor within the coverage of such bond. If Client is an ERISA Plan or Plan Asset Entity holding assets of one or more ERISA Plans, this Agreement, the Account Application, and the Program Brochure include disclosures required to be provided to an ERISA Plan under ERISA Section 408(b)(2). The 408(b)(2) Disclosure Guide attached hereto contains a guide to this important information that Client should consider in connection with the services to be provided by LPL to the Plan. Responsible Plan Fiduciary agrees that it has been provided all disclosures required to be provided by the Department of Labor Regulations under ERISA Section 408(b)(2) in connection with the Program and has determined that the compensation Client pays for the services provided under this Agreement is reasonable.

If Client is an ERISA Plan or a Plan Asset Entity holding assets of one or more ERISA Plans, Client acknowledges that it has sole responsibility for compliance with the restrictions on investment in employer securities under Section 407 of ERISA. Client further acknowledges that LPL, Advisor, and IAR only undertake responsibility with respect to assets of Client allocated to the Account and do not have responsibility for making decisions regarding the following types of assets: employer securities; real estate (except for real estate funds and REITs); self-directed brokerage accounts; participant loans; non-publicly traded partnership interests; other non-publicly traded securities (other than collective trusts, unitized models and similar vehicles); or other hard-to-value securities or assets. If Client is an ERISA Plan or a Plan Asset Entity holding assets of one or more ERISA Plans, Client acknowledges and agrees that (i) the Responsible Plan Fiduciary assumes full responsibility for making the investment decision to invest assets of Client in the Account and is aware of and has taken into consideration its fiduciary duties (including, without limitation, the diversification requirements of Section 404(a)(1)(C) of ERISA), (ii) the decision to invest assets of Client in the Account was made by a Responsible Plan Fiduciary that is independent of LPL and IAR and the Responsible Plan Fiduciary has not relied and is not relying on LPL, Advisor or IAR to provide any kind of investment advice with respect to Client’s decision to invest assets in the Account, (iii) neither LPL, nor Advisor, nor IAR nor any of their affiliates shall be responsible for compliance by Client with the provisions of ERISA requiring that investments of Client be diversified, (iv) the Responsible Plan Fiduciary has sole responsibility with respect to decisions regarding the allocation of Client’s assets and has considered the liquidity constraints of the Account and overall liquidity needs of Client in making the decision to invest Client assets in the Account, (v) the investment of Client assets in the Account does not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or any similar law, and (vi) in providing services under this Agreement, neither LPL, nor Advisor, nor IAR has or will have any discretionary authority or discretionary responsibility in the administration of the Plan or interpretation of the Plan documents, the determination of participant eligibility, benefits, or vesting, or the approval of loans or distributions by the Plan, and neither LPL, nor Advisor, nor IAR is the “administrator” of the Plan as defined in ERISA or undertakes any responsibility with regard to the operation of the Plan (including, without limitation, the Plan’s contribution, loan, or distribution provisions), or the Plan’s compliance with ERISA or the Code.

If the Account is being managed for a particular participant in a Plan (a “Self-Directed Account”), the term Client as used in this Agreement refers to the Responsible Plan Fiduciary and the participant, and both the Responsible Plan Fiduciary and participant must sign the Account Application. In the case of a Self-Directed Account, Client represents to LPL that the Plan’s governing documents (including any applicable adoption agreement) and laws governing the Plan permit the participant to self-direct his or her investment of all assets in the Account. If LPL or Advisor receives trade instructions from participant, rather than from the Responsible Plan Fiduciary or its designee, such as a trustee, plan administrator or other delegate, Client represents that the Plan’s governing documents, including any procedures established by the Responsible Plan Fiduciary, and laws governing the Plan permit the participant to provide trade instructions directly to LPL and Advisor.

In the case of a Self-Directed Account, although the Plan’s governing documents allow participant to direct investments of the Account, the Plan trustee(s) remains the legal owner of the assets in the Account, and the rules regarding withdrawals,





## ACCOUNT PACKET

### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

contributions and other actions are primarily governed by the Plan documents, including any related trust agreement. If participant is entitled to a distribution or withdrawal from the Account, Client is aware that a distribution/withdrawal request will need to be authorized and directed by the Responsible Plan Fiduciary in addition to participant's authorization requesting the transaction. If participant invests through this Account instead of designated investment options as may be provided by the Responsible Plan Fiduciary under the Plan, if applicable, Client acknowledges that the services (including investments) under this Agreement may be different, and the fees may be higher, than if participant invested through those designated Plan investment options. Client understands that the investment objective for this Account will be based on the investment objective of the participant as provided in the Account Application, and generally will be different from the investment objectives of other Plan accounts for different participants of the same or different Plans.

LPL and Advisor provide advisory services under this Agreement as registered investment advisers under the Investment Advisers Act of 1940 (the "Advisers Act"). To the extent that LPL has or exercises discretionary authority under this Agreement with respect to the management of assets of the Account (or otherwise provide "investment advice" under this Agreement as defined under Section 3(21) of ERISA or Section 4975 of the Code with respect to assets of the Account), LPL acknowledges that it will be deemed a "fiduciary" as such term is defined under Section 3(21) of ERISA or Section 4975 of the Code, as applicable, with respect to such advisory services. This acknowledgement of status under ERISA is not intended to create or expand "fiduciary" relationship, capacity, or obligations of LPL, Advisor, or IAR under other federal, state or local laws. Client is solely responsible for considering all relevant services, fees and conflicts of interest applicable to the services contemplated under this Agreement (and related disclosures) before making a decision to participate in the Program, or to contribute to or withdraw assets from the Program. Client understands and agrees that none of LPL, Advisor, nor IAR undertakes to act as a "fiduciary" within the meaning of ERISA or Section 4975 of the Code with respect to the Client's decision to participate in the Program, accept the terms and conditions of the Agreement, or to contribute to or withdraw assets from the Account. Client should consider whether to seek the advice of counsel or other independent experts as necessary. LPL acknowledges that, to the extent it is authorized in Sections 1, 2, 3 and 4 as in effect at any given time, to exercise discretionary authority to manage, acquire, or dispose of assets of the Account, it will be a fiduciary and serve as an "investment manager," as such term is defined under Section 3(38) of ERISA. As discussed herein, LPL, Advisor and IAR do not undertake to provide advisory services under this Agreement nor become fiduciaries to any Plan until the Account has been accepted by LPL and Advisor.

Client understands that Advisor and IAR are prohibited from taking personal possession of Client securities, stock powers, monies or any other personal or real property in which Client may have an interest. In addition, Client understands that Advisor and IAR may not lend to or borrow from Client any monies or securities. Client further agrees not to enter into any other business relationship with Advisor or IAR including, but not limited to, helping to capitalize or finance any business of Advisor or IAR except as may be authorized in writing by Advisor, and in compliance with Advisor's policies and procedures.

Client agrees to furnish IAR, Advisor, PWP Advisor and LPL with such document, as they shall reasonably request with respect to the foregoing. Client further agrees to advise LPL, Advisor and IAR of any event that might affect this authority or the validity of the Agreement.

#### 6. CONFLICTS OF INTEREST

LPL is appointed by Client as the custodian of the assets in the Account and, except as described below, as sole and exclusive broker-dealer to process securities transactions for the Account. Advisor and IAR will not have any custody or possession of Account assets. Securities transactions for the Account are effected through LPL without commissions being paid to LPL.

If a Portfolio is selected that includes a Muni Model, the PWP Advisor will have discretion to purchase and sell securities within the Muni Sleeve of the Account and may choose to execute transactions through a broker-dealer other than LPL. In such case, the execution price may include a commission, mark-up or mark-down, or other charges in addition to the Account Fee. LPL and PWP Advisors (in the case of a Muni Model) may aggregate transactions for Client with other clients to improve the quality of execution.

Client should be aware that certain mutual funds held in the Account charge fees such as 12b-1 and subtransfer agent fees, a portion of which is received by LPL. The amount of a mutual fund's 12b-1 and subtransfer agent fees is described in the mutual



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### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

fund's prospectus under fund expenses and is also reflected on the fund's financial statements. Any 12b-1 fees paid to LPL by mutual funds held in the Account (other than cash sweep money market funds ("Sweep Funds") described in Section 19 below) will be credited to the Account.

Client should understand that the share class offered for a particular mutual fund through the Program in many cases will not be the least expensive share class that the mutual fund makes available. As a result, LPL will not achieve best execution for purchases of share classes that are more expensive because the recordkeeping and other expenses make it a more expensive share class than Client otherwise would be eligible to purchase had LPL chosen to make that share class available. Client understands that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through the Program.

In addition, certain of the mutual funds and PWP Advisors available in the Program may be affiliated with Advisor. As a consequence, investment in the affiliated mutual fund(s) or PWP Advisor(s) generates additional compensation to Advisor or its affiliates.

LPL does not receive compensation for directing orders in equity securities to particular broker-dealers or market centers for execution.

LPL credits to the Account funds belonging to Client such as dividends, interest, redemptions, and proceeds of corporate reorganizations on the day such funds are received by LPL. These funds come to LPL from issuers and various intermediaries in which LPL is a participant, such as DTC. Information regarding when LPL credits the Account with funds due the Account, when those funds are available to Account, and/or when Client begins earning interest on the funds is available from LPL.

If Client is a participant in an employer-sponsored retirement plan such as a 401(k) plan, and decides to roll assets out of the plan into the Account, Advisor has a financial incentive to recommend that Client invest those assets in the Account, because Advisor will be paid on those assets, for example, through advisory fees. You should be aware that such fees likely will be higher than those a participant pays through a plan, and there can be maintenance and other miscellaneous fees. As securities held in a retirement plan are generally not transferred to the Account, commissions and sales charges will be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan.

#### 7. LIMITATION OF LIABILITY

To the fullest extent permitted under applicable law, LPL, Advisor, IAR, PWP Advisors and their officers, directors, employees and affiliates shall not be liable for any loss incurred with respect to the Account, except where such loss directly results from such party's negligence or misconduct.

Client acknowledges that LPL, Advisor, IAR, PWP Advisors and their employees are not agents of each other or of any of their affiliates, and that no party shall be liable for any act or omission of another party or their agents or employees. Nothing in this Agreement shall in any way constitute a waiver or limitation of any rights which Client may have under federal or state securities laws (or ERISA, where applicable).

Client further understands that there is no guarantee that Client's investment objectives will be achieved. LPL and Advisor shall not have any liability for Client's failure to inform Advisor, through its designated IAR, in a timely manner of any material change in Client's financial circumstances which might affect the manner in which Client's assets are allocated, or to provide Advisor, through its designated IAR, with any information as to Client's personal or financial status as Advisor, through its designated IAR, may reasonably request.

LPL shall not be liable for any loss or loss of profits caused, directly or indirectly, by government restrictions, exchange or market rulings, suspension of trading, lack of access to or latency of trading systems, rioting, mayhem, acts of terrorism, war, outbreak of sickness or disease, strikes, fire, flood, cyber attack, sabotage, network failure, system outage, computer viruses, or other conditions beyond LPL's control, to the extent losses are not otherwise covered by the LPL Cyber Fraud Guarantee, which can be viewed at [lpl.com](http://lpl.com).



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Client also understands that Advisor, IAR, and LPL do not provide tax, accounting, or legal advice. In making tax, accounting, or legal decisions, Client will consult with and rely on Client's own advisors and not IAR, Advisor, or LPL, and IAR, Advisor, and LPL shall have no liability therefore.

LPL is a member of the Securities Investor Protection Corporation ("SIPC"). SIPC provides protection for the Account for up to \$500,000, including \$250,000 for claims for cash. The account protection applies when a SIPC member firm fails financially and is unable to meet obligations to securities customers, but it does not protect against losses from the rise and fall in the market value of investments. More information on SIPC, including obtaining a SIPC Brochure, may be obtained by calling SIPC directly at (202) 371-8300 or by visiting [www.sipc.org](http://www.sipc.org).

#### 8. ASSIGNMENT/TERMINATION

This Agreement may not be assigned or transferred in any manner by any party without the written consent of all parties receiving or rendering services hereunder; provided that LPL or Advisor may assign this Agreement upon consent of Client in accordance with the Advisers Act. Notwithstanding the foregoing, LPL may not assign this Agreement without Advisor's prior written consent.

This Agreement may be terminated by any party effective upon receipt of written notice to the other parties ("Termination Date"). Upon termination, LPL will deliver securities and funds held in the Account as instructed by Client. Client may also request that the Account be liquidated either in whole and in part. If upon termination, Client does not provide LPL with instructions to deliver the securities and funds held in the Account within 60 days, LPL may at its discretion (i) disburse certificates of outstanding securities from the Account to Client; (ii) notify the transfer agent that LPL no longer custodies or services Account assets and they will thereafter remain at the transfer agent until Client instructs them otherwise; or (iii) liquidate the Account and disburse the funds to Client by check, subject to applicable law. LPL will initiate instructions to deliver funds and/or securities within two weeks of Client's written request. If an Account is liquidated as a result of a termination notice, LPL will have a period of 72 hours to begin liquidations unless special circumstances apply. Proceeds will be payable to Client upon settlement of all transactions in the Account. Client will be entitled to a prorated refund of any pre-paid quarterly Account Fee based upon the number of days remaining in the quarter after the Termination Date. Advisor will be responsible for refunding any portion of the Account Fee remitted to Advisor by LPL. Client understands and agrees that after the Termination Date, the Account may be converted to a brokerage account at LPL, in which case Client agrees that the terms of the brokerage master account agreement shall govern the account after conversion. In a brokerage account, Client is charged a commission for each transaction and LPL, Advisor, PWP Advisors (if any), and IAR have no responsibility to provide ongoing investment advice. If this Agreement terminates, and the Account converts to a brokerage account, Client hereby authorizes and directs LPL to implement the insured cash account as the sweep option for the brokerage account, as discussed more fully below.

If the Account is closed within the first six months by Client or as a result of withdrawals which bring the Account value below the required minimum, LPL reserves the right to retain the pre-paid quarterly Account Fee for the current quarter or cancel and rebill all transactions in the Account at normal and customary brokerage commission rates, in order to cover the administrative cost of establishing the Account which may include costs to transfer positions into and out of the Account, data entry costs to open the Account, costs associated with reconciling of positions in order to issue performance information, and the cost of re-registering positions.

Client understands and agrees that, in the event of Client's death or incapacity during the term of this Agreement, the authority of LPL and Advisor under this Agreement shall remain in full force and effect until such time as LPL and Advisor have been notified otherwise in writing by the authorized representative of Client or Client's estate.

Termination of the Agreement will not affect the liabilities or obligations of the parties from transactions initiated prior to termination.



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#### **9. CONFIDENTIALITY**

LPL, Advisor, PWP Advisors and IAR will share information about Client, the Account, and Client's participation in the Program with each other in order to provide the services contemplated by this Agreement. LPL, Advisor, PWP Advisors and IAR will keep Client information confidential and will not use or disclose it to others without Client's prior consent except as described in their privacy policies. Use and disclosure of Client information may be further limited by additional confidentiality undertakings between LPL, Advisor, and/or IAR. Client acknowledges, understands, and agrees that for our mutual protection, LPL may electronically record telephone conversations. Client agrees not to record any telephone conversation without express written authorization of LPL and the individual(s) engaged in the conversation.

#### **10. SEVERABILITY**

If any provision of this Agreement shall be held or made nonenforceable by a statute, rule, regulation, decision of a tribunal or otherwise, such provision shall be automatically reformed and construed so as to be valid, operative and enforceable to the maximum extent permitted by law or equity while most nearly preserving its original intent. The invalidity of any part of this Agreement shall not render invalid the remainder of this Agreement and, to that extent, the provision of this Agreement shall be deemed to be severable.

#### **11. VALUATION**

In computing the market value of any security or other investment in the Account, each security listed on a national securities exchange shall be valued, as of the valuation date, at the closing price on the principal exchange on which it is traded. Any other security or investment in the Account shall be valued in a manner determined in good faith by LPL to reflect fair market value.

For any assets purchased within the Account, the cost basis is the actual purchase price. For any assets transferred into the Account, original purchase price is used as the cost basis to the extent such information was submitted to LPL by Client or a former service provider. It is Client's responsibility to advise LPL immediately if the cost basis information is portrayed inaccurately. Statement calculations and figures should not be relied upon for tax purposes.

#### **12. GOVERNING LAW**

This Agreement shall be construed under the laws of The Commonwealth of Massachusetts in a manner consistent with the Advisers Act and the rules and regulations of the Securities and Exchange Commission thereunder.

#### **13. RECEIPT OF DISCLOSURE DOCUMENTS**

Client acknowledges receipt of LPL's Relationship Summary, PWP Program Brochure, Advisor's Form ADV Part 2 or alternative brochure, and Advisor's IAR's Brochure Supplement as required under the Advisers Act. The 408(b)(2) Disclosure Guide attached hereto provides a guide to the information in this Agreement, the Account Application, and the Program Form Brochure that constitute disclosure required to be provided to an ERISA Plan under ERISA Section 408(b)(2). This Agreement will not take effect until LPL and Advisor have accepted the Account.

#### **14. ENTIRE AGREEMENT/AMENDMENT**

This Agreement represents the entire agreement between the parties with respect to the subject matter contained herein. This Agreement may be amended by LPL upon thirty (30) days written notice to all parties. In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of any other agreement between Client and Advisor, the terms and conditions of this Agreement shall control with respect to the Program.

#### **15. ACCOUNT APPLICATION**

The Account Application, incorporated herein by reference and made a part of this Agreement, must be completed in full by Client and the accuracy of its contents is hereby acknowledged by Client. By signing the Account Application, Client agrees to the terms and conditions of this Agreement. The Advisor and LPL may accept the Account electronically. Client further



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acknowledges that it is Client's responsibility to provide LPL, Advisor and IAR with updated information as necessary and that LPL, Advisor and IAR have the right to rely on this information. Client agrees to promptly notify LPL in the event that his or her country of residence or citizenship status changes, and Client acknowledges and agrees that such notification may result in termination of his or her account by LPL under Section 8 above if LPL does not service accounts in the new jurisdiction.

Important information about procedures for opening this Account: To detect and stop the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account. Client is required to provide the following information, among other items, on the Account Application: name, address, date of birth and other information that will allow LPL to confirm Client's identity. In addition, Advisor, through its designated IAR, may also ask to see a valid driver's license or other identifying documents.

#### 16. AUTHORIZATION TO DEBIT ACCOUNT

Client hereby authorizes LPL to debit all Account Fees payable pursuant to Section 17 and any other fees or charges associated with the Account directly from the Account. It is agreed by Client and LPL that the Account Fee and any other fees or charges associated with the Account will be payable, first, from free credit balances, if any, in the Account, second, from the liquidation or withdrawal (which Client hereby authorizes) by LPL of Client's shares of any money market fund or ICA or DCA, as applicable, and third, from the liquidation (which Client hereby authorizes) by LPL of any other assets or securities in the Account. LPL reserves the right to liquidate at any time a portion of the other assets in the Account to cover the Account Fee or other charges. Client acknowledges that the liquidation of assets or securities as described in this Section 16 may result in additional transaction and/or other fees or charges and may have tax consequences. Certain accounts may establish procedures to pay the Account Fee directly rather than through a debit to the Account. Any different method of billing Account Fees may result in the imposition of additional charges to cover the administrative costs of billing.

#### 17. FEES AND CHARGES

As a participant in the Program, Client agrees to pay an annualized fee ("Account Fee"). The Account Fee is made up of an Advisory Fee and a Manager Fee. Additional details, as well as the maximum Account Fee is set forth in Schedule A attached hereto. For purposes of calculating quarterly Account Fees and providing performance information as described, the Account quarter will begin on the first day of the month in which the Account is accepted by LPL.

The initial Account Fee is due at the beginning of the quarterly cycle following LPL's acceptance of the Account and will include the prorated amount for the initial quarter in addition to the standard quarterly fee for the upcoming quarter. Subsequent Account Fees will be assessed at the beginning of each quarterly cycle thereafter and will be based on the value of the Account assets under management as of the close of business on the last business day of the preceding quarter (as valued by an independent pricing service, where available, or otherwise in good faith as reflected in Client's account statement) and based on the fee rate in effect at the time of assessment. At the time of a subsequent Account Fee assessment, the Account Fee will be adjusted for deposits and withdrawals during the prior quarter pro rata based on the asset value of the transaction and based on the fee rate in effect at the time of the assessment. If there is a change in the Account Fee rate negotiated between Advisor and Client during the quarter, the effective date of any increase or decrease will be at the beginning of the next quarterly cycle. All Account Fees will be deducted from the Account pursuant to the authorization granted under Section 16.

If Client has paid a commission to Advisor on the purchase of a security in a brokerage account of Advisor within up to two years of the transfer of the security into the Account, Client may be entitled to a credit for a portion of the Account Fee.

Client authorizes LPL to deduct all Account Fees and any other fees or charges associated with the Account from the Account unless other arrangements have been made for the Account pursuant to Section 16. All such fees and charges will be noted on Client's statements.

Client also incurs certain charges imposed by LPL or third parties other than Advisor and IAR in connection with investments made through the Account, including among others, the following types of charges: mutual fund 12b-1, subtransfer agent, networking and omnibus processing fees, fund management and administrative servicing fees, certain deferred sales charges on





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previously purchased mutual funds and other service fees, fees related to American Depository Receipts, individual retirement account ("IRA") and Qualified Retirement Plan fees, administrative servicing fees for trust accounts, and other charges required by law or imposed by exchanges or regulatory bodies. LPL receives a portion of these third party fees. Further information regarding charges and fees assessed by a mutual fund are available in the appropriate prospectus.

As an example of the foregoing, transaction fees imposed by the SEC on all sales of securities, options and single stock futures effected on a national securities exchange are passed on to your Account. The amount of this regulatory fee may vary over time, and because variations might not be immediately known to LPL, the amount may be estimated and assessed in advance. To the extent that such estimated amount differs from the actual amount of the regulatory fee, LPL retains the excess. These charges will be reflected on transaction confirmations and/or periodic statements.

Client understands and agrees that LPL may waive any fee it charges in its sole discretion in whole or in part.

Mutual funds may also charge a redemption fee if a redemption is made within a specific time period following the investment. The terms of any redemption fee are disclosed in the fund's prospectus. Decisions regarding the sale of mutual funds in an Account will be made by LPL without regard to whether Client will be assessed a redemption fee.

Client understands that LPL, Advisor and IAR, in connection with the performance of their respective services, shall be entitled to and will share in the Advisory Fees payable hereunder. The PWP Advisors will receive the applicable Manager Fee.

PWP Advisors may pay LPL a portion of the costs associated with the use of technology necessary for a PWP Advisor to perform its services under the Program. LPL will receive a fee for its services as OPM equal to 10 basis points of the value of the Account. No party shall be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of Client.

Client acknowledges and agrees that the Fee Schedule as set forth in Schedule A and in effect for the Account shall continue until thirty (30) days after LPL has notified Client in writing of any change in the amount of the fees or charges applicable to the Account, at which time the new fees or charges will become effective unless Client notifies LPL in writing that the Account is to be closed.

### 18. NOTICES AND COMMUNICATIONS

To the extent permitted by applicable law, notices and communications may be sent to Client through mail, overnight express delivery, or electronically, at LPL's or the Advisor's discretion. Notices and communications will be sent to the postal or electronic address, which includes a telephone number ("E-Address"), shown on the Account Application or at such other postal or E-Address as Client may hereafter provide to LPL or Advisor in accordance with procedures LPL and/or Advisor may establish from time to time. The E-Address may be an e-mail address, telephone number, or other electronic access address only as may be explicitly permitted by the procedures established by LPL and Advisor.

LPL may, at its option, send notices and communications to Client electronically either:

- to Client's E-Address, or
- by posting the information online to a site maintained by LPL and/or Advisor and sending Client a notice to Client's postal address or E-Address telling Client that the information has been posted and providing instructions on how to view it.

Communications may include text (SMS) messages, which may be informational, transactional or commercial (marketing) in nature and which may be sent using an automatic telephone dialing system, from or on behalf of LPL or Advisor. By completing the Account Application and providing a telephone number to LPL and/or Advisor, Client provides consent for LPL and/or Advisor to send communications by text (SMS) message. Client may be charged by his or her wireless service provider in connection with receipt of such messages. Client may stop the receipt of text (SMS) messages by contacting their Advisor.



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To the extent permitted by applicable law, notices and communications will be deemed delivered when sent, whether actually received or not, even if LPL has notice of non-delivery. Notices and communications posted to an online location by LPL will be deemed to be delivered to, and received by, Client at the time that LPL sends notice to Client in accordance with this Agreement that the notices and communication is posted online and available for review.

Client agrees that Client will notify LPL and Advisor immediately in the event of a change to Client's postal address or E-Address. All notices and communications to LPL or Advisor must be provided in writing at LPL's or the Advisor's postal address, as applicable, and as such address may be updated by notice to the other parties from time to time. Any notice Client sends LPL or Advisor will not be effective until actually received. Client assumes the risk of loss in the mail or otherwise in transit.

#### 19. AUTOMATIC CASH SWEEP PROGRAM

By signing the Account Application, Client is selecting and agreeing, with respect to assets held at LPL, to have cash balances in the Account transferred automatically into a sweep program, depending on the type of Account. Below is a summary of the general terms and conditions of the sweep programs offered by LPL.

The applicable sweep program will be implemented upon acceptance of the Account by Advisor. Pending acceptance, cash balances not otherwise invested at your direction will be held in your Account as a free credit balance, as discussed more fully below.

##### **Multi-Bank Insured Cash Account ("ICA") or Deposit Cash Account ("DCA") Program General Terms and Conditions**

If the Account is eligible for the ICA or DCA program, you hereby authorize and direct LPL to automatically deposit available cash balances (from securities transactions, dividend and interest payments, deposits and other activities) in the Account into interest-bearing Federal Deposit Insurance Corporation ("FDIC") insured deposit accounts ("Deposit Accounts") at one or more banks or other depository institutions (each, a "Bank"), as provided for in such programs. In selecting the ICA or DCA program for your eligible Account, you agree that: you have independently chosen the ICA or DCA program for your Account, fees of LPL and the program administrator, as discussed below, are reasonable and appropriate for the services being provided under the program, you have reviewed the ICA Disclosure Booklet or the DCA Disclosure Booklet (as applicable) and you have not relied on the advice or recommendation of LPL in making this selection. You understand and agree that LPL, Advisor and IAR have no obligations to consider, choose or recommend alternative sweep products to the one you have chosen.

**Eligibility.** The ICA program is available for accounts of individuals, trusts, sole proprietorships and entities organized or operated to make a profit, such as corporations, partnerships, associations, business trusts, and other organizations. In the future, LPL may, at its sole discretion, make additional account types eligible for the ICA program or may choose to treat an otherwise eligible person as ineligible if LPL becomes aware that the person is prohibited as a matter of law from holding balances at any Bank. The DCA program is available only to IRAs subject to Section 4975 of the Code in certain LPL advisory programs, including traditional, rollover, Roth, inherited IRAs and Coverdell education savings accounts (ESAs) held by an eligible person. Please consult Advisor for additional details concerning eligibility.

**FDIC Insurance.** Cash balances deposited through the ICA or DCA program are eligible for insurance by the FDIC up to \$250,000 in principal and accrued interest per depositor for each FDIC-defined ownership category in an individual bank. As your agent, LPL will sweep cash out of your LPL Account and into the participating Banks, subject to certain capacity limits, but not to exceed the maximum levels of insurance as defined by the FDIC per category. LPL will limit your total deposit at any participating Bank to allow for the monthly interest being applied to your Account in an effort to maintain deposit levels that do not exceed the maximum levels of insurance (as defined by the FDIC per category). Should your assets reach the maximum amount of insurance as defined by the FDIC per category, LPL will continue to place funds with other participating banks to provide the maximum deposit insurance limits established for ICA or DCA. To view the current program maximum deposit insurance limits for ICA or DCA, which assumes that you hold no FDIC-insured deposits at a Bank other than through ICA or DCA and that all Banks have capacity to accept additional deposits, see the ICA or DCA Current Interest Rate pages on [lpl.com/disclosures.html](http://lpl.com/disclosures.html) under "Automatic Cash Sweep Programs and SIPC Coverage" and "FDIC-Insured Bank Deposit Sweep



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Programs (LPL ICA and DCA).” After you reach the ICA or DCA program’s maximum insurance coverage for you, which is subject to Bank capacity limits and your decision to opt out of one or more Banks, any additional cash will be deposited into one or more of the Excess Banks (as defined in the applicable ICA or DCA Disclosure Booklet). Additional cash held through the ICA or DCA program that is above the ICA or DCA program’s maximum insurance coverage for you will not be eligible for FDIC deposit insurance. Cash held uninvested or invested in a money market mutual fund is not eligible for FDIC deposit insurance, but is eligible for protection by the SIPC. Deposit Accounts are not protected by the SIPC. LPL itself is not an FDIC-insured depository institution. The FDIC’s deposit insurance coverage only protects against the failure of an FDIC-insured depository institution. Pass-through insurance coverage is subject to conditions. Please see the ICA Disclosure Booklet and the DCA Disclosure Booklet, as applicable, for more information. A list of applicable banks into which your cash may be deposited is available by visiting <https://www.lpl.com/disclosures/lpl-financial-fdic-insured-bank-deposit-sweep-programs.html> and following the links for the applicable bank lists based upon your account type, or ask your financial professional for this information.

The ability of the ICA and DCA program to sweep your uninvested cash into Bank Deposit Accounts depends, however, on the capacity of the Banks to accept new deposits. “Overflow Balances” are cash in the ICA or DCA in excess of the applicable program maximum FDIC insurance limits or cash for which there is insufficient deposit capacity in the ICA or DCA Banks. When Overflow Balances exist, LPL will temporarily deposit into one or more of the Banks in excess of FDIC coverage limits resulting in deposits not being eligible for FDIC insurance or will otherwise use the overflow mechanisms described below. When Bank capacity is restored, your funds are re-allocated to Banks within the program to fully insure your assets up to the program maximum.

**Lack of Deposit Availability or FDIC Insurance; Overflow Mechanisms.** If there are Overflow Balances in ICA, such balances may be placed into an “overflow” Client Cash Account; such balances are considered to be “free credit balances” and represent a direct liability of LPL to Client. LPL will pay you interest on such balances in an amount equal to the rate otherwise payable on cash balances in ICA. Please see the disclosures below regarding Free Credit Balances.

If there are Overflow Balances in DCA, such balances may be placed into an “overflow” money market mutual fund. You hereby authorize LPL to direct such DCA Overflow Balances held in your Account to the Goldman Sachs Asset Management (“GSAM”) Financial Square Government Fund (“GSAM”). LPL receives compensation of up to 0.45% annually of LPL client assets invested in GSAM from the money market fund sponsor in connection with recordkeeping fees and other compensation. Please see the other disclosures below regarding Money Market Mutual Sweep Funds for additional disclosures applicable to Overflow Balances invested in GSAM.

**Interest.** In both the ICA and DCA program, Client will earn the same rate of interest for the respective program as stated on [lpl.com/disclosures.html](https://www.lpl.com/disclosures.html) regardless of the Bank in which the Client deposits are held. Interest will accrue daily on balances from the day funds are deposited into a Bank through the business day preceding the date of withdrawal from that Bank. In the ICA program, interest will be compounded daily and credited monthly. In the DCA program, interest is credited to the Client Account monthly (or when you close the Account, if done prior to month-end). This process is described in more detail in the ICA Disclosure Booklet or DCA Disclosure Booklet (as applicable) available from Advisor or on [lpl.com/disclosures.html](https://www.lpl.com/disclosures.html). The interest rates paid are determined by the amount the Banks are willing to pay minus the fees paid to LPL and other parties for administering the program. The interest rates accruing on funds may change as frequently as daily without prior notice. The most up-to-date interest rates are found on [lpl.com/disclosures.html](https://www.lpl.com/disclosures.html). Different rates apply for amounts invested in money market mutual funds.

**Fees.** In the ICA program, LPL receives a fee equal to a percentage of the average daily deposit balance in each ICA Deposit Account. The fee paid to LPL will be at an annual rate of up to an average of 600 basis points as applied across all ICA Deposit Accounts taken in the aggregate. In the DCA program, LPL receives a flat fee per account with the fee indexed to the Fed Funds Target (FFT) interest rate. If the FFT interest rate is represented as a range, then the FFT interest rate will equal the midpoint of such range rounded up to the nearest basis point. For details on how the fees are determined, please reference the ICA Disclosure Booklet or DCA Disclosure Booklet (as applicable) available from IAR or on [lpl.com/disclosures.html](https://www.lpl.com/disclosures.html).



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**Tax Information.** In the ICA program, for most clients, interest earned on deposits in the Deposit Accounts will be taxed as ordinary income in the year it is received. A Form 1099 will be sent to Client each year showing the amount of interest income Client earned on deposits in the Deposit Accounts. In the DCA program, for most clients, interest earned on deposits in Deposit Accounts will generally not be taxed in the year earned. Tax interest earned by your IRA is generally not taxed until you take a distribution, and may not be liable to tax if your IRA is a Roth IRA, subject to certain conditions. Client should consult with a tax advisor about how the ICA or DCA program, as applicable, affects Client.

**Termination of Participation.** You can terminate your Account's participation in the ICA or DCA program, as applicable, upon notice to LPL. If you terminate your participation in ICA or DCA, your cash that would have been eligible for the sweep programs will be treated as a "free credit balance" and represent a direct liability of LPL to you. Please see the disclosures related to free credit balances reflected below.

**More Information.** For more specific information about the terms and conditions of the ICA or DCA program, please see the ICA Disclosure Booklet or DCA Disclosure Booklet (as applicable) available from Advisor or on [lpl.com/disclosures.html](http://lpl.com/disclosures.html).

#### **Money Market Mutual Fund Sweep Program General Terms and Conditions**

**Eligibility.** If your Account is not eligible for ICA or DCA, or you have been notified that your Account will be eligible for money market sweep through a negative consent letter in connection with a transfer of your Account to LPL from another firm, you hereby authorize and direct LPL to automatically invest available cash balances (from securities transactions, dividend and interest payments, deposits and other activities) in shares of a money market mutual fund. If Client Account is a non-retirement account and a specific Sweep Fund is not otherwise directed by you, you hereby authorize LPL to direct the cash balances held in your Account to the J.P. Morgan U.S. Government Money Market Fund (unless you own a foreign account and then it will be the J.P. Morgan U.S. Treasury Liquidity Fund). A non-retirement account is one not held by an ERISA Plan or otherwise subject to Section 4975 of the Code. Contact your Advisor to learn about the specific share class you will be invested in or to learn about other Sweep Funds that may be available.

**No FDIC Insurance.** Investments in money market mutual funds are not guaranteed or insured by the FDIC or any other government agency. Although money market mutual funds seek to preserve a net asset value of \$1.00 per share, there is no guarantee that this will occur. LPL is a member of SIPC. For accounts held at LPL, SIPC provides account protection up to a maximum of \$500,000 per client, of which \$250,000 may be claims for cash. This account protection applies when a SIPC member firm fails financially and is unable to meet obligations to securities customers, but it does not protect against losses from the rise and fall in the market value of investments. More information on SIPC, including obtaining a SIPC Brochure, may be obtained by calling SIPC directly at (202) 371-8300 or by visiting [www.sipc.org](http://www.sipc.org).

**Fees.** LPL receives compensation of up to 1.00% annually of LPL client assets invested in the Sweep Funds from the money market fund sponsor in connection with 12b-1 fees, recordkeeping fees and other compensation. Advisor earns fees based on the amount of assets in the Sweep Funds.

**More Information.** For more complete information about any of the Sweep Funds available under this sweep program, including all charges and expenses, please contact Advisor for a free prospectus. Client may obtain information with respect to the current yields available on the Sweep Funds by contacting Advisor.

#### **Changes to Sweep Programs**

LPL may make changes to the sweep programs, for example, to replace one Sweep Fund with another money market mutual fund or to adjust its overflow mechanisms. If the Account is not eligible for the ICA or DCA program, but later becomes eligible for one of the programs, LPL may switch the sweep program from the money market mutual fund sweep program to the ICA or DCA program. Client will be provided with notice of such change prior to the effective date of the change.



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#### Alternatives to Sweep Programs

Shares in the money market mutual funds that LPL offers as a non-sweep investment alternative may be purchased by Advisor. Cash balances in the Account, however, will not be automatically swept into these money market mutual funds. Debits in the Account will be paid automatically from available cash balances in the Account and then from funds in the sweep programs. In the event there are no funds available in these accounts to cover debits, Client or Advisor would need to liquidate separately purchased money market fund holdings or other securities to cover the required debits.

#### Free Credit Balances

Your selection of a sweep program above will not be effected until your Account paperwork has been accepted by Advisor as being in good order, or, in the case of an account converting via negative consent to LPL, at the time your Account transfers to LPL. Until such time, available cash balances (from securities transactions, dividend and interest payments, deposits and other activities) will not be automatically swept and will be held as a free credit balance. A free credit balance is a liability of LPL and payable to the Account on demand. Interest will not be paid to the Account on free credit balances, other than for ICA Overflow Balances maintained in Client Cash Accounts. Unless we hear from you to the contrary, it is our understanding that any free credit balances held in your Account are pending investment.

Free credit balances may be used by LPL in the ordinary course of its business subject to the requirements of Rule 15c3-3 under the Securities Exchange Act of 1934. The use of client free credit balances generally generates revenue for LPL in the forms of interest and income, which LPL retains as additional compensation for its services to its clients. Under these arrangements, LPL will generally earn interest or a return based on short-term market interest rate prevailing at the time.

If you are acting on behalf of a Plan, you as a Plan fiduciary agree that you have determined that holding cash balances, pending LPL's acceptance of the Account, as a free credit balance, which does not earn income for the Plan, is both (i) reasonable and in the best interests of the Plan and (ii) that the Plan receives no less, nor pays no more, than adequate consideration with respect to this arrangement. If the Plan fiduciary chooses to avoid holding un-invested cash as a free credit balance, the Plan fiduciary should not fund the Account until after your account paperwork has been accepted by Advisor as being in good order.

#### Further Information

For further information about LPL's sweep programs or the Account, please contact Advisor.

### **20. RIGHT TO ADVOCATE AND REFUSAL TO ACCEPT ORDERS**

LPL shall have the right at its sole discretion to advocate administratively or judicially on your behalf where LPL suspects exploitation of any kind, dementia and/or undue influence.

In addition, LPL shall have at its sole discretion the authority to pause or refuse to obey any instructions or orders for, including but not limited to, transactions, disbursements, or account transfers. For UTMA or UGMA accounts in which the beneficiary reaches the age of majority, LPL reserves the right to refuse orders or instructions and to terminate or deactivate the account.

### **21. TRUSTED CONTACT PERSON DISCLOSURE**

You understand by providing a trusted contact person in the Account Application, you give permission to LPL, Advisor and their associated persons, including your IAR, to use their discretion to contact the trusted contact person and disclose information about you and your Account in order to:

- address concerns that you might be a victim of financial exploitation which could include fraud, coercion, or unauthorized transactions,
- address a temporary hold on a disbursement of funds or securities pertaining to possible financial exploitation or other concerns,
- confirm your current contact information,





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- confirm and address your whereabouts and health status, and/or
- confirm the identity of any legal guardian, executor, trustee, holder of a power or attorney, or other person who may be acting on your behalf (such as an attorney or accountant).

#### 22. JOINT AND SEVERAL LIABILITY: JOINT ACCOUNT

If more than one individual is establishing an account with LPL, the obligations of all persons establishing such Account under this Agreement shall be joint and several. If this is a joint account, each of you signing the Account Application and Agreement (each a "joint owner") agrees that each joint owner shall have authority to (a) buy, sell, and otherwise deal in, through LPL as a broker, securities and/or other property, (b) to receive confirmations, statements and communications of every kind related to the Account, (c) to receive and dispose of money, securities and/or other property in the Account, (d) to make, terminate, or modify this Agreement and any other written agreement relating to the Account or waive any of the provisions of such agreements, and (e) generally to deal with LPL as if each of you alone was the sole owner of the Account, all without notice to the other joint owner(s). Each of you agrees that notice to any joint owner shall be deemed to be notice to all joint owners. LPL may follow the instructions of any of the joint owners concerning the Account and make delivery to any of the joint owners of any and all securities and/or other property in the Account, and make payments to any of the joint owners, of any or all moneys in the Account as any of the joint owners may order and direct, even if such deliveries and/or payments shall be made to one of the joint owners personally. LPL shall be under no obligation to inquire into the purpose of any such demand for such deliveries and/or payments.

In the event of the death of any of the joint owners, the surviving joint owner(s) shall immediately give LPL written notice thereof. The estate of any deceased joint owner shall be liable and each survivor will be liable, jointly and severally, to LPL for any debt or loss in the Account resulting from the completion of transactions initiated prior to LPL's receipt of a written notice of such death or debt or loss incurred in the liquidation of the Account or the adjustment of the interests of the joint owners. LPL reserves the right to require written instructions from all Account holders, at its discretion.

#### 23. SURVIVAL

The terms of Sections 7 – "Limitation of Liability", 9 – "Confidentiality", 12 – "Governing Law", 22 – "Joint and Several Liability: Joint Account", and 24 – "Arbitration" shall survive the termination or expiration of this Agreement.

#### 24. ARBITRATION

Client agrees to direct any complaints regarding the handling of the Account to IAR, Advisor and the LPL Legal Department in writing. This Agreement contains a pre-dispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award, unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first hearing date.
- The Panel of Arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.



ACCOUNT PACKET

PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

In consideration of opening one or more accounts for you, you agree that any controversy or claim arising between you and LPL, Advisor and/or your IAR, and their parents subsidiaries, affiliates, officers, directors, employees, agents, and Third-Party Service Providers (as defined below) (whether or not a FINRA (as defined below) member or associated person), arising out of or relating, in whole or in part, to your account, transactions with or for you, this Agreement or any other agreement you have entered into with LPL, or the construction, performance, or breach of this Agreement or any other agreement you have entered into with LPL, whether entered into prior, on or subsequent to the date hereof, shall be settled by arbitration to be filed at and to be conducted in accordance with the rules, then in effect, of the Financial Industry Regulatory Authority (FINRA). If the claim or controversy is not arbitrable before FINRA, then such claims shall be filed and adjudicated in a court of competent jurisdiction. To the extent any claim on a class or collective or representative basis is nonarbitrable under the law, then such claims shall be filed and adjudicated in a court of competent jurisdiction, and not in arbitration. A court of competent jurisdiction (and not an arbitrator) shall resolve any dispute about the formation, validity, or enforceability of any provision of this arbitration agreement. Further, in the event of a forum dispute, a court of competent jurisdiction shall determine whether such claim is arbitrable. Any arbitration award hereunder shall be final, and judgment upon the award rendered may be entered in any court, state or federal, having jurisdiction. Nothing in this this Agreement requires arbitration of any claim that under the law cannot be made subject to a pre-dispute agreement to arbitrate claims, including any dispute or controversy nonarbitrable under federal law.

This arbitration agreement will be binding upon and inure to the benefit of the parties hereto and their respective representatives, attorneys-in-fact, heirs, successors, assigns, and any other persons having or claiming to have a legal or beneficial interest in any account you maintain at LPL, including court-appointed trustees and receivers. This arbitration agreement will also inure to the benefit of third-party service providers that assist or enable LPL to provide services hereunder including investment and investment product manufacturers and insurance and annuity carriers ("Third-Party Service Providers"), and such Third-Party Service Providers are deemed to be third-party beneficiaries of this arbitration agreement.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

PWP SCHEDULE A – ACCOUNT FEE

Client agrees to pay the following fees for the Account (collectively, the "Account Fee"):

MAXIMUM ACCOUNT FEE (ANNUALLY)	2.95%
DETAILED FEE BREAKDOWN	MAXIMUM FEE (ANNUALLY)
Advisory Fee.....	2.35%
Manager Fee.....	0.60%

Advisory Fee. The Advisory Fee will be as stated in the Account Application or as otherwise agreed to between the parties in the event of an Advisory Fee increase. The Advisory Fee is charged for the investment advisory services of Advisor as well as the investment advisory, administrative, trading, custodial and clearing services of LPL. The Advisory Fee is negotiable and is based on the value of the assets in the Account, including cash holdings, and payable quarterly in advance. The Advisory Fee will not exceed 2.35%.

Manager Fee. Client will pay a Manager Fee set by the PWP Advisor for the use of such PWP Advisor. The Manager Fee will differ depending on the PWP Advisor selected for the Account and may also differ depending on the investment strategy or model portfolio that is selected. The Manager Fee is based on the value of the assets in the Portfolio advised by the PWP Advisor, including cash holdings, and payable quarterly in advance. This fee currently ranges from 0.15% to 0.60%. For certain



## ACCOUNT PACKET

### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

models designed by LPL, LPL will pay up to 0.02% of the Manager Fee to market index providers as a licensing fee. Where LPL retains portions of the Manager Fee, there is a conflict of interest for us to recommend such models. Your Advisor does not receive any portion of the Manager Fee, including based on recommending a model for which LPL retains this compensation.

Please note that if the Account includes more than one model, the applicable Manager Fee rate applies to the assets invested in that model. If the Advisor changes a model selected for the Account, or if a model investment value changes, the overall Account Fee may increase or decrease. A list of the current models and their associated fee rates can be requested from Advisor. LPL reserves the right to increase the upper limit of the Advisory Fee and/or Manager Fee range(s) upon 30 days' prior notice to clients.



## ACCOUNT PACKET

### PERSONAL WEALTH PORTFOLIOS - ACCOUNT AGREEMENT

#### ERISA 408(b)(2) DISCLOSURE GUIDE – APPLICABLE FOR ERISA RETIREMENT PLANS

This information is being provided to you as the sponsor or other responsible fiduciary of a retirement plan ("Plan") subject to the Employee Retirement Income Security Act of 1974 ("ERISA") that maintains an investment account at LPL. In accordance with ERISA Section 408(b)(2), the table below provides a guide to the location of important information regarding the services that LPL may make available to the Plan pursuant to this Agreement and compensation related to such services. For more information regarding such services and compensation, please refer to [lpl.com/disclosures.html](http://lpl.com/disclosures.html) and any related disclosures, documents, or other agreements you receive in connection with the Plan's investments. Please review this disclosure document in conjunction with such other related disclosures, documents or other agreements. To the extent we have referenced agreements or other documents herein, you should review those agreements or other documents in full, as they may contain additional information that may be relevant to required disclosures under ERISA. If you have any questions concerning this disclosure document or the information provided to you concerning our services and compensation or require copies of any documents referenced herein, please ask your Investment Adviser Representative ("IAR") or LPL Client Services at (800)-558-7567.

Required Information	Location(s)
Description of the services that LPL will provide to the Plan	Account Agreement, Section 1 "LPL Personal Wealth Portfolios Program" Account Agreement, Section 2 "Appointment of LPL as Overlay Portfolio Manager (OPM)" Account Agreement, Section 3 "Trading Authorization" Account Agreement, Section 4 "Proxies and Corporate Actions" Program Brochure, Item 4 "Services, Fees and Compensation," subheading "Services" Program Brochure, Item 9 "Additional Information," subheading "Review of Accounts"
A statement concerning the services that LPL will provide as an ERISA fiduciary and a registered investment adviser	Account Agreement, Section 5 "Client Authority/ERISA and Retirement Accounts"
Compensation LPL will receive from the Plan ("direct" compensation)	Account Agreement, Section 17 "Fees and Charges" Account Application, Section V.2. "Annual Account Fee Information" Account Agreement, PWP Schedule A – Account Fee Miscellaneous Account and Service Fees Schedule – Advisory Program Brochure, Item 4 "Services, Fees and Compensation," subheadings "Fee Schedule," "How the Account Fee is Charged," "Payment in Advance and Refund of Pre-Paid Fees," and "Other Types of Fees and Expenses of LPL"
Compensation LPL will receive from other parties that are not related to LPL ("indirect" compensation)	Account Agreement, Section 17 "Fees and Charges" Account Agreement, Section 19 "Automatic Cash Sweep Program," subheading "Fees" Program Brochure, Item 4 "Services, Fees and Compensation," subheading "Fees Charged by Third Parties" Program Brochure, Item 9 "Additional Information," subheadings "12b-1 Fees; Recordkeeping Services and Compensation; Revenue Sharing Arrangements," "Cash Sweep Service Options," and "Other Compensation"
Compensation that will be paid among LPL and related parties	Program Brochure, Item 4 "Services, Fees and Compensation," subheading "Fee Schedule"
Compensation LPL will receive if this agreement is terminated	Account Agreement, Section 17 "Fees and Charges" Program Brochure, Item 4 "Services, Fees and Compensation," subheading "Other Types of Fees and Expenses of LPL" Miscellaneous Account and Service Fees Schedule – Advisory



# Miscellaneous Account and Service Fees Schedule

## Personal Wealth Portfolios

The listed fees below do not include advisory fees. These fees apply to Personal Wealth Portfolios program accounts. Some of these fees may be waived under certain conditions.<sup>1</sup>

ACCOUNT OR SERVICE	FEE	FREQUENCY
<b>ACCOUNT MAINTENANCE</b>		
Corporate Actions — Mandatory (if securities are in physical form)	\$15	Per security
Corporate Actions — Voluntary or Mandatory with Options (if election is made)	\$15	Per security
Express Mail/Overnight Delivery	\$15	Per shipment unless otherwise noted
Legal Transfer — <i>for processing of certificate requiring legal documentation (e.g., power of attorney, court appointment, death certificate, corporate resolution, etc.)</i>	\$20	Per security
Outgoing Account Transfer — <i>for processing full account transfer of all assets and positions to another financial institution (excludes retirement accounts)</i>	\$150	Per account
Outgoing Account Transfer Check — <i>for processing outgoing account transfer of physical checks</i>	\$15	Per check over \$1,000
Return/Rejected Item/Non-Sufficient Funds (NSF)	\$20	Per item
<b>Retirement Account Fees:</b>		
Annual IRA Maintenance — <i>for custodial and tax reporting services provided to maintain an individual retirement account (IRA)</i>	\$0	Per year/per account
Annual QRP and 403(b)(7) Maintenance — <i>for custodial and tax reporting services provided to maintain qualified retirement plan (QRP) or 403(b)(7) account</i>	\$0	Per year/per account
IRA/QRP and 403(b)(7) Termination	\$150	Per account
QRP and 403(b)(7) Loan Processing	\$50	Per loan
Roth IRA Conversion	\$25	Per conversion
990-T Filing	\$100	Per 900-T
1099-R for Omnibus/Pooled QRPs	\$50	Per 1099-R
<b>CASH MANAGEMENT SERVICES</b>		
Stop Payment	\$10	Per check
Wired Funds	\$30	Per wire
<b>INVESTMENT SPECIFIC</b>		
<b>Foreign Securities:</b>		
Foreign Transaction Tax <sup>2</sup>	0.3%	Per purchase transaction
Transaction (not applicable to American Depository Receipts)	\$40	Per transaction or transfer
Transfer and Ship	\$250	Per transfer
<b>Physical Certificates / Transfer and Ship — <i>for issuance of physical certificate upon request (rate depends on transfer agent)</i></b>		
	\$25	Manual charge
<b>Restricted Securities — Legend Removal</b>	\$50	Per legal transfer

Commissions and fees are subject to change. This schedule does not include all securities transaction types or fees. Equitable Advisors may receive compensation related to 12b-1 and administrative servicing fees from the money market funds and from the fee paid from participating banks in the Insured Cash Account program.

If you need additional information, please contact Equitable Advisors Broker/Dealer Services toll-free at 1-866-487-7484 for assistance.

<sup>1</sup> See account agreements for more information. These fees generally are not based directly on the costs of the transaction or service, and may include a profit.

<sup>2</sup> A Foreign Transaction Tax is charged by LPL on foreign equity security purchases where the underlying non-U.S. securities are from French or Italian issuers. This tax is levied by the French or Italian governments, and the charge offsets the tax incurred by LPL Financial as a result of executing the transaction on your behalf.

### Make Checks Payable as Follows:

John Doe  
123 Main St.  
Your Town, USA

001

Date: 12/1/16

PAY TO THE  
ORDER OF: LPL Financial

\$ 600.00

six hundred dollar  
Notes: Account Number

DOLLARS

Signature: John Doe

**Security Endorsement Instructions:**  
For value received, (Leave Blank) hereby sells, assigns and transfers unto (Leave Blank) shares represented by the within certificate and do hereby irrevocably constitute and appoint (LPL Financial) as Attorney to transfer the said shares on the books of the within named Corporation with full power of substitution in the premises.  
Dated: (Date Signed)  
Signed: (Sign Exactly as Registered on the Front, With All Signatures)

LPL Financial serves as the principal sponsor, an investment advisor and the broker/dealer, and Equitable Advisors, LLC (Equitable Financial Advisors in MI and TN) serves as an investment advisor for LPL Financial investment advisory programs offered through Equitable Advisors' financial professionals. Brokerage accounts offered through Equitable Advisors, LLC (Equitable Financial Advisors in MI and TN), member FINRA/SIPC, clearing through LPL Financial, member FINRA/SIPC.



Facts	What Does LPL Financial, LLC Do with Your Personal Information?
<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>• Social Security number and Income</li> <li>• Investment experience and Assets</li> <li>• Account transactions and Retirement assets</li> </ul> <p>When you are no longer our customer, we continue to share your information as described in this notice.</p>
<b>How?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons LPL chooses to share personal information; and whether you can limit this sharing.

Reasons We Can Share Your Personal Information	Does LPL Share?	Can You Limit This Sharing?
<b>For our everyday business purposes</b> — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>Yes</b>	<b>No</b>
<b>For our marketing purposes</b> — to offer our products and service to you	<b>Yes</b>	<b>No</b>
<b>For joint marketing with other financial companies</b>	<b>Yes</b>	<b>No</b>
<b>For our affiliates' everyday business purposes</b> — information about your transactions and experiences	<b>Yes</b>	<b>No</b>
<b>For our affiliates' everyday business purposes</b> — information about your creditworthiness	<b>No</b>	<b>We don't share</b>
<b>For our affiliates to market to you</b>	<b>No</b>	<b>We don't share</b>
<b>For nonaffiliates to market to you</b> For more information, please see the below section ' <b>Additional Information About How to Opt-out</b> '	<b>Yes*</b>	<b>Yes</b>

<b>Questions?</b>	Go to <a href="http://www.LPL.com">www.LPL.com</a>
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\*LPL does not share information relating to clients of Equitable Financial, Equitable Advisors, or their affiliates or subsidiaries with non-affiliates for marketing purposes. This is an exception to the "Yes" response provided above with respect to such information and LPL's practices.

Who We Are	
<b>Who is providing this notice?</b>	<p>LPL Financial LLC and its affiliates (collectively, LPL). Our affiliates include the following:</p> <ul style="list-style-type: none"> <li>• Allen &amp; Company of Florida, LLC, DBA Allen &amp; Company</li> <li>• PTC Holdings, Inc.</li> <li>• The Private Trust Company, N.A.</li> <li>• Bay Financial Associates, LLC FRG Holdings, LLC Fortigent, LLC</li> <li>• LPL Insurance Associates, Inc.</li> <li>• Fiduciary Trust Company of New Hampshire</li> </ul>
What We Do	
<b>How does LPL protect my personal information?</b>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files.</p> <p>Our online environment uses security technologies, including layered security and access controls over personal information. For further information, please visit <a href="http://LPL.com">LPL.com</a> and search “How LPL Financial Secures Your Information.”</p>
<b>How does LPL collect my personal information?</b>	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• Open an account.</li> <li>• Enter into an investment advisory account.</li> <li>• Apply for insurance.</li> <li>• Tell us about your investment or retirement portfolio.</li> <li>• Seek advice about your investments.</li> </ul> <p>We also collect your personal information from others such as credit bureaus, affiliates or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information</li> <li>• about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
<b>What happens when I limit sharing on an account I hold jointly with someone else?</b>	<p>Your choices will apply to everyone on your account.</p>

Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <p>Our affiliates include companies with an LPL Financial name; financial companies such as The Private Trust Company, N.A; non-financial companies and others.</p>
<b>Non-Affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <p>We may share information with non-affiliates, which include an independent representative's new brokerage or investment advisory firm, or banks/credit unions associated with accounts established through LPL representatives.</p>
<b>Joint Marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p>

	This may include banks, credit unions or other financial institutions with which we have a joint marketing agreement.
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Other Important Information
<p><b>California Residents:</b> We will not share information we collect about state residents with companies outside LPL unless we have your consent or the law allows. We will limit sharing for joint marketing to where you have provided consent consistent with California law.</p> <p><b>North Dakota Residents:</b> We will not share information we collect about state residents with companies outside LPL unless we have your consent or the law allows.</p> <p><b>Vermont Residents:</b> We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.</p>

Additional Information About How to Opt-out
<p><b>For clients of LPL financial professionals also affiliated with a bank, credit union or other financial institution ("Institution"):</b></p> <p>LPL may share your information with your financial professional's Institution so they may inform you about their products and services that may be of interest to you. You can exercise your right to opt-out from this type of sharing by visiting <a href="https://privacy.lpl.com/content/lpl-www/ccpa/financialinstitution.html">https://privacy.lpl.com/content/lpl-www/ccpa/financialinstitution.html</a> or by calling (855) 804-3041.</p>
<p><b>For clients of independent investment advisor firms or independent financial professionals:</b></p> <p>Should your independent financial professional terminate their relationship with LPL, they may be permitted to share your personal information with their new brokerage or investment advisory firm. If you would like to opt-out from this type of information sharing, please complete and mail the form ("Mail-In Opt-Out Form") below to:</p> <p><b>LPL Financial</b>  <b>Attn: Privacy Office</b>  <b>1055 LPL Way</b>  <b>Fort Mill, SC 29715</b></p> <p>By completing and returning this form, I am instructing LPL to limit the personal information that my financial professional is permitted to take if he or she moves to another brokerage or investment advisory firm. Please note that LPL Financial participates in the Protocol for Broker Recruiting ("Protocol"). LPL will permit your financial professional to take your name, address, phone number, email address and the account title of the accounts serviced (or additional information as permitted if the Protocol is amended) if your financial professional joins another Protocol firm. The retention of this limited information by your financial professional under the Protocol may occur even if you have exercised your rights to limit information sharing as described above. For accounts held jointly by two or more persons, the privacy choices made by any account holder apply to all joint holders with respect to the account.</p> <p><b>In order for your Opt-Out election to be effective, you must complete ALL of the following information:</b></p>
Mail-In Opt-Out Form
Name (please print clearly):
Address:
City: State/Zip: Phone Number:
Name of LPL Financial Professional:
Signature: Date:



EQUITABLE

# Privacy notice

## What does Equitable do with your personal information?

### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all, sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. **Please read this notice carefully to understand what we do.**

### What?

The types of personal information we collect and share depend on the product or service you have with us. When you open an account, we will use this information to verify your identity to comply with laws. This information can include:

- Social Security number and date of birth
- Demographic information
- Financial information
- Contact information (e.g., residential address, phone number)
- Medical information
- Other information specific to you (e.g., driver's license number, passport number, employment status)

When you are no longer our customer, we continue to share your information as described in this notice.

### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information, the reasons Equitable chooses to share and whether you can limit this sharing.

Reasons we can share your personal information	Does Equitable share?	Can you limit this sharing?
<b>For our everyday business purposes, and those of your financial professional —</b> such as processing your transactions, maintaining your account(s), responding to court orders and legal investigations, or reporting to credit bureaus	Yes	No
<b>For our marketing purposes —</b> to offer you our products and services	Yes	Yes
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes —</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes —</b> information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	Yes	Yes
<b>For nonaffiliated companies to market to you</b>	No <sup>1</sup>	We don't share

<sup>1</sup> For clients of Equitable Advisors: If your financial professional (FP) moves to another brokerage or investment advisory firm, your FP is permitted to take certain basic contact information about you to the new firm so your FP may inform you of the move; you always have the option of keeping your investments at Equitable Advisors or moving them to another firm.

# Who we are...

**Who is providing this notice?** Equitable, on behalf of itself, and those of its affiliates listed in the **Other important information** section.

# What we do...

**How does Equitable protect my personal information?** To protect your personal information from unauthorized access and use, we use security measures that comply with federal law, including computer safeguards, and secured files and buildings.

We also comply with applicable state laws and regulations regarding protection of personal information.

**How does Equitable collect my personal information?** We collect your personal information, for example, when you:

- Open an account
- Make a financial transaction
- Purchase products
- Make a claim
- Request information about a product or marketing materials

Your personal information may be collected from persons other than you (e.g., credit bureaus, Medical Information Bureau, payment processors), and may be disclosed in certain circumstances to third parties without your authorization; however, you do have the right to access and correct any and all personal information we have collected about you.

**Why can't I limit all sharing?** Federal law gives you the right to limit only:

- Sharing for affiliates' everyday business purposes — information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliated companies to market to you

State laws and individual companies may give you additional rights to limit sharing.

# Definitions

**Affiliates** Companies related by common ownership or control. They can be financial and nonfinancial companies (e.g., distribution entities, investment managers, reinsurers).

**Nonaffiliated companies** Companies not related by common ownership or control. They can be financial and nonfinancial companies (e.g., print vendors, payment processors, third-party administrators).

**Joint marketing** A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

**To limit sharing of information or ask questions**

**Call (877) 806-4573 or visit [equitable.com/privacy-security-and-fraud](https://equitable.com/privacy-security-and-fraud).**

## Other important information:

This privacy notice applies to Equitable Holdings, Inc. and its following affiliates: Equitable Financial Life Insurance Company; Equitable Financial Life and Annuity Company (Equitable Financial Life Insurance and Annuity Company in CA); Equitable Financial Life Insurance Company of America; Equitable Advisors, LLC; Equitable Distributors, LLC; and Equitable Network, LLC (Equitable Network Insurance Agency of Utah, LLC in UT; Equitable Network Insurance Agency of California, LLC in CA; Equitable Network of Puerto Rico, Inc. in PR).

Equitable is the brand name of the retirement and protection subsidiaries of Equitable Holdings, Inc., including Equitable Financial Life Insurance Company (Equitable Financial) (NY, NY); Equitable Financial Life Insurance Company of America (Equitable America), an AZ stock company with an administrative office located in Charlotte, NC; and Equitable Distributors, LLC. Equitable Advisors is the brand name of Equitable Advisors, LLC (member FINRA, SIPC) (Equitable Financial Advisors in MI & TN).





ACCOUNT PACKET

PERSONAL WEALTH PORTFOLIOS (PWP)  
PROGRAM BROCHURE

LPL Financial LLC  
1055 LPL Way, Fort Mill, SC 29715  
[www.lpl.com](http://www.lpl.com) (704) 733-3482

March 31, 2025

This wrap program brochure provides information about the qualifications and business practices of LPL Financial (“LPL”). If you have any questions about the contents of this brochure, please contact LPL at [lplfinancial.adv@lplfinancial.com](mailto:lplfinancial.adv@lplfinancial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about LPL also is available on the SEC’s website at <https://adviserinfo.sec.gov/>.

ITEM 1 COVER PAGE

ITEM 2 MATERIAL CHANGES

The following is a summary of certain changes made to this Brochure from the time of the most recent annual update dated March 28, 2024. Additional risk disclosures were added in Item 6 related to third-party service providers’ or any counterparties’ potential use of artificial intelligence and machine learning, as well as risks related to investment strategies that seek to enhance after-tax performance, including funds that utilize a tax-managed strategy (e.g., an “exchange fund”). Item 9 was updated to provide information regarding disciplinary events involving (i) a settlement with the SEC that included a \$50 million fine for failing to maintain required records of certain business-related communications; and (ii) a settlement with the SEC that included an \$18 million fine for LPL not following its anti-money laundering policies for its customer identification program and ongoing customer due diligence obligations. Item 9 was also updated to reflect the following setup fee charges payable to LPL by model managers or product sponsors, if applicable to the program: (i) a yearly \$5,000 per strategy fee for annual due diligence reviews and maintenance; (ii) the one-time sponsor-level mutual fund setup fee was reduced from \$40,000 to \$15,000, with the per-fund setup fee increasing from \$5,000 to \$7,500; (iii) up to \$15,000 as a sponsor level due diligence fee for exchange traded products; and (iv) a \$5,000 per-trust fee for each unit investment trust. In addition, Item 9 was updated to disclose conflicts related to LPL’s decision to make certain product sponsors available on the applicable platforms when certain sponsors reimburse LPL for technology development related costs associated with the launch or maintenance of a platform, tool, or service. Item 9 was also updated to disclose risks related to LPL’s ability to block or review client orders before they are directed to an exchange or market maker for execution. This may result in a delay in execution, which could cause (i) a difference between execution price and the displayed quote at the time the order was entered; and (ii) a limit order becoming ineligible for execution.

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## ACCOUNT PACKET

# PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

## ITEM 4 SERVICES, FEES AND COMPENSATION

### Services

LPL sponsors various types of advisory programs, including wrap fee programs and mutual fund asset allocation programs. LPL makes these programs available to clients directly and also through third party investment advisor firms ("Advisor") and their associated persons. This Brochure provides a description of LPL's Personal Wealth Portfolios ("PWP") program when offered through an Advisor. For more information about LPL's advisory services and programs other than PWP, please contact your Advisor for a copy of a similar brochure that describes such service or program or go to <https://adviserinfo.sec.gov/>.

The PWP program is a unified managed account program in which LPL and Advisor provide ongoing investment advice and management. In PWP, clients invest in asset allocation portfolios ("Portfolios") designed by LPL's Research Department, which include a combination of mutual funds, exchange-traded funds ("ETFs") and investment models ("Models") provided to LPL by third party money managers ("PWP Advisors"). The Models typically consist of equity and fixed income securities, but may include investment company securities. LPL's Research Department selects the mutual funds, ETFs and Models to be made available in a Portfolio.

The Advisor obtains the necessary financial data from the client, assists the client in determining the suitability of the program and assists the client in setting an appropriate investment objective. The Advisor, or client with the assistance of the Advisor, selects a Portfolio based on client's investment objective and then selects among the mutual funds, ETFs and/or Models available in the Portfolio. If client authorizes Advisor to take discretion to make such selections on client's behalf, the discretionary authority will be set out in the Account Agreement and Application signed by the client.

LPL has discretionary authority to purchase and sell securities in the account. The client authorizes LPL to take discretion by executing the Account Agreement and Application. LPL acts as the overlay portfolio manager ("OPM") in coordinating the trades among the various securities and sleeves of a PWP account. After a PWP account is opened, and upon deposit of funds by the client, LPL will invest the client's funds based on the Portfolio selected. It generally will take up to 5 business days from the date the account is fully funded for all assets to be fully allocated across the Portfolio. In certain cases, it may take longer to allocate assets to fixed income securities because of market conditions or the illiquid nature of certain issues. In the case of municipal security Models ("Muni Models"), it typically can take between 30 to 90 days for the Model to be fully invested. Subsequent deposits accumulate and will not be invested in the Portfolio until certain conditions are met, including conditions related to trade size and position deviation from the target allocation.

During the normal course of business, LPL reviews accounts on a daily basis and executes trades as needed. In addition, each year on the anniversary date of the initial account asset allocation, LPL will examine if any particular asset class in an account has drifted beyond a tolerance limit and determine if the account should be rebalanced to be within acceptable asset allocation tolerances.

Except as described below for Muni Models, the role of the PWP Advisors is limited to submitting Models to LPL, who has discretion as OPM for trade execution. However, if a Portfolio is selected that includes a Muni Model, the PWP Advisor for that Model will have discretionary trading authority with respect to the purchase and sale of fixed income securities for the portion of the account invested according to the Muni Model ("Muni Sleeve"). Although the PWP Advisor has discretion over the Muni Sleeve, LPL has ultimate discretion over the entire account and may exercise discretion over securities in the Muni Sleeve (e.g., to rebalance the Account or to liquidate securities for withdrawal requests). LPL may appoint from time to time other PWP Advisors to take discretion over a portion of the account managed according to that PWP Advisor's Model.

In connection with the program, LPL also acts as custodian to accounts, provides research information to Advisor, provides brokerage services as the broker-dealer on transactions, and performs administrative services, such as quarterly performance reporting to clients.



## ACCOUNT PACKET

# PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

### Fee Schedule

Clients in the PWP program pay LPL an annualized fee (the "Account Fee"). The Account Fee is made up of an Advisory Fee and a Manager Fee. If the Advisor changes the PWP Advisor, investment strategy, or model portfolio selected for an account, or if the investment value of the account changes, the overall Account Fee may increase or decrease. LPL reserves the right to increase the upper limit of the Advisory Fee and/or Manager Fee range(s) upon 30 days' prior notice to clients. LPL, Advisor, IARs and PWP Advisors do not charge performance-based fees to accounts in the PWP program.

**Advisory Fee.** The Advisory Fee is charged for the investment advisory services of Advisor, as well as the investment advisory, administrative, trading, custodial and clearing services of LPL. The Advisory Fee is shared with Advisor. The Advisory Fee is negotiable between the client and the Advisor and is based on the value of assets in the account, including cash holdings, and is payable quarterly in advance. The maximum Advisory Fee is 2.35%.

LPL retains a portion of the Advisory Fee, up to 0.675% of the value of the account for its administrative, custody and clearing services, and the portfolio design services of LPL Research. LPL shares up to 100% (typically between 90% and 100%) of the remaining portion of the Advisory Fee with the Advisor based on the agreement between LPL and the Advisor. LPL retains any portion of the Advisory Fee not shared with the Advisor.

**Manager Fee.** Depending on the PWP Advisor selected, clients pay a Manager Fee for a PWP Advisor that is set by the PWP Advisor. The Manager Fee will differ depending on the PWP Advisor selected for the Account and may also differ depending on which investment strategy or model portfolio is selected. Clients do not pay LPL or Advisor brokerage commissions or transaction charges for the execution of transactions in addition to the Account Fee. For more information, see below under "Additional Information – Brokerage Practices."

The Manager Fee is based on the value of the assets in the Portfolio advised by the PWP Advisor, including cash holdings, and payable quarterly in advance. The Manager Fee currently ranges from 0.15% to 0.60%. For certain models designed by LPL, LPL will pay up to 0.02% of the Manager Fee to market index providers as a licensing fee. Where LPL retains portions of the Manager Fee for trading services, there is a conflict of interest for us to recommend such models. The Advisor does not receive any portion of the Manager Fee, including based on recommending a model for which LPL retains this compensation. Please note that if the Account includes more than one model, the applicable Manager Fee rate applies to the assets invested in that model.

The fees paid by LPL to PWP Advisors in the program out of the Manager Fee are generally less than a PWP Advisor would charge a client seeking to establish a direct relationship outside of a wrap program. This is principally due to the fact that LPL absorbs many of the billing, administrative, trading and marketing expenses that would otherwise be borne by the PWP Advisor and the role of the PWP Advisor is generally limited to providing models to LPL. PWP Advisors generally have higher minimum account size requirements when managing direct accounts and higher fees when the PWP Advisor bears those expenses.

### How the Account Fee is Charged

LPL deducts the Account Fee and other fees and charges associated with a PWP account from the account. LPL pays the applicable portion of the Account Fee to the PWP Advisors whose models are selected for the account. LPL calculates and deducts the Account Fee in the method described in the Account Agreement, unless other arrangements are made in writing. If a client wishes to be billed for the Account Fee, rather than a deduction directly from the account, the client needs to make a request to LPL through the Advisor.

### Payment in Advance and Refund of Pre-Paid Fees

LPL deducts the Account Fee quarterly in advance. If the Account Agreement is terminated before the end of the quarterly period, LPL will pay the client a pro-rated refund of any pre-paid quarterly Account Fee based on the number of days remaining in the quarter after the termination date. However, if the account is closed within the first six months by the client or as a result



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### PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

of withdrawals that bring the account value below the required minimum, LPL and Advisor reserve the right to retain the pre-paid quarterly Account Fee for the current quarter in order to cover the administrative costs of establishing the account (for example, the costs related to transferring positions in and out of the account, data entry in opening the account, reconciliation of positions in order to issue performance information, and re-registration of positions). After the termination date, LPL may convert the account to a brokerage account. In a brokerage account, client is charged a commission for each transaction and LPL and Advisor have no responsibility to provide ongoing investment advice.

#### Other Types of Fees and Expenses of LPL

In addition to the Account Fee, clients also pay LPL other additional miscellaneous administrative or custodial-related fees and charges that may apply to a PWP account. LPL notifies clients of these charges at account opening and makes available a current list of these charges at [lpl.com/disclosures.html](http://lpl.com/disclosures.html). These miscellaneous fees are not directly based on the costs of the transaction or service by LPL, often include a profit to LPL, and certain of the fees will be lowered or waived for certain clients. Clients do not pay LPL brokerage commissions, markups or transaction charges for execution of transactions in addition to the Account Fee. For more information, see below under "Additional Information – Brokerage Practices."

#### Fees Charged by Third Parties

There are other fees and charges that are imposed by third parties other than LPL that apply to investments in PWP accounts. Some of these fees and charges are described below. In PWP, assets may be invested in mutual funds or ETFs and, therefore, there are two layers of advisory fees and expenses for those assets. As a shareholder of a fund, Client will pay an advisory fee to the fund manager and other expenses charged by the fund. In the case of mutual funds that are funds of funds, there could be an additional layer of fees, including performance fees that may vary depending on the performance of the fund. Client also will pay the Account Fee with respect to assets invested in ETFs and mutual funds. The mutual funds and ETFs available in the program may be purchased directly outside of the Program. Therefore, clients could generally avoid the second layer of fees by not using the advisory services of LPL, the PWP Advisors and Advisor, and by making their own decisions regarding the investment.

Clients should understand that in many cases the mutual funds and mutual fund share classes offered through the Program charge higher fees and expenses than those that are not offered through the Program, and such other mutual funds and share classes may be equally or more appropriate for a client's account. As discussed below, a portion of the fees and expenses charged by certain mutual funds in the Program will be paid to LPL. Other financial services firm may offer the same mutual funds that are offered through the Program but at lower overall costs to investors than the costs that clients incur by investing through the Program.

Clients should also understand that in many cases the share class offered for a particular mutual fund available through the Program (the "Program Share Class") charges higher fees and expenses than other share classes that are offered by the same fund but are not available through the Program. Program Share Classes are selected by LPL, in certain cases, because the mutual funds pay to LPL a portion of the fees and expenses charged by Program Share Classes as compensation for the administrative and recordkeeping services LPL provides with respect to LPL clients who invest in the Program Share Classes, as discussed below under "Participation or Interest in Client Transactions."

If client transfers into a PWP account a previously purchased mutual fund, and there is an applicable contingent deferred sales charge on the fund, 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, client will be charged a redemption fee. Depending on the share class and fee structure of the previously purchased mutual fund, LPL can receive fees such as 12b-1 fees from the previously purchased mutual fund until the position is liquidated and subsequently invested according to the PWP model. 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 harvesting). Decisions regarding the sale of mutual funds in an account may be made by LPL without regard to whether a client will be assessed a redemption fee.



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### PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

When transferring securities into a PWP account, client should be aware that certain securities may not be eligible for the account. In such case, the securities may be rejected, sold after the transfer, or moved to a brokerage account. Note that when an ineligible security is transferred into an account and subsequently sold or moved to a brokerage account, the advisory fee will be charged on such asset for the period of time the security was held in the account. Client should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. After transfer into a PWP account, client should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, client should consider and speak to Advisor or IAR about whether:

- a commission was previously paid on the security;
- client wishes for the security to be managed as part of the account and be subject to an advisory fee; or
- client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

For those Portfolios consisting of mutual funds, LPL selects only no-load and load-waived mutual funds. Some mutual funds and Program Share Classes in PWP charge shareholders an asset-based fee, known as a "12b-1" fee, to cover distribution expenses and, in some cases, shareholder servicing expenses. A portion of such 12b-1 fees will ultimately be paid to LPL by the funds. Any 12b-1 fees paid to LPL by funds (other than the cash sweep money market funds ("Sweep Funds") described in the section of Item 9 labeled "Participation or Interest in Client Transactions") will be credited to the client's account.

Certain of the mutual funds available for investment in the program may be affiliated with Advisor. Therefore, investment in an affiliated mutual fund generates additional compensation to the Advisor's affiliates, including, among other types of compensation, fund-level management fees. A PWP Advisor available in the program may be affiliated with an Advisor. As a consequence, selection of an affiliated PWP Advisor generates additional compensation to Advisor's affiliates.

As described below under "Additional Information – Brokerage Practices," if a PWP Advisor for a Muni Model chooses to execute a transaction through a broker-dealer other than LPL, the execution price to the client may include a commission, markup/markdown, or other fee imposed by the executing broker-dealer in addition to the Account Fee. If client holds an American Depositary Receipt ("ADR") in an account, there may be custodial fees or taxes related to the ADR.

Clients also incur charges imposed by third parties or LPL in connection with investments made through their accounts, including, but not limited to, taxes and charges required by law or imposed by exchanges or regulatory bodies. For example, an industry-wide charge mandated by a regulator applies to sales of certain securities. The amount of this regulatory fee may vary over time, and because variations might not be immediately known to LPL, the amount may be estimated and assessed in advance. To the extent that such estimated amount differs from the actual amount of the regulatory fee, LPL retains the excess. These charges will be reflected on transaction confirmations and/or periodic statements.

Important Things to Consider About Wrap Fees on a PWP Account:

- The Account Fee is an ongoing fee for investment advisory services, the execution of transactions and other administrative and custodial services. The Account Fee may cost the client more than purchasing the program services separately, for example, paying a separate advisory fee for each of the services of LPL, Advisor and the PWP Advisor, plus commissions or transaction charges to a broker-dealer for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the:
  - type and size of the account
  - type and number of securities in the Portfolio (whether equities, fixed income securities, mutual funds or ETFs)
  - historical and or expected size or number of trades for the account, and
  - number and range of supplementary advisory and client-related services provided to the client.
- The Account Fee may be higher than the fees charged by other investment advisors for similar services. This is the case in particular if the Account Fee is at or near the maximum Account Fee set out above. The Advisor is responsible for determining the Advisory Fee to charge each client based on factors such as total amount of assets involved in the





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relationship, type of securities to be held in the account (e.g., mutual funds vs. individual securities), the complexity and mix of the portfolio, and the number and range of supplementary advisory and client-related services to be provided to the account. Clients should consider the level and complexity of the advisory services to be provided when negotiating the Advisory Fee with Advisor.

- The Advisor and its IARs recommending the program to the client receives compensation as a result of the client's participation in the program. This compensation includes a portion of the Account Fee and also may include other compensation, such as bonuses, awards or other things of value offered by LPL to Advisor or by LPL or Advisor to the IAR. For example, LPL may pay a bonus to Advisor or its IARs in the form of reimbursement of fees that Advisor or its IARs pay to LPL for administrative services. In particular, pursuant to the agreement between LPL and Advisor, LPL pays Advisor an amount, in addition to a percentage of the client's Account Fee, based on the current market value of all client assets Advisor maintains in LPL advisory programs, including the PWP program. This amount is paid from the portion of the fee retained by LPL, and payment of this amount does not result in any higher or additional client fees. Therefore, this additional portion of the fee provides Advisor a greater financial benefit if more client assets are invested in LPL advisory programs. The amount of compensation that Advisor receives from LPL may be more or less than what the Advisor and its IARs would receive if the client participated in other LPL programs, programs of other investment advisors or paid separately for investment advice, brokerage and other client services. Therefore, the Advisor and its IARs may have a financial incentive to recommend a program account over other programs and services.
- Some of the investment products available to be purchased in the program can be purchased by clients outside of a PWP account, through broker-dealers or other investment firms not affiliated with LPL.
- Clients should consider the impact of fees and expenses on their investment portfolio, as described in the informational brochure titled "How Fees and Expenses Affect Your Portfolio" on [lpl.com/disclosures.html](http://lpl.com/disclosures.html) under "Investor Regulatory & Educational Resources."

#### ITEM 5 ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

LPL generally requires a minimum account value of \$250,000. In certain instances, LPL will permit a lower minimum account size. An account will not be invested according to the Portfolio until the minimum account size and the targeted funding value of the account has been reached. The program is available for individuals, individual retirement accounts ("IRAs"), banks, thrift institutions, credit unions, pension and profit sharing plans, including plans subject to ERISA, trusts, estates, charitable organizations, state and municipal government entities, corporations and other business entities.

#### ITEM 6 PORTFOLIO MANAGER SELECTION AND EVALUATION

In PWP, LPL and Advisor are responsible for the overall investment advice and management services offered to clients, and the client selects the Advisor who services the account. Advisor is responsible for determining the standards required for its associated persons. For more information about the Advisor, client should refer to the Advisor's Firm Brochure, which client should have received at the time client opened the account.

LPL makes available Models designed by PWP Advisors. LPL selects and reviews on an ongoing basis the PWP Advisors available on PWP based on quantitative, qualitative and infrastructure criteria, which may include:

##### Quantitative Criteria

LPL evaluates quantitative criteria both in terms of the PWP Advisor's absolute performance and performance relative to the PWP Advisor's investment style group, including but not limited to:

- Rate of return
- Consistency of returns and risk
- Number of employees and accounts
- Years in the business
- Assets under management



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# PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

### Quantitative Criteria

LPL evaluates qualitative criteria, including but not limited to:

- Sound Investment philosophy and process that drives performance
- Assessment of the investment manager and team
- Risk controls
- Legal and compliance issues

### Infrastructure Criteria

LPL reviews infrastructure criteria to assess whether a PWP Advisor can handle operational requirements including but not limited to:

- Composite calculation methodology
- Trade rotation policy, if applicable
- Back office review
- Client servicing resources
- Firm-wide program commitment

LPL reviews PWP Advisors currently participating in the program and reviews new PWP Advisors prior to the addition of their Models to the program. LPL may elect to remove a PWP Advisor should it determine that the PWP Advisor has failed to meet one or more of the above selection criteria or other pertinent criteria (e.g., significant change in management staff). In making a decision to remove a PWP Advisor, LPL's Research Department takes into consideration all criteria; no one criteria is necessarily determinant in the replacement decision. Additionally, in its review process, LPL places emphasis on long term overall PWP Advisor performance from a qualitative and/or quantitative viewpoint. Short-term developments are monitored but are not necessarily sufficient for a decision to remove a PWP Advisor.

### PWP Advisor Performance

LPL's Research Department uses information provided by the PWP Advisor and also may use independent, third-party databases when evaluating a PWP Advisor. In order for a PWP Advisor to be selected for the program, LPL generally requires a third-party verification letter related to compliance of the PWP Advisor's performance information with Global Investment Performance Standards (GIPS) or a similar letter indicating that the performance information has been audited by an independent auditor. PWP Advisor performance information is not calculated on a uniform and consistent basis.

LPL does not calculate PWP Advisor performance. However, LPL provides Advisor and clients with individual performance information. Performance information distributed by LPL is compiled using third party accounting and reporting software. Client performance information is calculated by LPL on a uniform and consistent basis using a time weighted basis. Performance reports are intended to inform clients as to how their investments have performed for a period, both on an absolute basis and compared to leading investment indices.

It is important to note that PWP Advisors provide Models to LPL, and, except in the case of Muni Models, LPL is the party with discretion for trade implementation and execution in PWP accounts. Therefore, Models submitted to LPL by PWP Advisors may represent activity that has already been implemented on behalf of other clients of the PWP Advisor. Because of this fact and because LPL (and not the PWP Advisor) has discretionary authority to implement trades, performance of a PWP account will differ from the performance of PWP Advisor's discretionary accounts.

### LPL Portfolio Design Services

In PWP, clients invest in Portfolios designed by LPL's Research Department. LPL's Research Department provides various types of advisory services. LPL Research provides research recommendations on asset allocation, money managers, mutual funds and ETFs. LPL Research provides investment advice on mutual fund selection and allocation through other LPL advisory programs,



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### PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

such as Optimum Market Portfolios and Model Wealth Portfolios. LPL Research also reviews and recommends outside portfolio management firms for LPL's separately managed account wrap programs, Manager Select and Manager Access Select.

LPL Research designs different types of Portfolios for PWP to meet the varying needs of clients. The Advisor, or the client with the assistance of Advisor, selects the Portfolio and provides advice based on the client's individual needs. LPL's Research Department uses various investment strategies in designing Portfolios, including those described below. All Portfolios seek to generate capital appreciation while assuming a reasonable amount of risk. The Portfolios are intended to take advantage of market opportunities that will occur or persist over a three-to-five-year time frame. It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable.

- **Standard.** This investment strategy invests in more traditional asset classes (e.g., large cap growth, large cap value, small cap growth, small cap value, foreign and fixed income). LPL Research designs different versions of Standard Portfolios, for example, for investors who wish to allocate to mid caps or who do not want explicit allocations to foreign markets.
- **Core.** This investment strategy also invests in more traditional asset classes, however the traditional equity asset classes are combined between blends of growth and value.
- **Diversified.** This investment strategy invests in traditional asset classes but may also invest in less traditional asset classes (e.g., emerging markets, high yield bonds). This investment strategy is subject to minimal constraints. LPL Research designs different versions of these Portfolios, for example, for investors who want allocation to tax-free bonds.
- **Diversified Plus.** This investment strategy invests in traditional asset classes but may also invest in less traditional asset classes (e.g., emerging markets, high yield bonds). This investment strategy is subject to minimal constraints. LPL Research designs different versions of these Portfolios, for example, for investors who want allocation to tax-free bonds. In addition, this strategy has a tactical allocation for investors who wish to have an allocation that is more tactically managed and allocated by LPL Research to mutual funds, ETFs and/or ETNs. The tactical allocation is intended to be more flexible and to help take advantage of short-, mid-, and long-term opportunities the markets present.

Other than in the context of a change in a tactical sleeve of Diversified Plus, when LPL's Research Department determines that a Model, ETF or mutual fund is no longer acceptable for a Portfolio, LPL will notify the Advisor of the change in status and provide alternatives for the account from which the Advisor, or the client with the assistance of the Advisor, will select, which may include selection of 1) an ETF until a replacement Model, ETF or mutual fund has been selected by the Research Department, 2) the replacement Model, ETF or mutual fund, or 3) one of the remaining choices within the asset class.

#### Types of Investments and Risks

The Portfolios may include different types of securities, such as mutual funds, closed end funds, ETFs, ETNs, and equity and fixed income securities. Investing in securities involves the risk of loss that clients should be prepared to bear. Described below are some particular risks associated with investing and with some types of investments available in the program.

- **Market Risk.** This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.
- **Interest Rate Risk.** This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.
- **Economic Conditions Risk.** This is the risk that economic, political or financial developments will, from time to time, result in periods of volatility or other adverse effects that could negatively impact your account.
- **Credit Risk.** This is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.
- **Liquidity Risk.** This is the risk that an investor would not be able to sell or redeem an investment quickly, or would not be able to sell or redeem an investment quickly without significantly affecting the price. Liquidity risk is heightened when



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markets are distressed. Generally, alternative investments have higher liquidity risk than equities, fixed income securities or mutual funds or ETFs.

- *Issuer-Specific Risk.* This is the risk that the value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole.
- *Investment Company Risk.* To the extent a client account invests in ETFs or other investment companies, its performance will be affected by the performance of those other investment companies. Investments in ETFs and other investment companies are subject to the risks of the investment companies' investments, as well as to the investment companies' expenses. If a client account invests in other investment companies, the client account may receive distributions of taxable gains from portfolio transactions by that investment company and may recognize taxable gains from transactions in shares of that investment company, which would be taxable when distributed.
- *Concentration Risk.* To the extent a client account concentrates its investments by investing a significant portion of its assets in the securities of a single issuer, industry, sector, country or region, the overall adverse impact on the client of adverse developments in the business of such issuer, such industry or such government could be considerably greater than if they did not concentrate their investments to such an extent.
- *Sector Risk.* To the extent a client account invests more heavily in particular sectors, industries, or sub-sectors of the market, its performance will be especially sensitive to developments that significantly affect those sectors, industries, or sub-sectors. An individual sector, industry, or sub-sector of the market may be more volatile, and may perform differently, than the broader market. The several industries that constitute a sector may all react in the same way to economic, political or regulatory events. A client account's performance could be affected if the sectors, industries, or sub-sectors do not perform as expected. Alternatively, the lack of exposure to one or more sectors or industries may adversely affect performance.
- *Alternative Strategy Mutual Funds.* Certain mutual funds available in the program invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be appropriate for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. Clients should be aware that alternative investments and/or strategies are generally considered speculative in nature and involve a high degree of risk, particularly if concentrating investments. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry. These types of funds tend to have higher expense ratios than more traditional mutual funds. They also tend to be newer and have less of a track record or performance history.
- *Exchange-Traded Funds (ETFs).* ETFs are typically investment companies that are legally classified as open end mutual funds or unit investment trusts. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. 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.
- *Unit Investment Trusts (UITs).* UITs are investment companies that generally offer a fixed portfolio of stocks and bonds as redeemable units to investors for a specified period of time. Like a mutual fund, UITs typically issue redeemable units. However, UITs differ from mutual funds in that UITs have stated expiration dates and are not actively traded. As a consequence, UITs will not be sold to take advantage of market conditions and their value may fluctuate, sometimes rapidly or unpredictably, due to factors affecting securities markets or particular industries. Upon the stated expiration date of a UIT, there is no assurance that the value of the UIT will be equal to or higher than the original price.
- *Closed-End Funds.* Clients should be aware that closed-end funds available within the program may not give investors the right to redeem their shares, and a secondary market may not exist. Therefore, clients may be unable to liquidate all or a



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portion of their shares in these types of funds. While the fund may from time to time offer to repurchase shares, it is not obligated to do so (unless it has been structured as an "interval fund"). In the case of interval funds, the fund will provide limited liquidity to shareholders by offering to repurchase a limited amount of shares on a periodic basis, but there is no guarantee that clients will be able to sell all of the shares in any particular repurchase offer. The repurchase offer program may be suspended under certain circumstances.

- *Exchange-Traded Notes (ETNs).* An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows: The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks. ETNs may be closed and liquidated at the discretion of the issuing company.
- *Tax-Managed Investing Risk.* Investment strategies that seek to enhance after-tax performance might be unable to fully realize strategic gains or harvest losses due to various factors. Market conditions could limit the ability to generate tax losses. A tax-managed strategy could cause a client portfolio to hold a security to achieve more favorable tax treatment or to sell a security in order to create tax losses. A tax loss realized by a U.S. investor after selling a security will be negated if the investor purchases the security within thirty days. There is no guarantee that securities submitted for exchange will be accepted by a fund that utilizes a tax-managed strategy (e.g., an "exchange fund"), and exchange funds may accept "out-of-benchmark" securities at the sole discretion of portfolio managers. Although third-party managers of these strategies seek to avoid "wash sales" whenever possible and temporarily restrict securities they have sold at a loss to prevent them, a wash sale can occur inadvertently because of trading by a client in portfolios not managed by the third-party manager. A wash sale can also be triggered by the third-party manager when it has sold a security for loss harvesting and shortly thereafter the firm is directed by the client to invest a substantial amount of cash resulting in a repurchase of the security. Changes to the tax code and other policy changes could result in unfavorable tax treatment for investors in tax-managed strategies.
- *Direct Indexing.* Direct indexing strategies seek to replicate the performance of a market index by directly holding the individual securities, or a representative sample of the individual securities, that make up the index. Direct indexing may provide a more tax efficient means of investing, and may allow for more customized investment allocations, than investing in a fund or other commingled product that seeks to replicate the index. The potential benefits of direct indexing, however, will not necessarily be realized if you don't take advantage of tax planning or impose account restrictions, such as account level security or sector-based restrictions or customizations based on your specific tax, ESG or other preferences. Fees and expenses for the direct indexing strategy in some cases will be higher than the fees and expenses associated with alternative index products. Higher fees and expenses could adversely impact account performance. The size of your account and the number of securities in the index your account seeks to replicate also limit the ability of your account to replicate the index. As a result, the direct indexing strategy introduces the risk of tracking error relative to the index into your account and can cause your portfolio to underperform the index, including as a result of customization. LPL cannot guarantee that the dividend yield in your portfolio will accurately track a market index.
- *Other Complex Exchange Traded Products ("ETPs").* Certain clients meeting qualification standards may also purchase other complex ETPs, which may be structured as ETFs, ETNs or as other types of securities. Similar to leveraged and inverse products, these other complex products differ, often significantly, from traditional ETFs, ETNs and mutual funds and can be significantly more speculative and volatile. Other complex ETPs are often not designed to be held long term. These products include, for example, single-inverse ETPs ("Single Inverse ETPs"), futures-linked ETPs ("Futures Linked ETPs") and cryptocurrency-related ETPs ("Cryptocurrency ETPs"). Single Inverse ETPs are complex financial instruments that seek





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investment results that are the opposite of the performance of an index for a stated trading period (or “reset frequency”), often a single day. When a Single Inverse ETP with a shorter reset frequency is held for a longer period, significantly different returns from the investment objective or returns of the underlying assets may result, including potential realized and unrealized losses. A Single Inverse ETP that resets each day is typically inappropriate as an intermediate or long-term investment unless it is recommended as part of a sophisticated trading or hedging strategy that will be closely monitored. Futures Linked ETPs are intended to provide exposure to reference assets like commodities. However, Futures Linked ETPs are not designed to track the spot price of the referenced asset, but instead track the price of futures contracts. The performance of a Futures Linked ETP may deviate significantly from the performance of the spot price of the reference asset, especially over longer periods. Cryptocurrency ETPs are exposed to cryptocurrency, decentralized digitized assets that often rely on blockchain technology. Cryptocurrency ETPs are highly speculative and extremely volatile. Cryptocurrency is part of a new and evolving industry, and neither the technology nor regulatory regime for cryptocurrency is settled. Cryptocurrency ETPs may trade in over-the-counter markets and may not be afforded all of the investor protections of other ETPs. Certain Futures Linked ETPs invest in cryptocurrency futures, which could magnify the risks described above.

- **Pledging Assets.** LPL has partnered with certain banks to help facilitate clients’ access to collateralized non-purpose lines of credit; however, clients are not required to use the banks in LPL’s program, and can work directly with other banks (“non-partner banks”) to negotiate loan terms or obtain other financing arrangements. Clients who choose to use non-partner banks should notify Advisor of the amount of the line of credit. In these collateralized lending arrangements, clients borrow from the bank and pay interest to the bank. In some cases, Advisor, through IAR, may recommend that a client seeking to access funds (for purposes other than purchasing securities) hold his securities investments and instead utilize a non-purpose line of credit collateralized by the assets in his advisory account. Unless Advisor, through IAR, specifically recommends that a client hold his securities investments and instead utilize a collateralized line of credit to access funds, the decision regarding whether to arrange for a collateralized loan and the decision to draw down on such a loan are not covered by a client’s advisory relationship with LPL or Advisor. While Advisor, through IAR, may assist the client with facilitating a line of credit, clients are responsible for independently evaluating the terms of the loan and deciding whether the loan meets their needs. Clients also should be aware that pledging assets in an account to secure a loan involves additional risks. The bank holding the loan has the authority to liquidate all or part of the securities at any time without your prior notice in order to maintain required maintenance levels, or to call the loan at any time. As a practical matter, this may cause you to sell assets and realize losses in a declining market. Moreover, the ability of Advisor and IAR to make recommendations for the account may be restricted by collateral requirements imposed by the bank. These restrictions or a forced liquidation may interfere with your long term investment goals and/or result in adverse tax consequences. Further, you should note that the returns on accounts or on pledged assets may not cover the cost of loan interest and advisory fees. Clients should be aware that LPL’s collateralized loan program is one way, among many, for clients to raise necessary cash. Before pledging assets in an account, clients should carefully review the loan agreement, loan application and any forms required by the bank and any other forms and disclosures provided by LPL. For a list of the banks currently participating in LPL’s collateralized lending program, please visit [lpl.com/disclosures.html](http://lpl.com/disclosures.html), click on “Account Disclosures, Agreements, Fee Schedules & Conflicts of Interest,” and then “Third Party Compensation and Related Conflicts of Interest.”
- **Equity Securities.** Common and preferred stock represents the equity ownership of a company. Stock markets are volatile and the price of equity securities fluctuates based on changes in a company’s financial condition and overall market and economic conditions. The value of equity securities may also decline due to factors that affect particular industries or particular issuers. The values of equity securities may be more volatile than those of other asset classes.
- **Debt Securities.** Debt securities, such as bonds, involve interest rate risk, credit risk, extension risk, prepayment risk, and other types of risks. In addition, the value of debt securities may fluctuate in response to market movements or issues that affect particular industries or issuers. When interest rates fall, the issuers of debt securities may prepay principal more quickly than expected, and investors may have to reinvest the proceeds at a lower interest rate. This is known as “prepayment risk.” When interest rates rise, debt securities may be repaid more slowly than expected, and the value of the debt security can fall sharply. This is known as “extension risk.” Certain types of debt securities may be subject to “call and



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redemption risk," which is the risk that the issuer may call a bond for redemption before it matures and the investor may lose income.

- **Cybersecurity Risk.** Failures or breaches of the electronic systems of LPL, its service providers, securities market participants or the issuers of securities can cause significant losses for investors. Unintentional cyber events, such as the inadvertent release of confidential information, could also adversely impact investor account. Any cyber event could cause result in the loss or theft of investor data or cause investors financial loss and expense.
- **Use of Artificial Intelligence and Machine Learning.** Recent technological advances in artificial intelligence, generative artificial intelligence, and machine learning technology (collectively, "Machine Learning Technology") may pose risks to LPL and Advisor. LPL and Advisor could be further exposed to the risks of Machine Learning Technology if third-party service providers or any counterparties, whether or not known to LPL or Advisor, also use Machine Learning Technology in their business activities. LPL and Advisor will not be in a position to control the operations of third-party service providers or counterparties, the manner in which third-party products are developed or maintained or the manner in which third-party services are provided. Machine Learning Technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that Machine Learning Technology utilizes to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error, potentially materially so, and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of Machine Learning Technology. To the extent that LPL or Advisor are exposed to the risks of Machine Learning Technology, any such inaccuracies or errors could have adverse impacts on LPL or Advisor, as applicable. Machine Learning Technology and its applications, including in the financial services sector, continue to develop rapidly, and it is impossible to predict the future risks that will from time to time arise from such developments.
- **Foreign Securities Risk.** Foreign investments involve special risks not present in U.S. investments that increase an investor's potential to lose money. Among other issues, custody of securities in foreign markets, changes in foreign currency exchange rates, foreign economic and market conditions, actions adverse to investors taken by foreign governments, lack of governmental oversight or regulation of securities markets, underdeveloped settlement and clearing services, and foreign withholding taxes may negatively affect the value of investments in foreign securities.
- **Values-Based and Environmental, Social and Governance (ESG) Investing Risk.** Values-based investing or ESG investing, also known as "socially responsible investing," "sustainable investing," or "impact investing," focuses on the social values or environmental, social, and governance standards or the sustainability factors of an investment. Some values-based investing strategies focus on factors relating to an individual investor's personal or religious values, such as "biblical investing," while other strategies focus on issues like environmental impact. Some values-based investment strategies use values-based criteria to supplement financial analysis when considering a particular issuer or security, while others affirmatively select "socially responsible" investments or screen out or exclude investments in companies that engage in certain activities. Values-based investing may limit the type and number of investments available in a strategy and cause the strategy to underperform other strategies without a values-based focus or with a focus that involves a different type of focus or screening methodology. Values-based strategies may underperform the market as a whole. Companies and issuers selected in a values-based strategy may not or may not continue to demonstrate values-based characteristics. Different investors likely have different opinions about what types of investments are socially responsible.
- **Comparable Products.** LPL offers various mutual funds, ETFs, and other investment products that have similar or identical investment strategies but different fee and expense arrangements. For example, LPL sells both mutual funds and ETFs that are designed to track an index of securities, such as the S&P 500 Index. A mutual fund and an ETF following an identical strategy have different fees and expenses that affect your investment return. Those fees and expenses include direct costs like sales loads, commissions, and other transaction costs, and indirect costs at the product level like advisory or management fees, distribution expenses (12b-1 fees), and other administrative, shareholder servicing and transfer agent fees. The impact of those fee and expenses on your investment returns also varies based on the size of your initial investment, the length of time you hold the investment, and other factors. The differences in fees and expenses, and additional differences in compensation paid directly by product sponsors like revenue sharing, mean that LPL and Advisor



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generally will earn more compensation for selling one investment product than another. As a result, LPL and Advisor have a conflict of interest because of the financial incentive to recommend investment products that pay more compensation if a less expensive comparable product could be used to achieve a customer's investment objective.

#### LPL's Overlay Portfolio Management Services

As OPM, LPL provides advisory services tailored to the individual needs of the clients. LPL reviews accounts on a daily basis for rebalancing. LPL accommodates reasonable requests to restrict holdings of specific securities, specific industries, specific sectors, and certain pre-defined categories (e.g., "sin" stocks). In the event that client restrictions prevent the investment in certain securities otherwise recommended by a PWP Advisor, assets will be invested pro-rata across the remaining securities in the Model. Such restrictions do not apply to any mutual funds, ETFs or fixed-income securities that may be held in the account. Restrictions placed on an account may affect the performance of the account. The OPM may choose not to accept an account with restrictions that are inconsistent with the investments chosen by the OPM or as recommended by the PWP Advisor.

LPL accommodates requests to perform tax harvesting, which may include using the proceeds of tax-related transactions to purchase appropriate securities (such as ETFs) for an account. In such case, proceeds of tax-related transactions may be held in cash or securities until appropriate wash sale periods have expired. Once the wash sale period has expired, the related proceeds will be invested according to the Portfolio selected. Similarly, LPL may delay a tax harvesting request to sell securities acquired in the previous 30 days until the wash sale period has expired. In certain circumstances, LPL also accommodates requests for all or a portion of the account to remain allocated to cash for a period of time. After the expiration of that time period, LPL will reinvest the Account according to the model portfolio selected. Such customized requests and changes to and withdrawals from the Portfolios selected may take up to 5 days to process, and, in certain circumstances, may take longer.

As LPL generally has discretion to implement a Model, an account's holdings may differ from the Model submitted. For example, LPL may limit small trades (defined by minimum dollar amounts, share amounts, percentage of account, or percentage of individual asset class). In addition, due to market conditions or the illiquid nature of certain issues, there may be times when LPL will not be able to invest in specific taxable fixed income securities that appear in a Model. In those circumstances LPL will attempt to invest in fixed income securities with similar characteristics as those in the Models. For clients in California and New York, if tax-free fixed income securities are selected for a Muni Model, the PWP Advisor will attempt to limit the fixed income securities purchased to state-specific, tax free fixed income securities; however, the PWP Advisor may also include non-state-specific securities.

#### Voting Client Securities

Unless a client instructs otherwise, LPL will vote proxies on the client's behalf. LPL has adopted policies and procedures to in order for LPL to vote securities in the best interest of clients. LPL engages third party vendor(s) to make proxy voting recommendations and handle the administrative functions of voting proxies. Although LPL retains authority to vote client proxies, it is LPL's general policy to vote according to the recommendations of its third party proxy advisor vendor, so long as LPL reasonably determines that doing so is in the client's best interest. Any exceptions to this general policy are referred to LPL's Research Department, which makes the determination as to whether or how to vote the proxy in accordance with the best interest of the client. If the client is an employee benefit plan subject to ERISA, LPL will vote client proxies in accordance with LPL's obligations under ERISA and applicable Department of Labor Regulations. A copy of LPL's proxy voting policies is available upon request to LPL through Advisor. A client may obtain information about how LPL voted with respect to securities held in the client's account by contacting LPL through Advisor.

If a client elects to retain the right and obligation to vote proxies and receive mutual fund shareholder reports, LPL is reimbursed by the proxy issuer or mutual fund for the delivery costs to send proxies and shareholder reports to the client. The maximum fee that can be charged for delivery is set by New York Stock Exchange (NYSE) rules. If LPL uses a vendor to perform the delivery, the vendor seeks reimbursement from the proxy issuer or mutual fund on LPL's behalf and in certain cases remits a portion of the reimbursement to LPL.



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In the case of voluntary corporate actions, LPL intends to follow the instructions or default election of the PWP Advisors without reviewing individual client interests, unless LPL determines that such instructions are overtly contrary to our client's best interest. In such case, LPL will determine whether or how to act consistent with the best interests of our clients.

LPL, Advisor and the PWP Advisors are not obligated to render any advice or take any action on behalf of a client with respect to any legal proceedings, including bankruptcies, involving securities or other investments held in the account, or the issuers thereof. The client retains the right and obligation to take action with respect to legal proceedings relating to securities held in the account.

#### ITEM 7 CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

The Advisor obtains the necessary financial data from the client and assists the client in setting an appropriate investment objective for the account. The Advisor obtains this information by having the client complete an Account Application which is a part of the Account Agreement. In quarterly communications, LPL asks clients to contact the Advisor if there have been any changes in the client's financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Because the PWP Advisor's role generally is limited to providing Models to LPL, and the PWP Advisor does not provide individualized discretionary advisory services to PWP clients, LPL generally does not communicate specific client information to PWP Advisors. However, in the case of PWP Advisors for the Muni Models, the PWP Advisor does provide individualized discretionary advisory services with respect to the Muni Sleeve. If a Muni Model is selected, LPL forwards client information from the Account Application to the PWP Advisor. If client communicates to the Advisor regarding material changes in the client's financial circumstances, investment objectives or investment restrictions, such information is forwarded to the PWP Advisor for the Muni Model. Clients may communicate such information to the Advisor or otherwise communicate directly with the PWP Advisor, although clients are encouraged to direct communication through their Advisor.

Clients should understand that the investment objective selected for the program in the Account Application is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Client also should be aware that achievement of the stated investment objective is a long-term goal for the account.

#### ITEM 8 CLIENT CONTACT WITH PORTFOLIO MANAGERS

LPL does not place any restrictions on a clients' ability to contact and consult with Advisors. Because the PWP Advisor's role generally is limited to providing Models to LPL, and the PWP Advisor does not provide individualized discretionary advisory services to PWP clients, PWP Advisors generally are not available to be contacted or consulted by PWP clients. However, in the case of PWP Advisors for the Muni Models, the PWP Advisor does provide individualized discretionary advisory services with respect to the Muni Sleeve. If a Muni Model is selected, clients may consult directly with the PWP Advisor, although clients are encouraged to direct contact with the PWP Advisor through OPM or their Advisor.

#### ITEM 9 ADDITIONAL INFORMATION

##### Disciplinary Information

LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated its obligations under Section 17(a) of the Exchange Act and Rule 17a-8 thereunder, which require broker-dealers to comply with certain anti-money laundering ("AML") requirements. The SEC found that LPL did not follow its AML policies for its customer identification program and ongoing customer due diligence obligations by, among other things, not properly verifying new accounts; not timely closing accounts that did not pass its screening measures; and not closing or restricting certain accounts that were prohibited under LPL's AML Policies.

The SEC censured LPL and ordered LPL to cease and desist from committing or causing any violations and any future violations of such section and rule, to pay a civil monetary penalty in the amount of \$18 million, and to comply with certain undertakings (2025).

LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) thereunder and Section 204 of the Advisers Act and Rule 204-2(a)(7) thereunder in connection with the maintenance and preservation of off-channel communications; and failed to reasonably supervise its personnel within the meaning of Section 15(b)(4)(E) of the Exchange Act and Section 203(e)(6) of the Advisers Act. LPL admitted to the facts in the settlement



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order and acknowledged its conduct violated the federal securities laws. The SEC ordered LPL to cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) thereunder and Section 204 of the Advisers Act and Rule 204-2(a)(7) thereunder, censured it for its conduct, ordered it to pay a civil monetary penalty in the amount of \$50,000,000, and ordered it to comply with certain undertakings (2024).

LPL entered into a settlement with the SEC in connection with LPL's failure to comply with its Customer Identification Program procedures. The SEC found that LPL willfully violated Section 17(a) of the Exchange Act and Rule 17a-8 thereunder and was a cause of a third party's violations of Sections 17(a)(2) and (3) of the Securities Act and Section 206(2) of the Advisers Act. The SEC ordered LPL to cease and desist from committing or causing any further violations of these laws and regulations, censured LPL for its conduct, and ordered the payment of disgorgement and prejudgment interest totaling \$141,202 (deemed satisfied based on LPL's voluntary remedial payment of \$4,118,876 to the impacted client), and the payment of a civil money penalty of \$750,000 (2021).

As part of a voluntary self-reporting initiative in 2019, LPL entered into a settlement with the SEC in which the SEC found that LPL willfully violated Section 206(2) and 207 of the Investment Advisers Act of 1940 (the "Advisers Act") in connection with inadequate disclosure to clients of its and its associated persons' conflicts of interest related to its receipt of 12b-1 fees and/or its selection of mutual fund share classes that pay such fees. The SEC ordered LPL to cease and desist from committing or causing any violations of Sections 206(2) and 207 of the Advisers Act, censured it for its conduct, and ordered the payment of disgorgement and prejudgment interest to affected investors totaling \$9,333,516 (2019).

LPL, as a broker-dealer, is a member of ("FINRA") and has found to be in violation of FINRA's rules related to its brokerage activities. In particular, LPL consented to sanctions related to the following matters:

- LPL's supervisory systems and maintenance of books and records relating to brokerage direct business transactions, supervisory systems and misstatements about fees relating to brokerage product switch transactions, and supervisory systems relating to brokerage recommendations of publicly traded securities of business development companies (BDCs) to customers, resulting in a censure, a fine of \$5.5 million, restitution to impacted customers, and an undertaking to certify that LPL has remediated the systems and procedures for making recommendations of BDCs (2023).
- LPL's supervisory systems and procedures relating to the transmittal of customer funds by wire or check to third parties and maintenance of related books and records, resulting in a censure, a fine of \$3,000,000, restitution to impacted clients, and an undertaking to identify and pay restitution to affected customers for certain other improper transfers (2023).
- LPL's failure to accurately calculate its customer reserve requirement, failure to maintain a sufficient customer reserve, failure to maintain policies and procedures reasonably designed to achieve compliance with the Securities and Exchange Act and FINRA rules, and failure to maintain accurate books and records, resulting in a censure and a fine of \$300,000 (2022).
- LPL's self-reporting of potential issues related to certain C-share purchase suitability reviews and its supervisory systems and procedures relating to waivers of front-end sales charges for rollovers of 529 savings plan investments from one state plan to another, resulting in a censure and payment of restitution to impacted customers (2021).
- LPL's supervisory systems and procedures relating to record retention, fingerprinting and screening of certain associated persons, and supervision of consolidated reports, resulting in a censure, a fine of \$6,500,000 and an undertaking to review and enhance related policies, systems and procedures (2020).
- LPL's supervisory systems and procedures relating to changes in the authority of custodians of accounts established under the Uniform Gifts to Minors Act and/or the Uniform Transfers to Minors Act, resulting in a censure, a fine of \$300,000, and an undertaking to review and enhance its policies, systems, and procedures related to supervision of such accounts (2019).
- The effectiveness of LPL's anti-money laundering program, LPL's failure to amend certain Forms U4 and U5, and LPL's systems and supervisory procedures relating to Forms U4 and U5 reporting requirements, resulting in a censure and a fine of \$2,750,000 and an undertaking to review the process used to disclose customer complaints on Forms U4 and U5 (2018).
- LPL's brokerage supervisory and disclosure procedures related to the sale of certain brokered certificates of deposit in brokerage accounts, resulting in a censure and a fine of \$375,000 (2018).





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- LPL's systems and supervisory procedures relating to the creation and distribution of certain required account notices, resulting in a censure, a fine of \$900,000, and an undertaking to review affected processes (2016).
- LPL's systems and supervisory procedures relating to the format in which certain electronic records were retained, resulting in a censure and a fine of \$750,000 (2016).
- LPL's various brokerage supervisory procedures, including those related to the sale of complex non-traditional ETFs, variable annuity ("VA") contracts, real estate investment trusts ("REITs") and other products in brokerage accounts, as well as LPL's failure to monitor and report trades and deliver trade confirmations, resulting in a censure and a fine of \$10,000,000, and restitution of \$1,664,592 (2015).

LPL, as a broker-dealer, is regulated by each of the 50 states and has been the subject of orders related to the violation of state laws and regulations in connection with its brokerage activities. In particular, LPL entered into consent orders related to the following matters:

- LPL's supervision of electronic signature practices at an LPL branch office in Massachusetts, resulting in a fine of \$250,000 and an undertaking to conduct an internal review of certain related policies and procedures (Massachusetts or "MA", 2023).
- LPL's supervision of an LPL broker-dealer/investment adviser agent's sales of structured products, resulting in a censure, an offer of restitution to impacted clients, and a fine of \$125,000 (Texas, 2022).
- LPL's supervision of two LPL broker-dealer and/or investment adviser agents who pled guilty to charges of fraudulent practices with LPL customers, resulting in a cease and desist order, a fine of \$350,000 and a \$150,000 contribution for financial literacy and investor education initiatives, training and related materials (Connecticut, 2021).
- LPL's supervision of an LPL representative under a heightened supervision plan, resulting in a cease and desist order; a fine of \$275,000; payments of restitution, disgorgement and investigative costs; and offers of payment of surrender charges in connection with variable annuity contracts for impacted customers (New Hampshire or "NH", 2020).
- LPL's failure to timely register (or maintain the registration of) certain agents in MA and failure to amend Forms U4 and U5 for certain agents registered in MA, resulting in a censure, a fine of \$1,100,000, and an undertaking to review and enhance its policies and procedures related to registering its agents in MA and filing reportable events (MA, 2019).
- LPL's brokerage supervisory procedures relating to email review and annual branch office examinations, resulting in a civil penalty of \$450,000 and an undertaking for third-party review of related processes (Indiana, 2018).
- The sale of unregistered, non-exempt securities in violation of state registration requirements, resulting (upon entry of the individual consent order) in payment to each participating state or jurisdiction of a civil penalty of \$499,000, reimbursement of certain investigative expenses, remediation through repurchase of certain securities and payment of losses to certain affected customers, and certain additional undertakings (Settlement with up to 53 members of the North American Securities Administrators Association (NASAA), 2018).
- The sale of non-traded alternative investments in excess of prospectus standards or LPL's internal guidelines and the maintenance of related books and records, resulting in a censure, a fine of \$950,000, a \$25,000 contribution to an investor education fund and remediation of losses to impacted customers (New Jersey, 2017).
- LPL's supervisory practices for LPL representatives located on the premises of a credit union, resulting in a censure, a fine of \$1,000,000, and an undertaking to avoid investor confusion specific to the name under which the credit union does business and review LPL's related policies and procedures (MA, 2017).
- LPL's oversight of certain VA transactions, resulting in a censure, a fine of \$975,000, restitution to clients and former clients of an LPL representative, disgorgement of commissions retained by LPL in connection with such representative's VA sales, and an undertaking to review such representative's brokerage and advisory activities and LPL's related policies and procedures (MA, 2017).
- The sale in brokerage accounts of non-traded REITs in excess of prospectus standards, state concentration limits or LPL's internal guidelines, resulting in an aggregate civil penalty of \$1,425,000, reimbursement of certain investigative expenses and remediation of losses to impacted customers (Global settlement with certain members of NASAA, 2015).





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- The sale of non-traded REITs in excess of prospectus standards, state concentration limits or LPL's internal guidelines, resulting in an administrative fine of \$250,000, reimbursement of investigative costs of \$250,000, a \$250,000 contribution to an investor education fund and remediation of losses to impacted customers (NH, 2015).
- The sale of leveraged and inverse leveraged ETFs ("Leveraged ETFs"), resulting in an administrative fine of \$50,000 (Delaware), a penalty of \$200,000 (MA), restitution to Delaware customers in an amount up to \$150,000, restitution to MA customers in an amount up to \$1,600,000, and an agreement to make certain changes in its supervisory system with respect to Leveraged ETFs (2015).
- Failure to implement procedures related to the use of senior-specific titles by LPL representatives as required under MA law, resulting in a censure and a fine of \$250,000 (2015).

For more information about those state events and other disciplinary and legal events involving LPL and its IARs, client should refer to Investment Adviser Public Disclosure at <https://adviserinfo.sec.gov/> or FINRA BrokerCheck at <https://brokercheck.finra.org/>.

#### Other Financial Industry Activities and Affiliations

LPL is a broker-dealer registered with FINRA and the SEC. As a broker-dealer, LPL transacts business in various types of securities, including mutual funds, stocks, bonds, commodities, options, private and public partnerships, variable annuities, real estate investment trusts and other investment products. LPL is registered to operate in all 50 states and has primarily an independent-contractor sales force of registered representatives and investment adviser representatives dispersed throughout the United States. LPL has a dedicated team of employee IARs in its offices who service certain accounts, and also a small subset of IARs who operate their own offices or are located on the premises of certain financial institutions and are employees of LPL Employee Services, LLC, an LPL-affiliated company. LPL is also registered as an introducing broker with the Commodity Futures Trading Commission. In addition, LPL is qualified to sell insurance products in all 50 states.

LPL Enterprise, LLC ("LPLE"), is a registered broker-dealer and related person of LPL. LPLE became a registered investment adviser in August. Our affiliate, LPLE, is an investment adviser registered with the SEC and a broker-dealer registered with FINRA and the SEC. As a broker-dealer, LPLE transacts business in various types of securities, including mutual funds, stocks, bonds, commodities, options, private and public partnerships, variable annuities, REITs and other investment products. LPLE is registered to operate in all 50 states and has primarily an independent-contractor sales force of registered representatives and investment advisor representatives dispersed throughout the United States. If required for their positions with a registered broker-dealer, LPLE's principal executive officers are securities licensed as registered representatives of LPL. In addition, LPLE is qualified to sell insurance products in all 50 states.

LPL and The Private Trust Company, N.A. ("PTC"), a federally chartered non-depository bank licensed to provide trust services in all 50 states, are related persons. PTC serves as IRA custodian for program accounts set up as IRAs and receives an annual maintenance fee for this service. PTC also provides personal trustee services to clients for a variety of administrative fiduciary services, which services may relate to a program account. Because LPL and PTC are affiliated companies and share in revenues, there is a financial benefit to the companies if a client uses PTC as a custodian or for personal trustee services, or if a PTC client uses LPL as an investment advisor. PTC's IRA custodian and trustee services and related fees are established under a separate engagement between the client and PTC.

Fiduciary Trust Company of New Hampshire ("FTC"), a non-depository trust company, is a related person of LPL. FTC provides custodial and various other recordkeeping and services to IRAs and certain employer-sponsored plans maintained through non-PWP Program accounts. Because LPL and FTC are affiliated companies and share in revenues, there is a financial benefit to the companies if a client is referred to or otherwise elects to engage with FTC for services under another LPL program, and uses LPL as the investment advisor or broker-dealer. FTC's custodial and recordkeeping services and related fees are established under a separate engagement between the client and FTC.



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### Code of Ethics and Personal Trading

LPL has adopted a code of ethics that includes guidelines regarding personal securities transactions of its employees and investment adviser representatives ("IARs"). The code of ethics permits LPL employees and IARs to invest for their own personal accounts in the same securities that LPL and IARs purchase for clients in program accounts. This presents a conflict of interest because trading by an employee or IAR in a personal securities account in the same security on or about the same time as trading by a client can disadvantage the client. LPL addresses this conflict of interest by requiring in its code of ethics that LPL employees and IARs report certain personal securities transactions and holdings to LPL. LPL has procedures to review personal trading accounts for front-running. In addition, employees in LPL's Research Department are required to obtain pre-clearance prior to purchasing certain securities for a personal account. Employees and IARs are also required to obtain pre-approval for investments in private placements and initial public offerings. A copy of the LPL code of ethics is available to clients or prospective clients upon request and is available at [lpl.com/disclosures.html](http://lpl.com/disclosures.html).

### Participation or Interest in Client Transactions

Purchases of mutual fund shares may be processed through LPL's proprietary account resulting in such purchases being characterized as principal transactions for certain reporting purposes. In such case, the shares will be purchased at the fund's net asset value, and no additional charges will be applied to such transactions as a result of LPL's use of a proprietary account. LPL does not otherwise engage in principal transactions with its clients in the program. LPL's parent company, LPL Financial Holdings Inc., is a publicly traded company. PWP Advisors are not prevented from purchasing LPL Financial Holdings Inc. stock in PWP accounts. In addition, a PWP account may include a mutual fund or ETF that holds LPL Financial Holdings Inc. stock as an underlying investment, for example, an ETF that seeks to replicate the performance of an investment services index that includes LPL Financial Holdings Inc.

For certain ETFs and stocks, LPL executes trades in fractional shares of those securities as an accommodation to clients. There is not an active open market for fractional shares, and executing trades with LPL is most often the only form of liquidity for a client that holds fractional shares in his or her account. LPL does not receive any compensation in addition to advisory fees for executing trades in fractional shares for a client's advisory account. LPL will only buy and sell fractional shares when a client is also trading whole shares of the security, in connection with a dividend reinvestment plan, or to sell remaining fractional shares to close a position. Trades in fractional shares will happen on the same day and at the same price as a trade in whole shares, or otherwise at market closing price.

### 12b-1 Fees; Recordkeeping Services and Compensation; Revenue Sharing Arrangements.

Some mutual funds and Program Share Classes in PWP charge shareholders a 12b-1 fee. To the extent a mutual fund or a Program Share Class charges a 12b-1 fee, the fee will be paid to LPL by the mutual fund. Any 12b-1 fees paid to LPL by mutual funds (other than the Sweep Funds) will be credited to the account.

LPL performs recordkeeping, administrative and shareholder services on behalf of mutual funds and receives compensation for the services based on mutual fund holdings of clients. These services include establishing and maintaining accounts with the funds, facilitating settlement of funds, responding to customer inquiries and requests, and maintaining sub-account records reflecting the issuance, exchange or redemption of shares by each program account. A type of recordkeeping service that LPL provides to certain mutual fund families is to process transactions on an omnibus basis, which means that LPL consolidates client trades into one daily trade with a fund, and maintains all pertinent shareholder information for the fund. In some cases LPL earns recordkeeping compensation with respect to a Program Share Class but does not earn recordkeeping compensation, or earns less recordkeeping compensation, with respect to other share classes of the same fund that are not offered through the Program. If LPL does not provide omnibus services to a mutual fund, then fund shares are traded on a networked basis, which means LPL submits a separate trade for each individual client trade to the fund. In that case, LPL maintains only certain elements of the fund's shareholder information.



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The compensation LPL receives from a fund for recordkeeping, administrative and shareholder services is based on the amount of client assets that are invested in the fund (up to 0.30% annually), or the number of positions held by PWP clients in the fund (up to \$25 per position). In addition, LPL charges a setup fee to product sponsors when adding new investment products or share classes of an investment product to LPL's investment platforms. In the case of ETPs, LPL receives up to \$15,000 as a sponsor level due diligence fee, up to \$7,500 per fund and up to \$15,000 per product for complex ETPs and ETPs. In the case of mutual funds, LPL receives a one-time set up fee of up to \$15,000 as a sponsor level due diligence fee and a setup fee of \$7,500 per fund. For UITs, LPL charges up to \$5,000 per trust. LPL does not share this compensation with Advisor or IARs. When LPL incurs technology development related costs associated with the launch or maintenance of a platform, tool or service, LPL sometimes receives reimbursements from product sponsors for such costs. Because LPL benefits from product sponsors' reimbursements of technology development-related costs, LPL's financial interests are conflicted with its ability to use strictly objective factors when selecting product sponsors to make available on the applicable platforms.

LPL has fee arrangements with investment advisors or distributors ("sponsors") of mutual funds, ETFs, annuities, alternative investment products and structured products that are available for purchase through the Program, called revenue sharing. Under these arrangements, the sponsor pays LPL a fee based on the amount of client sales or assets invested in the sponsor's products or a fixed fee, and LPL provides marketing support, data analytics, and administrative services to the sponsor and allows the sponsor to access LPL representatives so that the sponsor can promote such products. The amount and form of revenue sharing fee received by LPL can vary depending on many factors, including the services provided by LPL and the sponsor's investment products. LPL marketing support compensation for mutual funds, interval funds, ETFs and positional money market funds (other than the Sweep Funds) consists of flat and/or asset based fees totaling up to 0.15% annually, or up to \$1,000,000. LPL does not accept revenue sharing fees for assets held in retirement accounts. LPL does not require that a sponsor participate in revenue sharing arrangements for the sponsor's products to be selected for a Portfolio. In general, sponsors pay LPL a revenue sharing fee in addition to other product-related fees paid by a client, which include sales charges, deferred sales charges, distribution and service fees, redemption fees, and other fees and expenses disclosed in a product's offering documents. Revenue sharing fees may be paid by a particular investment fund, or its investment advisor or distributor, or an affiliate.

LPL offers product sponsors of mutual funds, closed funds, interval funds, ETFs, alternative investments, advisory strategies, annuities and life insurance contracts the opportunity to purchase analytical data, business intelligence and ad hoc reporting. This information helps product sponsors in their sales, distribution and product development efforts with respect to customers and clients and creates similar conflicts to those discussed above. LPL receives up to \$600,000 annually from each product sponsor in third party compensation for this information.

LPL receipt of revenue sharing fees creates a conflict of interest for LPL, which means that there is an incentive for LPL and its respective financial professionals to recommend investment products that pay revenue sharing fees. LPL or its affiliate receives significantly more revenue sharing fees from the sponsors for which clients have the largest holdings, which creates a conflict of interest for LPL to promote and recommend these sponsors' investments.

Revenue sharing payments are generally higher for investment products with higher expense ratios (the overall fee paid by an investor in the product). Additionally, revenue sharing payments for some ETFs are based on management fees and will be higher for ETFs with higher expense ratios, both because LPL is paid a portion of the higher fees and because generally the percentage rate that LPL gets paid increases for investment products with higher expense ratios. As a result, LPL has an increased incentive to choose investment products that charge more in fees and to promote or recommend these investment products so that LPL earns more, and that could cause lower performance for client accounts. Other investment products with lower fees that are not party to revenue sharing agreements are available. Higher expense ratios will cause an investor to earn less on an investment than a comparable investment with a lower expense ratio. This results in a conflict of interest between clients and LPL because the revenue sharing arrangements give LPL an incentive to recommend investments that could cause lower performance for client accounts. The variations between amounts and forms of revenue sharing payments also create an incentive for LPL to recommend holding products which pay revenue sharing payments to LPL or its affiliate as an ongoing



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percentage of client assets. This conflict can cause clients to pay higher overall fees and expenses and have an impact on the investment performance of an account. Additionally, LPL receives significantly more revenue sharing from firms for which clients have the largest holdings, and some of LPL's contracts pay increased asset based fees when certain threshold are met. This creates a conflict of interest for LPL to promote and recommend those investments. However, these conflicts are mitigated insofar as the revenue sharing payments LPL receives are not shared with Advisor or the IAR who selects or recommends the investment products for client accounts.

The revenue that LPL receives from LPL's receipt of 12b-1 fees, recordkeeping compensation, and revenue sharing arrangements is an important revenue stream and presents conflicts of interest that affect LPL's ability to provide clients with unbiased, objective investment advice concerning the selection of funds and share classes for a Portfolio in the case of Portfolios designed by LPL. In particular, LPL has a financial incentive: (i) to select a product or a Program Share Class that charges a 12b-1 fee and/or pays recordkeeping compensation to LPL over another comparable product or a share class that does not charge 12b-1 fees or pay recordkeeping compensation; (ii) to select a product sponsored by a company that makes revenue sharing payments to LPL, instead of another comparable product whose sponsor does not make such payments; and (iii) to select a product or a Program Share Class that charges 12b-1 fees, pays recordkeeping compensation to LPL, or whose sponsor makes revenue sharing payments to LPL that, in each case, are comparatively higher than those charged or paid by another comparable fund or share class or a sponsor of such products or share classes. Such other comparable products and/or share classes may be more appropriate for a client than the fund or Program Share Class offered through the Program. Additionally, LPL receives significantly more revenue sharing from fund sponsors for which LPL's clients have the largest holdings, which creates a conflict of interest for LPL to promote and recommend those investments. LPL's website at [lpl.com/disclosures.html](http://lpl.com/disclosures.html) identifies the mutual funds that pay recordkeeping compensation and the sponsors that make revenue sharing payments to LPL.

LPL credits to clients any 12b-1 fees it receives from mutual funds (other than the Sweep Funds), and therefore, LPL does not have an incentive to select one fund or Program Share Class over another solely on the basis of the 12b-1 fee. In addition, LPL does not share 12b-1 fees, recordkeeping fees, or revenue sharing payments with Advisor or PWP Advisors, and, therefore, there is no financial incentive for Advisor or a PWP Advisor to select one fund or a Program Share Class over another comparable fund or share class on the basis of the 12b-1 fee, recordkeeping compensation, and revenue sharing payments that the fund or Program Share Class charges or provides to LPL. Although LPL does not share recordkeeping fees or revenue sharing payments with Advisor or IARs, such fees and payments will increase LPL's profits and indirectly benefit Advisor and IARs, for example by being used by LPL to support marketing or training costs.

#### Cash Sweep Service Options

LPL automatically transfers cash balances (including otherwise uninvested cash amounts received from the customer, securities transactions, dividend and interest payments, and other account-related activities) in a customer's eligible accounts through the account's designated sweep service option, where applicable. The type of sweep service options available (and how cash is held) depends on the customer's account type. LPL offers Federal Deposit Insurance Corporation ("FDIC")-insured bank sweep services for most customer accounts. Accounts may be eligible for the LPL Insured Cash Account ("ICA") Program, the LPL Deposit Cash Account ("DCA") Program or the money market mutual fund sweep, each described below. Not all sweep service options are available to all types of customer accounts. Cash sweep is offered as an account feature and service to facilitate the operation and maintenance of the account and is not intended to be used as an investment option or as part of an account's asset allocation, though for certain advisory accounts, it is typical for an account to have an allocation to cash to support the operational needs and fees charged to the account. LPL and its financial professionals do not typically recommend specific sweep service options or underlying sweep holdings. For more information, please see your customer agreement and the applicable ICA or DCA disclosure booklet, or the sweep money market fund prospectus.

The aggregate fees and expenses received by LPL in connection with the customer account's designated sweep service option can be higher or lower than the customer's yields on the sweep service option depending on the particular sweep option, prevailing interest rates and other market factors. See <https://www.lpl.com/disclosures/lpl-financial-fdic-insured-bank-deposit->



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sweep-programs.html for Information about our customer fees and customer Interest rates for ICA and DCA, or contact your financial professional for information about our customer fees and customer interest rates for money market funds. Historically, customer yields in ICA have always been lower than the aggregate fees and charges received by LPL. Customer yields in DCA and in money market mutual funds have been both lower and higher than the aggregate fees and charges received by LPL.

Cash sweep services are not intended to be used for long-term investments and are more appropriately viewed as an indirect cost of maintaining and operating the account. LPL makes available a wide range of investment alternatives with differing risk and return characteristics, which are better suited for meeting customer investment needs and objectives. Customers should compare the terms, interest rates, required minimum amounts and other features of their account's applicable sweep service option available through other types of accounts and investment options available in their account.

FDIC insurance protects against the loss of FDIC-insured deposits if the depository institution or bank holding the deposit fails. LPL itself is not an FDIC-insured depository institution. With respect to our sweep service options, only balances received by, and deposited at, the ICA and DCA are eligible for FDIC insurance (subject to applicable limits). Eligibility for pass-through deposit insurance coverage for ICA and DCA, deposits is subject to fulfilling specific conditions. Client Cash Accounts and money market mutual funds are not customer bank deposits and are subject to investment risks, including the potential loss of the amount invested. These investments are not FDIC-Insured, but may be subject to SIPC protection.

- **Insured Cash Account (ICA).** LPL's ICA sweep service option automatically sweeps otherwise uninvested cash balances held within customer brokerage (and certain advisory accounts) into interest-bearing bank deposits eligible for FDIC insurance (subject to applicable limits). Under its agreement with each ICA participating bank in which customer cash may be swept, LPL receives a fee from the bank equal to a percentage of the average daily deposit balance held at the bank. Such fees differ among the participating banks depending on the current interest rate environment and/or any fee waivers made by LPL. The fee LPL receives is generally an average aggregate annual rate of up to 6% as applied across the deposits held at all of the ICA participating banks. Because the banks generally pay different amounts to LPL on account balances, fees received by LPL with respect to a specific customer account (and the account's cash holdings) may be higher or lower than this average percentage amount. The fees received by LPL from the ICA participating banks reduce the interest rate customers receive on their cash held through ICA. These fees are additional compensation to LPL for operating and maintaining the account and for LPL's other services to the account. LPL has chosen to offer ICA as the sole sweep service option for certain account types, in part because of the additional compensation LPL earns from the use of ICA.

In situations where customer cash balances allocated through ICA exceed the deposit availability at ICA participating banks, uninsured cash balances may be placed into an "overflow" Client Cash Account. Such balances are considered to be "free credit balances" and represent a direct liability of LPL to the customer. See below for information about how LPL is compensated on Client Cash Account balances.

- **Deposit Cash Account (DCA).** LPL's DCA sweep service option automatically sweeps otherwise uninvested cash balances held within certain advisory accounts into interest bearing bank deposits eligible for FDIC Insurance (subject to applicable limits). In the DCA program, each Bank pays compensation equal to a percentage of the average daily aggregated omnibus deposit balance held at the bank. This amount includes the fee for the third-party administrator, LPL's per account fee, and interest payable to participating accounts. Such fees differ among the participating banks. Customers have no rights to the amounts paid by the DCA participating banks, except for interest actually credited to the customer account. However, amounts collected from the DCA participating banks during each period, less interest credited, will be allocated on a per-dollar, per-account basis and used to offset each customer's monthly LPL account fee for providing the sweep services. In addition, part of the payment by the participating banks will be used to compensate the third-party administrator for its services. For its services under the DCA program, including making the platform available, LPL receives a per-account fee each month. The monthly fee is based on a fee schedule indexed to the current Federal Funds Target (FFT) Rate as detailed in the DCA Disclosure Booklet located on lpl.com. The current





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fee can also be found at [lpl.com](http://lpl.com). It is expected that this fee will be recouped from the DCA participating banks and will not be a fee directly applied to customer accounts. The fee LPL receives under the DCA program does not vary, and is not affected by the actual amounts held in the deposit accounts or in the customer's account. LPL has chosen to offer DCA as the sole service option for certain account types, in part because of the additional compensation LPL earns from the use of DCA.

In situations where customer cash balances in DCA exceed the deposit availability at DCA participating banks, uninsured cash balances may be placed into an "overflow" money market mutual fund. See below for further information about fees generated by cash balances maintained in the DCA "overflow" money market mutual fund.

- **Client Cash Accounts – ICA Overflow Balances.** LPL receives additional compensation and benefits from the customer cash balances maintained in the ICA overflow mechanism, referred to as Client Cash Account, which constitute free credit balances available for LPL use. LPL can use free credit balances to fund its ongoing operations subject to the limitations under SEC Rule 15c3-3. Pursuant to Rule 15c3-3, LPL can (i) deposit free credit cash balances into a segregated deposit account at its banks, thereby earning interest on the Client Cash Account balances deposited, or (ii) invest the cash balances in securities backed by the full faith and credit of the U.S. government, thereby making money on any yield generated by such securities. The amount LPL will earn from these sources will vary based on market forces and the contracts for deposit arrangements that LPL is able to secure with its banks. LPL may use both or either of these vehicles at its sole discretion. Any amounts LPL receives pursuant to these sources will be reduced by the interest payable, if any, to customers on such balances, and further reduced by the cost of borrowing any funds necessary to meet its reserve requirements under Rule 15c3-3. For example, LPL may earn interest or a return by investing in short-term U.S. Government or Agency instruments or by using these balances to fund margin loans to its customers at a lower funding cost than would otherwise be the case. Customers do not share in the returns or proceeds associated with LPL's use or investment of such free credit balances, which are expected to exceed the amount of any Interest paid to the customer for Client Cash Account balances.
- **Money Market Mutual Fund Sweep Option.** For customer accounts not eligible for ICA or DCA, otherwise uninvested cash balances held in the account are automatically swept and invested daily into shares of a money market mutual fund. Currently, taxable and tax-exempt money market funds offered by J.P. Morgan Asset Management and Federated Services Company, are available. LPL receives compensation in the form of servicing fees of up to 0.25% of customer assets invested in J.P. Morgan Asset Management money market funds and up to 0.35% of customer assets invested in Federated Services Company money market funds. These money market mutual funds generally pay higher 12b-1 fees than other money market funds that are not used for sweep services. The 12b-1 fees and the payer of such fees are set out in the prospectus of the money market mutual fund. LPL receives service and administrative fees relating to the support of the sweep program from the sponsors of these funds, ranging between 0.25% and 0.45% of the assets Invested In the money market funds. Such fees may be waived by the fund companies in their sole discretion. These payments are in addition to other fees (e.g., recordkeeping and 12b-1 fees) received by LPL, where applicable.

LPL also receives fees of up to 0.45% for DCA "overflow" balances that are swept into the Goldman Sachs Asset Management Financial Square Government Fund, if any. The fees and the payer of such fees are set out in the prospectus of the money market fund.

The compensation that LPL and Advisor receive related to the ICA, DCA (including from any ICA and DCA overflow mechanisms) and the Sweep Funds is in addition to the Account Fee received with respect to the assets in the sweep investment. This compensation related to the ICA, DCA and Sweep Funds is an important revenue stream and presents a conflict of interest because LPL and Advisor have a financial benefit if cash balances are maintained in the ICA, DCA or funds. However, LPL and Advisor do not take into account this compensation when it makes decisions on a Portfolio's allocation to cash.





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### Collateralized Lending Arrangements

LPL has partnered with certain banks to help facilitate clients' access to non-purpose lines of credit collateralized by their investment accounts. Because of LPL's arrangements with the banks participating in the program, clients may be limited in their ability to negotiate the most favorable loan terms. Clients are not required to use the banks in LPL's program, and can work directly with other banks to negotiate loan terms or obtain other, potentially more favorable, financing arrangements. If a Client obtains a loan from a non-partner bank, he should notify Advisor of the amount of the line of credit. Clients should understand that the interest and additional fees paid to the bank in connection with the loan are separate from and in addition to the advisory fees the client pays LPL for its advisory services on the account.

LPL receives third party compensation from participant banks based on the amount of outstanding loans. Compensation can be up to 0.75% of the outstanding loan amount. This compensation to LPL varies, and, therefore, LPL can earn more or less depending on the bank selected by the client. The receipt of compensation poses a conflict of interest to LPL because LPL has a financial incentive for the client to select a bank in the program, and a participating bank that pays LPL more than other participating banks. However, LPL does not share this compensation with Advisor or IAR, and therefore, Advisor and IAR do not have a financial incentive if one bank is selected over another. LPL, Advisor, and IARs have an interest in continuing to receive investment advisory fees, which gives LPL, Advisor, and IARs an incentive to recommend that clients borrow money rather than liquidate some of their assets managed by LPL/Advisor. This incentive creates a conflict of interest for LPL, Advisor, and IARs when advising clients seeking to access funds on whether they should liquidate assets or instead hold their securities investments and utilize a line of credit secured by assets in their account. Because LPL, Advisor, and IARs are compensated primarily through advisory fees paid on clients' accounts, LPL, Advisor, and IARs also have an interest in managing an account serving as collateral for a loan in a manner that will preserve sufficient collateral value to support the loan and avoid a bank call. This may present a conflict of interest with clients because it could incentivize Advisor or IARs to recommend more conservative, lower performing investments to maintain the stability of the account.

For additional disclosures regarding LPL's collateralized lending program, including a list of the banks currently participating in the program, please visit [lpl.com/disclosures.html](http://lpl.com/disclosures.html), click on "Account Disclosures, Agreements, Fee Schedules & Conflicts of Interest," and then "Third Party Compensation and Related Conflicts of Interest."

### Credit Cards

As part of its cash management services, LPL makes available for its customers credit cards through a partner bank. LPL receives a flat fee for each new activated credit card that is used by the cardholder in the first 90 days. LPL also receives a portion of the transaction volume of the cardholder's account. LPL's portion of the transaction volume varies depending on the number of LPL active cardholder accounts.

### Other Clients

Client should understand that LPL and Advisor perform advisory and/or brokerage services for various other clients, and that LPL and Advisor may give advice or take actions for those other clients that differ from the advice given to the client. The timing and nature of any action taken for the account may also be different.

### Review of Accounts

LPL provides Advisor and clients with regular written reports regarding their accounts. LPL provides detailed performance information annually describing account performance and positions, with additional performance information available upon request. In addition, LPL sends to clients account statements showing transactions, positions, and deposits and withdrawals of principal and income. Portfolio values and returns shown in performance reports for the year-end time period may include mutual fund dividends paid out prior to December 31 but that were posted to the account within the first 2 business days of the subsequent year. The inclusion of such dividends in the year-end performance report may cause discrepancies between the report and the account statement client receives from LPL for the same period.



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### Other Compensation

PWP Advisors reimburse LPL for costs associated with the use of technology necessary for a PWP Advisor to perform its services under the program. LPL and LPL employees also receive additional compensation from product sponsors, including a PWP Advisor or its affiliate. Such compensation may not be tied to the sales of any products or services. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, customer appreciation events or marketing or advertising initiatives. Product sponsors may also pay for, or reimburse LPL for the costs associated with, education or training events that may be attended by LPL employees and for LPL-sponsored conferences and events. LPL and LPL employees also receive reimbursement from product sponsors for technology-related costs, such as those to build systems, tools and new features to aid in serving customers.

LPL employees provide sales support resources to IARs of Advisor that use LPL advisory programs. The compensation that LPL pays to these employees varies based on the assets in LPL's different advisory programs. These sales employees have an incentive to promote PWP to IARs of Advisor over other advisory programs. These employees also earn more compensation when IARs of Advisor transition client assets from brokerage accounts to advisory accounts, and have a financial incentive to encourage IARs of Advisor to transition brokerage accounts to advisory.

LPL receives compensation in the form of earnings on its short-term investment of cash in program accounts prior to the time the cash is invested for the account. These earnings are generally known as "float." Cash in the account would typically result from contributions to the account or sales of securities in the account. For accounts that opt out of the sweep program, the accounts may remain in free credit balance. In such cases, LPL receives compensation in the form of earnings on cash.

In the event a trade error occurs in the Account, and such error is determined to be caused by LPL, LPL typically will cancel the trade and remove the resulting monetary loss to the client from the account. If a trade correction is required as a result of client (e.g., if client does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), LPL typically will cancel the trade and any resulting monetary loss will be borne by the client. In the case of a trade that requires a correction as described above and that resulted in a monetary gain to the client, such gain will be removed from the account and can result in a financial benefit to LPL.

### Financial Information and Custody

LPL is a qualified custodian as defined in Rule 206(4)-2 under the Advisers Act and maintains custody of PWP client funds and securities in a separate account for each client under the client's name. LPL as a qualified custodian sends account statements showing all transactions, positions, and all deposits and withdrawals of principal and income. LPL sends account statements periodically when the account has had activity or quarterly if there has been no activity. Clients should carefully review those account statements.

### Brokerage Practices

In PWP, LPL requires that clients direct LPL as broker-dealer to execute transactions in the account. Clients should understand that not all advisors or program sponsors require their clients to direct brokerage. The fact that LPL is both the investment advisor and broker-dealer on the account presents a conflict of interest. By directing brokerage to LPL, clients may be unable to achieve the most favorable execution of client transactions. Therefore, directed brokerage may cost clients more money. However, clients should understand that LPL is not paid a commission for executing transactions in PWP accounts. In addition, in the case of mutual funds, execution is made at the net asset value of the fund. Although LPL is not paid a commission or transaction charge for transactions in the account, LPL bears costs for each transaction made in an account. This presents a conflict of interest because these costs may be a factor LPL considers when deciding which securities to select and whether or not to place transactions in an account. However, LPL mitigates this conflict by compensating the team responsible for directing the trades through a bonus based on the performance of the portfolios; therefore, the team is not incentivized by cost reduction.



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### PERSONAL WEALTH PORTFOLIOS - PROGRAM BROCHURE

Dividends paid by securities in a client's account may be automatically reinvested or may be paid to the client in cash. In general, mutual fund dividends will be reinvested in the specific mutual fund paying the dividend, while dividends for equity securities, ETFs and ETNs will generally be paid in cash. Interest on fixed income securities is paid in cash.

If a Portfolio is selected that includes a Muni Model, the PWP Advisor will have discretion to purchase and sell securities in the Muni Sleeve of the account. In connection with its duty to seek to achieve best execution, the PWP Adviser may choose to execute transactions through a broker-dealer other than LPL. In such case, the execution price may include a commission, markup or markdown, or other charges in addition to the Account Fee. Clients should read and understand the brokerage practices and other disclosures in the Firm Brochure of the PWP Advisor for the Muni Model.

LPL will aggregate transactions for a client with other clients to improve the quality of execution. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. LPL also will aggregate rebalancing transactions for an account with other program accounts. Due to the large number of accounts that may be involved in rebalancing transactions on a single day, LPL may affect transactions for some accounts on one day and for other accounts on the following day or days. In such case, LPL will have discretion to sequence the accounts involved in rebalancing transactions with the goal of treating all accounts equitably over time.

Certain orders may be blocked or subject to review by LPL before they are directed to an exchange or market maker for execution. This review may result in a delay in execution. LPL reserves the right to place restrictions on your account in our sole discretion, and to cancel any order that we believe would violate federal credit regulations or other regulatory limitations; however, LPL will have no responsibility or liability for failing to cancel any order.

#### ERISA Disclosure

LPL provides advisory services under the program as a registered investment adviser under the Advisers Act. To the extent that LPL has or exercises discretionary authority under the Account Agreement with respect to the management of assets of (or otherwise provides "investment advice" under the Account Agreement as defined under Section 3(21) of ERISA to) a Plan subject to ERISA, LPL will be deemed a "fiduciary" as such term is defined under Section 3(21) of ERISA with respect to such advisory services. Unless specifically agreed to in writing, LPL does not serve as an "investment manager," as such term is defined under Section 3(38) of ERISA.

#### Brochure Supplements

Accompanying this Brochure are Brochure Supplements for individual employees or officers of LPL. Note that although these individuals are responsible for investment advice provided by LPL, they are not responsible for the ongoing individualized investment advice provided to a particular client. For more information about the Advisor, client should contact the Advisor.



## BROCHURE SUPPLEMENTS

March 31, 2025

Marc Andrew Zabicki  
Louis James Carpenetti  
Garrett Fish  
Jason Hoody  
Kristian Kerr  
Jeffrey Roach

Adam Turnquist  
Lawrence Dean Gillum  
Jina Yoon  
Quincy Krosby  
Thomas Shipp  
Craig Brown  
Scott Froidl

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Jeffrey Alan Buchbinder

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George Smith

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San Diego, CA 92121  
(858) 450-9606

These Brochure Supplements provide information about certain LPL employees or officers that supplements the LPL Financial Brochure that is attached to these Brochure Supplements. Please contact LPL Financial at the number above if you did not receive the LPL Financial Brochure or if you have any questions about the contents of these Brochure Supplements. You may also contact your LPL investment advisor representative with questions. Additional information about these LPL employees or officers is available on the SEC's website at <https://adviserinfo.sec.gov/>.

Note that although these LPL employees or officers included in these Brochure Supplements are responsible for investment advice provided by LPL they are not the IARs responsible for the ongoing individualized investment advice provided to a particular client. For more information about the IAR managing the account, client should refer to the Brochure Supplement for the IAR, which should have been provided by the IAR along with the LPL Financial Brochure and these Brochure Supplements at the time client opened the account. If client did not receive a Brochure Supplement for the IAR, the client should contact the IAR or LPL at [lpfinancial.adv@lpfinancial.com](mailto:lpfinancial.adv@lpfinancial.com).

### **Marc Andrew Zabicki**

#### **Educational Background and Business Experience**

Marc Zabicki was born in 1966. He has a BS in Economics from Florida State University and he is a Chartered Financial Analyst (CFA). He is Chief Investment Officer and the Director of Research for LPL Research and has been with the firm since 2020. Prior to joining LPL, he was Chief Investment Officer at Bower Hill Capital Management.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Zabicki is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Zabicki receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL

Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Zabicki is responsible for the advice provided by the LPL Research Department through LPL's advisory programs, and he reports to Rob Pettman, Executive Vice President. The advice provided by Mr. Zabicki is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The Chief Compliance Officer ("CCO"), Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.



## **BROCHURE SUPPLEMENTS**

### **Louis James Carpenetti**

#### **Educational Background and Business Experience**

Louis James Carpenetti was born in 1971. He has a BS in Management from Palm Beach Atlantic University, an MBA from Georgia College & State University, a CFA Charterholder and has earned the CFP® certification. He is a Senior Vice President of Trading at LPL and joined LPL in July 2021. Prior to joining LPL, Mr. Carpenetti was Managing Director for Truist for 22 years serving in a variety of management and trading capacities.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Carpenetti is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Carpenetti receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

As a Senior Vice President, Mr. Carpenetti is responsible for trade execution in LPL's advisory programs, subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Garrett Fish**

#### **Educational Background and Business Experience**

Garrett Fish was born in 1969. He has a BA in Japanese History from Bates College and is a CFA Charterholder. He

is a Senior Vice President and Head of Model Portfolio Management at LPL and joined LPL in 2022. Prior to joining LPL, Mr. Fish was a Portfolio Manager at JPMorgan Asset Management.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Fish is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Fish receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Fish reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Fish is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Jason Hoody**

#### **Educational Background and Business Experience**

Jason Hoody was born in 1975. He has a BS in Political Science from Clarkson University, an MA in International Affairs from American University, an MS in Finance from Johns Hopkins University, and is a CFA Charterholder. He is a Senior Vice President in Research at LPL and joined LPL in 2015. Prior to joining LPL, he was a Vice President at BB&T and an analyst at KPMG.



## **BROCHURE SUPPLEMENTS**

### **Disciplinary Information**

None.

### **Other Business Activities**

None.

### **Additional Compensation**

Mr. Hoody receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Hoody reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Hoody is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Kristian Kerr**

#### **Educational Background and Business Experience**

Kristian Kerr was born in 1977. He has a BBA in International Business from Schiller International University in Madrid, Spain. He is a Senior Vice President and the Head of Macro Strategy at LPL and joined LPL in 2023. Prior to joining LPL, Mr. Kerr worked at Citi Private Bank as the Western Region Head of Foreign Exchange & Macro.

### **Disciplinary Information**

None.

### **Other Business Activities**

Mr. Kerr does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

### **Additional Compensation**

Mr. Kerr receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Kerr reports to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Kerr is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Jeffrey Roach**

#### **Educational Background and Business Experience**

Jeffrey Roach was born in 1973. He has a BS in Mathematics from Bob Jones University and a MA and PhD in Economics from Clemson University. He is Chief Economist at LPL and joined LPL in 2022. Prior to joining LPL, Dr. Roach was Senior US Economist for Visa Inc, Managing Director, Economist at MacroView Partners and Chief Economist at Horizon Investments.

### **Disciplinary Information**

None.

### **Other Business Activities**

Dr. Roach is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

### **Additional Compensation**

Dr. Roach receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL





## **BROCHURE SUPPLEMENTS**

Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Dr. Roach reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Dr. Roach is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Adam Turnquist**

#### **Educational Background and Business Experience**

Adam Turnquist was born in 1984. He has a BS from the University of Minnesota-Duluth and an MBA from the University of St. Thomas. He is Chief Technical Strategist and joined LPL in 2022. Prior to joining LPL, Mr. Turnquist worked as a Vice President, Technical Research Analyst at Piper Sandler.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Turnquist is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Turnquist receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance,

capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Turnquist reports up to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Turnquist is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Lawrence Dean Gillum**

#### **Educational Background and Business Experience**

Lawrence Gillum was born in 1974. He has a BS from University of Florida and a Master in Business Administration from the University of North Carolina, Keenan Flagler Business School. He is a Vice President of Research at LPL and joined LPL in 2021. Prior to joining LPL, Mr. Gillum served as a Director at Raymond James where he oversaw fixed income research within the firm's discretionary model platform.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Gillum is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Gillum receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return,



## BROCHURE SUPPLEMENTS

and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### Supervision

Mr. Gillum reports up to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Gillum is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### Jina Yoon

#### Educational Background and Business Experience

Jina Yoon was born in 1983. She has a BS and MEng from Cornell University. She is Chief Alternate Investment Strategist at LPL and joined LPL in 2023. Prior to joining LPL, Ms. Yoon was the Head of Portfolio Management & Senior Portfolio Manager at Nomura Private Capital. Prior to Nomura, she served both Institutional and Private Wealth Clients as the Head of Tactical Strategies at Credit Suisse.

#### Disciplinary Information

None.

#### Other Business Activities

Ms. Yoon does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### Additional Compensation

Ms. Yoon receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### Supervision

Ms. Yoon reports up to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Ms. Yoon is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### Quincy Krosby

#### Educational Background and Business Experience

Quincy Krosby was born in 1948. She has an MPhil and PhD from The London School of Economics. She is Chief Global Strategist at LPL and joined LPL in 2022. Prior to joining LPL, Ms. Krosby worked at Prudential Financial as Chief Market Strategist.

#### Disciplinary Information

None.

#### Other Business Activities

Ms. Krosby is a registered representative of LPL. However, she does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### Additional Compensation

Ms. Krosby receives a regular salary.

### Supervision

Ms. Krosby reports to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. This is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.



## **BROCHURE SUPPLEMENTS**

### **Thomas Shipp**

#### **Educational Background and Business Experience**

Thomas Shipp was born in 1984. He has a BS in Business Administration from Fordham University and is a CFA Charterholder. He is a Vice President and Head of Equity Research at LPL and joined LPL in 2017. Prior to joining LPL, Mr. Shipp was an Associate in the Equity Research Department at BMO Capital Markets.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Shipp is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Shipp receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Shipp reports to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Shipp is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Craig Brown**

#### **Educational Background and Business Experience**

Craig Brown was born in 1988. He has a dual BS in Economics and Information Analysis from James Madison

University and a MAIS in Computational Social Science from George Mason University. He is a Vice President and Head of Quant Strategy at LPL and joined LPL in 2021. Prior to joining LPL, Mr. Brown was a Senior Associate in Investment Analytics and Data at Dimensional Fund Advisors.

#### **Disciplinary Information**

None.

#### **Other Business Activities**

Mr. Brown does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

#### **Additional Compensation**

Mr. Brown receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

#### **Supervision**

Mr. Brown reports to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Brown is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Scott Froidl**

#### **Educational Background and Business Experience**

Scott Froidl was born in 1971. He has a BS from Lindenwood University. He is an Assistant Vice President Senior Investment Analyst at LPL and joined LPL in 2021. Prior to joining LPL, Mr. Froidl was a Senior Investment Analyst at Wells Fargo from 2018 until 2021 and Senior Investment Analyst at Stifel in 2018 while starting with the firm in 2001.



## **BROCHURE SUPPLEMENTS**

### **Disciplinary Information**

None.

### **Other Business Activities**

Mr. Froidl is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

### **Additional Compensation**

Mr. Froidl receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Froidl reports to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Froidl is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **Jeffrey Alan Buchbinder**

#### **Educational Background and Business Experience**

Jeffrey Alan Buchbinder was born in 1971. He has a BA in Economics from Northwestern University and an MBA from Duke University. He is Chief Equity Strategist and Portfolio Manager for LPL Financial Research and has been with the firm since 2003. Prior to joining LPL, he served as an Equity Research Associate at Sanford C. Bernstein. Prior to Bernstein, he was an Equity Research Associate at Deutsche Bank.

### **Disciplinary Information**

None.

### **Other Business Activities**

Mr. Buchbinder is a registered representative of LPL. However, he does not engage in the sale of securities or receive commissions or other compensation based on the sale of securities or other investment products.

### **Additional Compensation**

Mr. Buchbinder receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Buchbinder reports up to Mr. Zabicki, Chief Investment Officer and the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Buchbinder is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.

### **George Smith**

#### **Educational Background and Business Experience**

George Smith was born in 1983. He has a BS in Mathematics from the University of Bristol in the United Kingdom (UK). He is Portfolio Strategist at LPL and joined LPL in 2013. Prior to joining LPL, Mr. Smith worked in London, UK for Legal and General Investment Management (LGIM) and Goldman Sachs Asset Management (GSAM).

### **Disciplinary Information**

None.

### **Other Business Activities**

Mr. Smith is a registered representative of LPL. However, he does not engage in the sale of securities or receive



## **BROCHURE SUPPLEMENTS**

commissions or other compensation based on the sale of securities or other investment products.

### **Additional Compensation**

Mr. Smith receives a regular salary and a discretionary bonus. Since the bonus for LPL Research personnel is based on the performance of certain portfolios managed by LPL Research, it presents a conflict of interest because it could incentivize the LPL Research team to focus on short-term performance, take undue risk, or favor certain portfolios over others. LPL mitigates this conflict by basing the bonus calculation on short and long-term performance, capping the amount of compensation paid regardless of the return, and tying a portion of the compensation to the outperformance of all LPL managed portfolios.

### **Supervision**

Mr. Smith reports up to Mr. Zabicki, the Director of Research of LPL, who is responsible for the advice provided by the LPL Research Department through LPL's advisory programs. The advice provided by Mr. Smith is subject to LPL's policies and procedures and to any guidelines established for the applicable advisory program. The CCO, Advisory Compliance is responsible for administering LPL's policies and procedures for investment advisory activities. The Advisory Compliance Department can be reached at (800) 877-7210.



# Equitable Advisors, LLC

*1345 Avenue of the Americas, New York, NY 10105*  
*(866) 283-0767, Option 2*  
[www.equitable.com](http://www.equitable.com)

## **2025 Firm Brochure** *(Form ADV Part 2A)*

This Form ADV Part 2A (this “Brochure”) provides information about the qualifications and business practices of Equitable Advisors, LLC (“Equitable Advisors,” the “Company,” or “we”). If you have any questions about the contents of this Brochure, please contact us at (866) 283-0767, and select Option 2 and then Option 2 again. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Equitable Advisors is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration of an investment adviser does not imply a certain level of skill or training. The oral and written communications investment advisers provide to you, including through brochures such as this one, provide you with important information you should use to determine whether to hire or retain an investment adviser.

Additional information about Equitable Advisors is available on the SEC’s website at <https://adviserinfo.sec.gov>.

March 28, 2025



## Item 2 – Summary of Material Changes

This Brochure dated March 28, 2025, provides information as part of our ongoing updating process, and constitutes an annual amendment. This Brochure also constitutes the disclosure required to be provided to plan sponsors under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and the regulations thereunder. This Brochure is different from our prior annual amendment, filed on March 28, 2024, in the following respects:

- *General – Portions of the discussion in the Brochure within Item 4, among others, have been reordered, streamlined, and refined for greater clarity and for ease of reading without materially changing the substance of the disclosure.*
- *Item 4 – Certain of the third-party asset managers (defined in the Brochure as TAMPs) listed in Item 4 have been recharacterized among the categories Equitable Advisors offers to reflect the nature of the referral arrangements within the categories in which we describe such arrangements. Also, new TAMPs to which Equitable Advisors refers clients were added to reflect new referral arrangements.*
- *Item 4 - Assets Under Management – Information relating to our regulatory assets under management has been updated.*
- *Item 5 – Our advisory fee chart has been updated to reflect current fee minimums and maximums paid to Equitable Advisors and to reflect the current programs offered.*
- *Item 10 – CarVal CLO Management LLC has been added to the list of our registered investment adviser affiliates, and W.P Stewart Asset Management, Ltd. has been removed.*

We will provide clients additional ongoing disclosure information about material changes, including revised Brochures or future summaries of material changes directing clients to such Brochures. Any such information will be provided to clients free of charge. A client may request a current copy of this and any future Brochures at any time by contacting Equitable Advisors at (866) 283-0767 and selecting Option 2 and then Option 2 again, or by going online to the SEC’s website at <https://adviserinfo.sec.gov/firm/6627> and clicking on “Part 2 Brochures.” Our Relationship Summary for Retail Investors (also known as Form CRS or Form ADV Part 3) can be found by clicking on “Part 3 Relationship Summary” on that website.

Additional information about Equitable Advisors is available via the SEC’s website: <https://adviserinfo.sec.gov>, and on our disclosure website [www.equitable.com/CRS](http://www.equitable.com/CRS). The SEC’s website also provides information about Equitable Advisors’ registered investment adviser representatives.

## **Item 3 – Table of Contents**

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## Item 4 – Advisory Business

### **A. Overview – Equitable Advisors and its IARs**

Equitable Advisors is a Delaware limited liability company formed in July 1999. The Company is registered with the SEC as (1) an investment adviser under the Advisers Act, and (2) a broker-dealer under the Securities Exchange Act of 1934, as amended ("Exchange Act"), and, as a registered broker-dealer, the Company is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). Equitable Advisors is an indirect wholly owned subsidiary of Equitable Holdings, Inc. ("EQH"), a public company under the Exchange Act, the common stock of which is traded on the New York Stock Exchange (NYSE: EQH). EQH comprises two principal financial services franchises – Equitable and AllianceBernstein. Equitable is the brand name of the retirement and protection subsidiaries of EQH, including Equitable Financial Life Insurance Company (Equitable Financial) (NY, NY); Equitable Financial Life Insurance Company of America (Equitable America), an AZ stock company with an administrative office located in Charlotte, NC; and Equitable Distributors, LLC. AllianceBernstein ("AB") is the brand name of the global asset management and broker-dealer subsidiaries of AllianceBernstein L.P., which provide investment management and research services worldwide to institutional, high-net-worth, and retail investors.

As an investment adviser, Equitable Advisors and its investment adviser representatives (in such capacity, "IARs") owe a fiduciary duty to advisory clients. All of the Company's IARs are also registered representatives in its broker-dealer business; however, many, but not all, of the Company's registered representatives in its brokerage business are also IARs. Many of our IARs also are licensed as insurance agents of Equitable Network, LLC, a licensed insurance company and another indirect subsidiary of EQH, and therefore is an affiliate of the Company ("Equitable Network"). IARs act as insurance and act in such capacity when recommending variable annuity products to clients. Our IARs are generally referred to in this Brochure as "IARs." In our marketing and other materials, our IARs may also be known as Financial Professionals, Financial Consultants, Associate Financial Planners, Financial Planners, Financial Advisors or Registered Representatives (in the broker-dealer context).

Most, but not all, of our IARs are able to offer the full range of advisory services described in this Brochure. Equitable Advisors imposes certain baseline requirements for its professionals in serving as IARs. However, for some advisory services, Equitable Advisors requires that an IAR hold additional credentials, undergo specific training, or satisfy other qualifications before providing such services. These include, for example, providing certain financial planning services, exercising discretionary authority over client accounts in LPL's Strategic Asset Management Program ("SAM"), or serving as a fiduciary or investment manager to a qualifying plan account under Section 3(21) or Section 3(38) of ERISA (each as discussed in this Item 4 below). Therefore, not all of the Company's IARs are able to provide all of the services described in this Brochure. In some cases, IARs not authorized to provide a given service are permitted only to refer clients to other of our IARs or to third-party asset management firms. Depending on your needs, such limitations may present a conflict of interest for your IAR. You should discuss any such limitations with your IAR to ensure you understand any applicable limitations and any conflicts of interest to which they give rise.

Equitable Advisors and its IARs do not provide legal, accounting, or tax advice. We recommend that clients consult their own legal, accounting, and tax advisers in connection with the implementation of a financial plan or investment advice, as they deem appropriate. Additionally, Equitable Advisors' IARs do not provide investment advisory services to federal, state, or local governmental entities.

This Brochure discusses conflicts of interest that are relevant to Equitable Advisors' business as a registered investment adviser under the Advisers Act. Certain professional organizations may also have disclosure or other requirements that apply to individual IARs that are members of such organizations or hold a designation issued by such an organization (e.g., the Certified IARs Board). Equitable Advisors may discipline IARs for violations of the rules or ethical codes of such organizations, but is not responsible for monitoring or enforcing IARs' compliance with such organizations' requirements and specific standards of conduct.

For additional information, please see Equitable Advisors' Relationship Summary for Retail Investors ("Form CRS"), General Conflicts of Interest Disclosure ("GCOI"), Third-Party Compensation and Conflicts of Interest Disclosure ("Compensation and Conflicts Disclosure"), and Principles of Investing brochure. For a discussion of certain risks of investment advisory programs and investments Equitable Advisors offers, see our Risks of Investing in Advisory Programs brochure. All of the foregoing materials are available on our disclosure website at <https://equitable.com/CRS>. Clients are, of course, always welcome to contact their IAR and request any of these materials or pose any questions they may have.

## **B. Tailoring Our Services to a Client's Needs**

We strive to tailor our advisory services to the individual needs of our clients. Prior to providing a client with any financial planning or other investment advisory services, an IAR will work with the client to mutually define the scope of the services. This process will include an exploration of the client's values, attitudes, expectations, risk tolerance, and time horizons, as well as the client's financial goals, needs, and priorities. In the context of its asset management services, the IAR will meet the client at least once annually to review this information with the client and update it if there are material changes.

In providing financial planning advice, an IAR will work with the client to determine which assumptions should be used in developing the financial plan so that any analysis and projections included reflect the client's views on future conditions and events. Such assumptions will also be used in providing asset management services to clients. These assumptions may include personal assumptions (e.g., retirement age, life expectancy, and income needs) as well as economic assumptions (e.g., inflation rates, tax rates, and investment returns). Such assumptions and projections are described in more detail in this Item 4, below.

## **C. The Advisory Services We Provide to Clients**

We offer two main types of investment advisory services:

- (1) financial planning (discussed in Section D below), and
- (2) asset management services (discussed in Section E below).

In some circumstances, we also offer education and other services to retirement plan sponsors and their participants and, as part of our asset management business, fiduciary advisory services to plan fiduciaries (including discretionary and non-discretionary asset management). This business is specifically discussed in Sections D and E below.

In this Item 4 – Advisory Business, we will provide more detail regarding our financial planning and asset management services.

## **D. Financial Planning Services**

### **1. Financial Planning Generally**

Our Financial Professionals may provide personal financial planning services that include education, advice, and the preparation and delivery of a written financial plan or advice that includes general recommendations to help the client achieve his or her personal financial goals. In some circumstances, affiliated representatives of Equitable Advisors may also refer potential clients for financial planning services to other investment advisers and receive compensation for the referral.

Our personal financial planning services typically involve three steps:

- gathering information from the client and completing a client profile;
- developing the advice or plan; and
- delivering and presenting the plan or advice to the client.

In entering into a financial planning relationship with the Company, a client signs a financial planning services agreement and, in most cases, agreeing to pay a fee in exchange for those services. We offer both fee and non-fee financial planning programs. Additional information relating to how financial planning fees are determined and paid is included in Item 5 – Fees and Compensation below. The financial planning agreement can be cancelled at any time by either party for any reason and has a maximum one-year term; at the expiration of that term, if desired, the client must execute a new financial planning agreement to continue the financial planning relationship. In addition, except as described below with respect to ongoing advice models, Equitable Advisors will refund the full financial planning fee paid by any client who is not satisfied with the services and requests a refund within ninety (90) days after service delivery.

The financial plan or advice will not include investment advice, analysis, or recommendations regarding specific securities or investment or insurance products. Upon delivery of a financial plan or advice to a client, the client will review the plan or advice and acknowledge receipt through a signed delivery receipt or via an electronic acknowledgement. The financial planning advisory relationship ends upon the client's acknowledgment of the written financial plan or advice. However, because our IARs are also registered representatives of Equitable Advisors in its brokerage business and licensed insurance agents of Equitable Network, they are able to identify securities and insurance products that may be suitable for implementing the plan or advice. These product-specific implementation recommendations may be prepared in a separate written document following delivery of the financial plan. Such a document is not part of the financial planning services or the financial plan.

Generally, if the client decides to purchase investments or insurance products through the IAR in his or her capacity as a broker-dealer registered representative or insurance agent, Equitable Advisors will receive commissions, and the IAR will receive a portion of any commissions received, by the Company in his or her capacity as a registered representative of the Company's in its capacity as a broker-dealer or as an insurance agent of Equitable Network. Thus, the IAR has an incentive to recommend that such products

or services be obtained through Equitable Advisors, which is a conflict of interest in its recommendations to implement a client's financial plan. Equitable Advisors addresses that conflict through supervisory oversight and controls designed to ensure that all recommendations by its IARs comply with regulatory requirements and are in the best interests of the client. Clients have no obligation to purchase any such products or services through Equitable Advisors, its affiliates, or other carriers.

The IAR may also recommend Equitable Advisors' asset management services in implementing the financial plan. These services are subject to a separate agreement and Equitable Advisors will receive an asset-based fee for such services. This fee raises a conflict of interest in that the IAR has a financial incentive to recommend Equitable Advisors' services in implementing the plan, just as it does in recommending products through its brokerage and insurance business, discussed above.

In some circumstances, IARs with clients in managed accounts include financial planning services within the services provided as part of their annual asset-based fee, and will not charge a separate financial planning fee for such services, as described in the "Asset Management Programs" section below.

Equitable Advisors also makes a variety of financial analyses, account review tools, and reports available to clients. Unless accompanied by a financial planning agreement and a copy of this Brochure, these documents are not part of Equitable Advisors' financial planning services and are provided to clients either in our capacity as a broker-dealer (and/or insurance agent, by our affiliate Equitable Network), to provide education and/or advice regarding products, or in our capacity as a registered investment adviser to help clients select, allocate their assets among, and monitor the performance of specific investments.

The following is a description of the various personal and other financial planning services we offer.

### ***Goals-Focused Planning***

Based on the long-term goals a client has identified; an IAR will analyze the client's particular situation and provide recommendations on the topics that align with his or her goals. Financial planning services may or may not also include other services listed below.

### ***Financial Position***

The Financial Position topic is designed to ensure the foundation of a client's financial plan is secure. This area may also evaluate the client's current level of cash reserves to provide an assessment of his or her ability to cover expenses in the case of emergency.

### ***Insurance Needs***

This service is intended to prepare clients for unexpected needs or the effect on cash flow or net worth arising from death, disability and long-term care, or other circumstances specific to the client's personal financial situation. A client's IAR may provide advice regarding the level of survivor income protection and disability insurance a client may need in order to protect his or her (or survivors') financial goals and desired lifestyle. This service may include estimates of survivor income needs resulting from a lost pension or social security income due to a spouse passing away. A client's plan may also include advice on the level of long-term care coverage he or she may need to protect assets from depletion and to maintain a desired retirement lifestyle.



### ***Asset Allocation and Investment Planning***

This service provides a client with an evaluation assets and potential strategies to help optimize portfolio performance to reach his or her goals. An asset allocation report may be provided to help a client develop an investment portfolio that is designed with a level of risk that he or she finds acceptable. (Please note that asset allocation is a long-term approach to investing and that financial planning services generally do not include advice regarding “market timing” (i.e., short-term reallocations among asset classes)). As in its other financial planning services, this service does not include recommendations of specific securities or other investment or insurance products.

### ***Retirement and Distribution Planning***

Retirement Planning helps a client plan for retirement. The IAR may provide the client with a current estimate of future retirement income and expenses and can illustrate potential savings and investment combinations to help the client meet his or her retirement needs. Distribution Planning helps a client understand actions required to transition into retirement. This may involve significant repositioning of assets, addressing timing issues and reviewing risk tolerance in order to provide adequate income and financial security during the client’s retirement years. The client may also receive analysis to help him or her understand and evaluate options for plan distributions, Social Security benefits and elections, work, leisure, health care, and other decisions.

### ***Education***

This service helps clients plan for funding sources and expenses related to education. An IAR can provide the client with solutions for existing assets, income, savings, and funding options that can be designated toward achieving the client’s or his or her dependents’ educational goals.

### ***Estate Planning***

This service will help you prepare for passing wealth to your beneficiaries in an efficient manner. It may include an analysis that provides an estimate of estate settlement costs and the possible remainder of your estate(s) that could be passed on to heirs. Your IAR will propose options to help manage costs, leave a legacy, and provide for others. In addition, your IAR can assist your attorney in the settlement of an estate. Neither the Company nor the IAR provides legal or tax advice, including in this or any financial planning service offered.

### ***Stock Options***

This service provides clients with multiple strategies to consider in exercising employment-based non-qualified and incentive stock options. This may include portfolio analysis intended to help the client determine the appropriate time to exercise options given risk and reward considerations and to illustrate the after-tax effects of exercise and sell strategies while considering tax and cash flow efficiency.

### ***Income Tax Planning***

This service is intended to address general tax considerations for financial services products, transactions, and ownership structures. Working with a client’s tax professional, an IAR can also help identify options related to financial planning strategies and goals. This service may also analyze various strategies for tax

efficient withdrawals from tax- deferred accounts and to minimize the taxation of Social Security income. Neither Equitable Advisors nor an IAR provides tax or legal advice under this planning service (or any other financial planning service we offer).

### ***Major Purchase Planning***

Major Purchase Planning seeks to identify annual and monthly savings needed for various goals such as making a large purchase (e.g., a second home) and/or other income sufficiency needs. This service may also analyze different personal financial choices such as spending less for the major purchase, saving more for the major purchase, and adjusting the timing of the major purchase. This may include an analysis of your current financial position relative to a level of income sufficient for various other major purchase goals you have identified.

### ***Divorce Planning***

This service is designed to propose strategies for one party to a divorce to arrange for his or her personal finances during a divorce. This service may include a divorce financial plan, which is designed to assist the individual client (one of the divorcing parties) and his or her attorney in evaluating the long-term financial consequences of proposed divorce or settlement options.

This service does not recommend a preferred divorce settlement option. Additionally, any illustrations regarding ownership of assets or division of assets and liabilities are for educational and illustrative purposes only and are not recommendations of any course of action; all decisions regarding such matters should be made by the client in consultation with his or her attorney. Note that any documents, analyses, and other reports provided, and statements made, by an IAR in providing the divorce planning service may be discoverable by another party to the proceeding; a client should consult with his or her attorney regarding such issues and the availability of such materials in discovery, as well as any other legal issues. To reiterate, the Company does not provide legal advice.

### ***Assumptions, Projections, and Estimates are not Guaranteed***

The financial plan or accompanying materials may include financial projections, including hypothetical performance of certain asset class or types of investments. Such projections in financial plans (as well as those provided in any subsequent investment advice or recommendations) are necessarily based on numerous assumptions as to future conditions that may not ultimately prove accurate, which may include assumptions as to interest rates, inflation rates, income tax rates, Social Security benefits, and returns on investments, among other things. The IAR will work with the client to determine which “assumptions” should be used in developing individualized financial planning advice, so that any projections or estimates incorporate the client’s personal goals, objectives, circumstances, and needs. The goal is to refine the assumptions made and variables considered in making a financial plan to take into account individual, personal information about the client, such as age, income, desired retirement age, life expectancy, income needs, risk tolerance, and time horizon, among other things, as well as broadly-applicable considerations such as inflation rates, tax rates, and overall market returns. The client’s assumptions related to acceptable risk levels may also be measured through the completion of a risk tolerance questionnaire. These assumptions and estimates are intended to help the client estimate amounts needed to fund specific future goals (e.g., education funding, retirement, etc.), and develop appropriate strategies to meet those goals.

Any financial projections are dependent on future events that are inherently uncertain. As a result, neither the Company nor an IAR can provide you with any assurance that such projections or any estimates, including the economic assumptions underlying the projections, will be realized or, even if realized, will result in the client meeting his or her financial goals.

All projections and estimates are furnished for illustrative purposes only. They are not guarantees of any kind, including with respect to the return on any investments or investment strategies or in pursuing any other course of action.

Potential and current financial planning clients are encouraged to review our Proposal Tool Disclosure which discusses how performance-related illustrations and projections are calculated and created, as well as their limitations and key considerations in reviewing them. The Company maintains and posts this disclosure at [www.equitable.com/CRS](http://www.equitable.com/CRS).

Absent a follow-on agreement for future financial planning or other advisory services, the Company and its IARs will not monitor or update the financial plan. Clients are encouraged to periodically review their plans previously received to take account of changing conditions including, among other things, changes in their own circumstances, goals, or objectives, and determine if an updated financial plan is appropriate.

## **2. Financial Planning Seminars**

IARs may conduct investment advisory seminars for employer-sponsored employee meetings, specific client groups, or other types of group meetings. Seminars may cover many aspects of financial planning, including risk management, cash management, investment planning, income tax, retirement planning, and estate conservation. The fees charged for seminars are described in our response to Item 5 – Fees and Compensation below.

Seminars will be general in nature and limited to educational and impersonal advice. The information an IAR provides at a seminar is not intended to address any attendee's personal financial situation, and attendees will not be obligated to implement any advice, recommendation, or information they receive through Equitable Advisors or any other party. Attendees of such seminars are not advisory clients of the Company by virtue of such attendance.

Seminars provided to groups of employees are not intended as "employee benefits" covered by ERISA or any other law. In addition, the limits on Equitable Advisors' activities described below under "Retirement Plan Investment Advisory Services" apply to any services provided to employees that participate in a qualified retirement plan that is subject to ERISA or an IRA subject to applicable provisions of the Internal Revenue Code of 1987, as amended (the "Internal Revenue Code").

## **3. Corporate Financial Planning**

Equitable Advisors may enter into written agreements with select corporate, institutional, or membership organizations to provide planning services to their employees, partners, independent contractors, or members. The fees, if any, in connection with these services are subject to negotiation between Equitable Advisors and the organization. The negotiated fees may be specific to a given organization and may vary substantially from the fees described elsewhere in this Brochure. Those receiving financial planning or other services under an institutional agreement typically pay lower fees than those clients who otherwise enroll in personal financial planning services.

The services provided by Equitable Advisors pursuant to corporate agreements are not intended as “employee benefits” covered by ERISA or any other law. In addition, the limits on Equitable Advisors’ activities described below under “Retirement Plan Investment Advisory Services” apply to any services provided to employees that participate in a qualified retirement plan that is subject to ERISA or an individual retirement account (“IRA”) subject to the Internal Revenue Code.

#### **4. Business Strategies Services**

Equitable Advisors may also allow certain credentialed IARs to provide Business Strategies Services, which include business exit planning and other business planning services. Under Company policy, such IARs must meet additional requirements over and above those required of IARs generally before they are permitted to provide such services. Business Strategies Services includes providing certain educational modules to business owners to assist them in accomplishing their objectives with regard to the realization and preservation of maximum business value and personal wealth. IARs utilize a client questionnaire to determine which educational modules may be of value to the client.

### **E. Asset Management Programs**

Equitable Advisors’ asset management services are comprised of three primary areas:: (1) assisting clients in allocating investment among separate account programs offered by LPL Financial (an “LPL Program”), including acting as portfolio manager in LPL’s SAM Program as described below, (2) endorsements (referrals) of clients to one or more third party asset managers (or “TAMPs”) offered through the Company, and (3) ERISA fiduciary and investment manager services to qualified retirement plans and retirement investors subject.

Under many of the LPL Programs, LPL acts as co-adviser with the Company, and may have discretionary authority to trade in clients’ accounts in the program in order to implement various models or strategies as overlay manager or otherwise. However, the LPL Programs vary, and each is described in greater detail below. The LPL Programs include the Strategic Asset Management (or “SAM”) program, in which the IAR directly recommends investments to clients. Subject to client consent and Company approval, an IAR may exercise discretion over a SAM account, meaning the IAR may place trades in the client’s account without first consulting the client on each recommendation (i.e., exercises “discretion” or “discretionary authority” over the account). The Company urges you to consult the full LPL Program brochures for more information generally, and to discuss any discretionary authority with you IAR if applicable.

When a client invests with a TAMP based on an endorsement by the Company, the TAMP typically has the authority to place trades on their behalf without first consulting the client (i.e., the program sponsor has “discretion” to trade on behalf of the client in the account) and applies various models or strategies. In some cases, an IAR will assist in the referred investor’s allocation among a TAMP’s models and strategies, depending upon the TAMP. Equitable Advisors refers investors to TAMPs through two types of arrangements, each of which is discussed below. In the first, Equitable Advisors refers an investor to a TAMP, but the referred investor becomes and remains a client of the Company, and the Company provides certain ongoing review and client administration services for the client’s TAMP account (a “Client Referral Arrangement”). In the second, Equitable Advisors endorses a TAMP but does not enter into a client relationship with the referred investor and provides no ongoing advisory or other services with respect to the TAMP account (a “Handoff Referral Arrangement”).

## 1. Types of Advisory Programs offered through TAMPs and LPL Programs

- Mutual Fund Advisory Programs – mutual fund programs that allow investors to allocate their assets across multiple mutual funds. These programs typically include elements such as client profiling, fee-based pricing, and rebalancing.
- Exchange Traded Fund (ETF) Advisory Programs – managed account programs that allow investors to allocate their assets across multiple ETFs. These programs include elements such as client profiling, fee-based pricing, and rebalancing.
- IAR as Advisor Programs (e.g., SAM) – non-discretionary and discretionary fee based advisory programs that enable investors to hold different types of securities (e.g., mutual funds, ETFs, equities, fixed income, etc.).
- Separately Managed Account (SMA) Advisory – managed programs that utilize separate accounts as the investment vehicle. These separate accounts are managed by a third-party money manager and will contain individual securities such as equities and individual fixed income securities. These can be traditional, where a single account corresponds to a single investment strategy, or multi-discipline, where the program offers multiple disciplines within the same separate account with an overlay manager responsible for coordinating the multiple disciplines into a unified portfolio.
- Unified Managed Account – a single account that houses multiple investment products such as separately managed account managers, mutual funds, and ETFs. The account utilizes a platform that provides the ability to manage an investor's assets in a comprehensive portfolio.

The following Sub-sections 2 and 3 provide a high-level description of the programs generally available through Equitable Advisors. Sub-Section 3 specifically discusses our qualified plan and ERISA services, including our ERISA fiduciary services. The following is not a full description of any program. Clients and potential clients should consult the Form ADV Part 2A of the TAMP and its program materials or the applicable LPL Program Brochure to determine the specifics of each particular investment program, including information regarding separately managed accounts in each program, risks, conflicts of interest, and other matters.

## 2. Referrals to TAMPs

As a promoter in referring clients to TAMPs, we act in accordance with the Advisers Act, including Rule 206(4)-1 thereunder (the “Marketing Rule”) governing paid testimonials or endorsements. These TAMPs sponsor advisory programs and charge the client an advisory fee based on assets invested. The TAMP pays Equitable Advisors a portion of that advisory fee either for its referral alone (in Handoff Referral Arrangements) and in other cases for its referral and ongoing services (Client Referral Arrangements).

Each TAMP the Company endorses undergoes initial and ongoing due diligence review by the Company and must be approved by Equitable Advisors' Product Review Committee (or “PRC”), discussed below.

Equitable Advisors (and, through EQA, its IARs, are compensated for each investor that becomes a client of these TAMPs based on a portion of the advisory fee paid by the referred investor to the TAMP. When it makes an endorsement/referral, Equitable Advisors will disclose at that time its arrangement with the

TAMP and the compensation it will receive. Referred persons are required to sign a disclosure form to evidence receipt of such disclosures and acknowledge their understanding of the conflict of interest created by the Company's receipt of compensation for the referral.

Certain TAMPs are currently recommended by IARs to new prospective investors for referral; other TAMPs are available only to existing relationships and are not open for new referral business (referred to as "service-only TAMPs"). Generally, these service-only TAMPs are approved by the Company as an accommodation to IARs that join the Company from other advisory firms, and their existing clients' relationships with a TAMP are permitted to continue only with respect to those clients. In some cases, service-only TAMPs may be later approved by the Company as TAMPs available for new business, or a TAMP open to new business may be made service-only. In very limited circumstances, offering of certain otherwise service-only TAMPs may be permitted for new clients with respect to certain IARs.

A few key points regarding our arrangements with TAMP programs:

- Generally, we initially will carry out various client interface between the referred investor and the TAMP in both Client Referral and Handoff Referral arrangements, which may include assisting the client in completing account opening paperwork and facilitating communication between the TAMP and the client. In Client Referral Arrangements, an IAR may also provide recommendations in the client's allocation among the TAMP's programs, models, or portfolios, as applicable. In the Client Referral arrangements, the Company will meet with the client at least annually to update information regarding the client's needs, objectives, and other factors and to determine if the TAMP investment and allocation remain suitable, and will facilitate communication between the TAMP and the client on an ongoing basis.
- Generally, the TAMP will be responsible for determining the specific investments and/or sub-managers that are used to populate a client's account.
- The Company does not have the ability to select the broker-dealers or custodians used by the TAMPs. Those decisions are made by the TAMP and in accordance with your client agreement with the TAMP and as disclosed in the TAMP's Form ADV Part 2A and/or the applicable program disclosure document. You should carefully review the Form ADV Part 2A of the TAMP and its other disclosure materials to fully understand the conflicts of interest it may face in selecting service providers and executing transactions in your account, among other things.
- In Client Referral arrangements, our ongoing responsibilities and those of the TAMP will be described in the client agreement for the program and the TAMP's investment advisory or program disclosure document, which we urge the client to read prior to investing.
- Your client agreement will generally be between you and the applicable TAMP. Equitable Advisors may or may not be a party to such agreement, depending on the TAMP. In Client Referral arrangements our mutual responsibilities are described either in the agreement with the TAMP (when we are a party) or in a separate agreement entitled "Investment Adviser Agreement – Third Party Programs" which can be found on our Disclosure Website (<https://equitable.com/CRS>).
- In Handoff Referral Arrangements, we will not have ongoing contact and responsibilities with respect to your account after you are referred to a TAMP.



The following is a list of the TAMPs that Equitable Advisors makes available to its clients as of the date of this Brochure and a brief description of the programs the TAMPs offer available through the Company. For more information on these programs, including the applicable account minimums (which generally range from \$10,000 to \$2 million), fees, expenses, and potential conflicts of interest, please see the Form ADV Part 2A or program disclosure document of the respective TAMP, which will be provided to you prior to your opening an account with the TAMP. These Form ADV Part 2As are available through the SEC's website at <https://adviserinfo.sec.gov/>.

*a. Client Referral Arrangements*

Under the Client Referral Arrangements with the listed TAMPs, Equitable Advisors maintains ongoing responsibilities and serves as an investment adviser to the client, seeking to meet with the client at least once each year to obtain updated information to determine if the TAMP and its programs remain suitable as well as facilitating ongoing communication between the TAMP and the client. As noted above, the specific activities the Company performs may vary with each TAMP, but will be described either in your client agreement with the TAMP (if the Company is a party to that agreement) or in our Third-Party Programs Advisory Agreement (if the Company is not a party to the TAMP's client agreement).

**Client Referral Arrangement TAMPs – Open for New Referrals**

Advisors Capital Management ("ACM")

Equitable Advisors offers clients access to various investment advisory programs offered through ACM. For each of the ACM programs (Model Separate Accounts and Private Account Strategies), the Equitable Advisors IAR works with you to complete the individual client questionnaire, which allows ACM to determine the appropriate investment strategy recommendations to meet your investment objectives. ACM's investment strategies include Global Growth, Global Dividend, International ADR, Small/Mid Cap Core, Growth, Core Dividend, Income with Growth, Balanced, Balanced Defensive (Overlay) and Fixed Income.

Note that ACM may allow you to use funds from your advisory account offered through ACM to pay premiums on life and annuity products, including products offered by Equitable Financial Life Insurance Company, an insurance company affiliate of Equitable Advisors (along with Equitable Financial Life Insurance Company of America; together, "Equitable Financial"), and third-party insurance carriers.

Equitable Advisors also offers ACM as an investment advisory option, called PathFinder, to provide assistance in managing assets that retirement plan participants have elected to move into their self-directed brokerage account ("SDBA"). The PathFinder program offers managed mutual fund strategies that can be combined in different ways to reflect your specific investment objectives, taking your risk tolerance and time horizon into account. For direct payroll contributions, ACM imposes no minimum investment amount although your plan may limit how much money you can have in or contribute to your SDBA.

AssetMark, Inc. ("AssetMark")

AssetMark provides a variety of advisory programs to clients including Privately Managed Portfolios, Multiple Strategy Portfolios, No Load Mutual Fund Portfolios, ETF Portfolios, Privately Managed Account

Solutions, Select Solutions, and Preservation Strategy. For each AssetMark program, an IAR consult with clients to assess their financial situation and identify their investment objectives in order to assist the client in investing in portfolios designed to meet the client's financial needs. Working with their IAR, clients select advisory service(s) and investment objective(s) available within the program(s). AssetMark manages the assets based on a client's individual financial circumstances, investment needs, and goals and level of risk tolerance. Note that AssetMark may allow you to use funds from your advisory account offered through AssetMark to pay premiums on life and annuity products, including products offered by Equitable Life Insurance Company, an insurance company affiliate of Equitable Advisors, and third-party insurance carriers.

#### Boyd Watterson Asset Management ("Boyd Watterson")

Boyd Watterson specializes in managing fixed-income portfolios, equity portfolios, and blended strategies for individuals and institutions in a single strategy separately managed account program. Clients can choose to utilize one of Boyd Watterson's traditional investment options or a customized approach that better fits their needs. Your Equitable Advisors' IAR works with you to determine which of Boyd Watterson's portfolios will help you meet your investment objectives. Equitable Advisors offers clients access to portfolios managed by Boyd Watterson, a Titanium Asset Management Company (formerly Sovereign Advisors). While Equitable Advisors offers clients the ability to invest directly through Boyd Watterson, Boyd Watterson also provides separately managed accounts through specific investment options in different programs offered through Equitable Advisors, such as Lockwood's Multi-Manager or LPL's Manager Select.

#### Brinker Capital, Inc. ("Brinker Capital")

Equitable Advisors offers clients access to various investment advisory programs offered through Brinker Capital, Destinations Programs, Core Asset Manager, Unified Managed Account, and Retirement Plan Services Program/Retirement Plan Services Plus. Brinker Capital's Destinations program includes mutual funds or ETFs, ETNs and mutual funds. For each of the Brinker programs, the Equitable Advisors IAR works with you to complete the individual client questionnaire, which allows Brinker to determine the appropriate investment strategy recommendations to meet your investment objectives.

#### Morningstar Investment Services, Inc. ("MIS")

Equitable Advisors offers clients access to a variety of investment advisory services available under MIS's Managed Portfolios program including MIS Mutual Fund Portfolios, MIS ETF Portfolios, MIS Direct Indexing Portfolios, and MIS Select Equity and Fixed Income Portfolios. For each of the MIS programs, the Equitable Advisors IAR works with you to complete the individual client questionnaire which allows MIS to determine the appropriate investment strategy recommendations to meet your investment objectives.

Equitable Advisors also offers Morningstar as an investment advisory option to provide assistance in managing assets that retirement plan participants have elected to move into their self-directed brokerage account ("SDBA"). Morningstar maintains strategy specific portfolios and provides investment advice to plan participants based on their client profile, including risk tolerance, investment objectives, time horizon, financial goals, and personal and financial situation.

### Nationwide Investment Advisors (“NIA”)

An overlay management service available for participants in certain Nationwide Resources Trust and Innovator as well as Nationwide Clear Advantage and Flex Advantage qualified retirement plans through NIA’s ProAccount program. The Rackmount program offers plan sponsors the opportunity to allow plan participants to elect to use NIA to allocate the assets within their Nationwide qualified plan based upon their investment objectives and risk tolerance. NIA is an affiliate of Nationwide Financial, which offers the Nationwide Resources Trust and Innovator Plans. IARs who offer Nationwide qualified plans to their clients have the option of selecting from one of the approved investment advisers pre-selected by Nationwide to provide advisory services to plan participants.

### PlanMember Securities Corporation (“PSEC”)

Equitable Advisors offers clients access to PlanMember Elite, an advisory program offered by PSEC, which as noted below is an affiliate of Equitable Advisors. PSEC constructs a series of asset allocation portfolios with varying risk profiles that are invested in mutual funds. PSEC primarily markets this program to individual retirement plans. A data gathering questionnaire is undertaken to determine the client’s financial situation and investment objectives. Services are based on the individual needs of the client. PlanMember Elite has five portfolio models constructed with primarily index funds and another set of five models constructed with both index and active funds. The portfolio model objectives range from conservation of principal and inflation protection to maximum long-term growth.

In addition to Elite, PSEC may also provide advisory services to accounts that are opened through the PlanMember OPTIFUND program. Similar to Elite, this program utilizes the same strategies; however, the funds used within the models may differ. In addition to the advisory programs, PSEC also offers non-advisory retirement plan accounts, subject to different fees and charges.

Equitable Advisors may also refer participants in the PSEC 403(b)7 programs for advisory and management services of their mutual fund holdings with PSEC, an affiliate of Equitable Advisors.

### SEI Investments Management Corporation (“SEI”)

Equitable Advisors offers clients access to various investment advisory programs offered through SEI including the Managed Accounts Program, Integrated Managed Account Program and Private Client Mutual Fund Asset Allocation Program. For each of the SEI’s programs, the Equitable Advisors IAR works with you to complete the individual client questionnaire which allows SIMC to determine the appropriate investment strategy recommendations to meet your investment objectives. Certain proprietary mutual funds may also be available from SIMC outside of an investment advisory program. Different fees and charges may apply to such funds.

Note that SIMC may allow you to use funds from your advisory account offered through SEI to pay premiums on life and annuity products, including products offered by Equitable Life Insurance Company, an insurance company affiliate of Equitable Advisors, and third-party insurance carriers.

### The Pacific Financial Group (“TPFG”)

Equitable Advisors offers TPFG as an investment advisory option to provide assistance in managing assets that retirement plan participants have elected to move into their self-directed brokerage account (SDBA).

TPFG provides investment advice to plan participants based on risk assessment questionnaires and meetings designed to determine their goals and risk temperament (risk profile). TPFG can, at its sole discretion, waive the minimum amount requirements.

Trek Financial, LLC (formerly “BCJ Capital Management”)

Equitable Advisors offers clients access to portfolios managed by Trek Financial, which uses a goal-based investment approach. Your Equitable Advisors’ IAR works with you to determine which of Trek Financials’ portfolios will help you meet your investment objectives. The manager does not have a stated minimum account size.

Signature Investment Advisors, LLC. (“SIA”)

The SIA program offered through Equitable Advisors offers investment management services tailored to the unique needs of individuals. SIA offers these services through two types of solutions: (1) The Signature Allocation and Targeted Series and (2) The Signature Elite program. These solutions offer clients investment diversification and preferences across a wide spectrum with minimum investment requirements of \$50,000. Note that SIA is only available through certain IARs who joined the Company with preexisting client relationships with SIA.

**Service-Only Client Referral TAMPs - Not Open to New Referrals**

The following are the service-only TAMPs that are subject to Client Referral arrangements with the Company.

CLS Investments, LLC (“CLS”)

Equitable Advisors offers clients access to a variety of CLS’s advisory programs on a service only basis including the CLS Nationwide Qualified Plans, Individualized Account Management Portfolios, AdvisorOne Portfolios, ETF Portfolios and Master Manager Strategy Portfolio. Each of these programs offer advisory services to clients and may include mutual fund investments, separate account management and ETFs. Variable annuities will not be offered, although CLS does use these products in some of their portfolios.

Meeder Advisory Services, Inc. (“Meeder”)

The Meeder program offered through Equitable Advisors is designed for plan participants in qualified plans offered through Nationwide Financial and is available for participants in the Nationwide Retirement Resource program. Meeder established the program to manage mutual fund portfolios with the investment disciplines that Meeder has been using with their retirement investors. Meeder has established model portfolios for the program designed around different risk profiles and investment objectives. In addition, they have established target date portfolios that are designed around the anticipated retirement date of the participant.

b. Handoff Referral Arrangements

The following are the Company’s Handoff Referral TAMP arrangements. As described above, in such Handoff Referrals the IAR is providing an endorsement under the Advisers Act but does not form a client relationship with the referred investor and does not provide ongoing services with respect to the referred

investor's account. The following are the Company's Handoff Referral arrangements open to new business. Service-only Handoff Referral TAMPs are not discussed, as the Company has no ongoing involvement with prior referred investors' accounts and does not presently refer new investors to such service-only TAMPs.

The Handoff Referral TAMPs to which Equitable Advisors continues to refer business (rather than on a "service-only" basis) are Ancora Advisors, LLC., Cornerstone Advisory, Hightower Advisors, LLC, The Colony Group, Raymond James Financial Services, Forefront Analytics – GKFO, UBS Financial Services, Sentinel Pension Advisors, OneDigital Investment Advisors, LLC., Corient Private Wealth, LLC, SEI Global Institutional Group, ProNvest, Inc. ("ProNvest") and Baldwin Group Wealth Advisors, LLC.

Equitable Advisors may also refer EquiVest variable annuity plan participants to the investment advisory and asset management services of ProNvest for management of their variable annuity sub-accounts at Equitable. Equitable Advisors (and its IAR(s)) are compensated for referrals to ProNvest and do not provide any investment advisory services to the client regarding the ProNvest account. All investment advisory services regarding the client's ProNvest account will be provided by ProNvest pursuant to an agreement between the client and ProNvest. Equitable Advisors only engages plan participants for referrals, and not the plan sponsors. ProNvest is not an affiliate of Equitable Advisors or Equitable or any of their affiliates. See the Form ADV Part 2A of ProNvest for more information on its investment advisory practices, available at <https://adviserinfo.sec.gov/>.

Certain Equitable Advisors registered representatives in its brokerage business (who are not IARs of the Company) are investment adviser representatives and/or owners of Baldwin Group Wealth Advisors. All investment advisory services in these Handoff Referrals with respect to the referred investor's account will be provided by the relevant TAMP pursuant to an agreement between the client and the specific TAMP. See the Form ADV Part 2A of the specific TAMP for more information on its investment advisory practices and other policies and terms.

(i) Referrals to Our Affiliate BPWM

Equitable Advisors may refer clients to the investment advisory and asset management services of an Equitable Advisors' affiliate, Bernstein Private Wealth Management ("BPWM"), a unit of AB. Equitable Advisors (and its IAR(s)) are compensated for referrals to BPWM and do not provide any investment advisory services to the client regarding the BPWM account (as in the Company's Handoff Referral arrangements). All investment advisory services regarding the client's BPWM account will be provided by BPWM pursuant to an agreement between the client and BPWM to which the Company is not a party. See the Form ADV Part 2A of BPWM for more information on its investment advisory practices.

**3. LPL Programs**

*a. LPL Financial Generally*

Equitable Advisors offers clients access to various investments advisory programs offered through LPL Financial ("LPL"). Additionally, Equitable Advisors has other relationships with LPL. LPL acts as Equitable Advisors' securities fully disclosed clearing firm for broker-dealer products and services, and also provides back- and middle-office services through a services agreement between the companies for both the Company's brokerage and advisory businesses.

As a result, there are potential and actual conflicts of interest associated with the compensation to LPL for services to Equitable and the division of compensation between the two firms for services to clients (see also Item 5, Item 13, and Item 14). These conflicts and implications for the client are discussed in greater detail in the relevant LPL Program Brochure. Equitable Advisors addresses these conflicts of interest by disclosing them to you as well as through training, tools, and processes to ensure our IARs' recommendations are in the client's best interest, and through supervisory oversight and controls designed to ensure that each recommendation meets all regulatory requirements.

In LPL accounts, clients also have the opportunity to utilize the services of Private Trust Company ("PTC"). PTC is a wholly owned subsidiary of LPL Financial and is not affiliated with Equitable Advisors. PTC provides a variety of trust services. The option of using PTC is the decision of the client. Equitable Advisors IARs cannot provide legal or tax advice in conjunction with the trust services available through PTC and clients are encouraged to consult with their legal and tax advisors prior to selecting PTC as their provider for trust services. Equitable Advisors IARs are not compensated for the use of trust services.

Clients that have selected PTC as their trust provider may choose to invest the trust assets in any of the advisory programs available through LPL Financial. Equitable Advisors IARs will assist the client in selecting a program appropriate for their investment needs. They will receive compensation for this assistance as discussed further in Item 5.

As a convenience to clients, certain of the LPL advisory programs and brokerage accounts may offer the ability to access funds through ACH instructions, wires, and other transfers. The security of customer accounts is our paramount concern and if at any time such security may be jeopardized by using ACH instructions, wires and other transfers, these features may be terminated by Equitable or LPL. Equitable and LPL each reserve the right to refuse any directive or instruction relating to ACH, wires, or transfers in their sole discretion.

In addition to the programs listed below, LPL provides collateralized lending services through certain federally chartered savings bank(s), on accounts for which LPL serves as the program sponsor. Please be aware this raises conflicts of interest that are discussed in your LPL Program Brochure.

Clients should carefully review the program brochure of all LPL Programs (and TAMPs) before investing.

*b. LPL Programs*

Equitable Advisors provides clients access to various investment advisory programs offered through LPL. These programs are discussed below. The LPL Program brochures for these programs are available at [www.equitable.com/CRS](http://www.equitable.com/CRS). These brochures describe the program and include the relevant account agreement, LPL's Form ADV Part 2A as well as this Form ADV Part 2A, among other things. The SAM program and certain disclosures regarding MWP "Advisor Sleeve" (when an IAR is designing the model for his or her clients) are discussed in greater detail in subsection (c) below.

- *Optimum Market Portfolios ("OMP")* – a professionally managed mutual fund advisory program using Optimum Funds Class I shares. Your Equitable Advisors IAR works with you to complete a client questionnaire which allows LPL to determine the asset allocation to meet your investment objectives.



- Personal Wealth Portfolios (“PWP”) - is a unified management account in which LPL, with assistance from sub-advisors it has selected, directs, and manages specified client assets on a discretionary basis. Your Equitable Advisors IAR works with you to determine which of the sub-advisors will work with your individual investment objectives.
- Manager Select – a separately managed account program where the client, with the assistance of their IAR, will select the managers and develop an asset allocation.
- Model Wealth Portfolios (“MWP”) – a unified managed account program that provides clients with access to managed portfolios of securities (which may include mutual funds, ETFs, exchange traded notes or “ETNs” and closed end funds) created and designed by LPL’s in-house research team (“LPL Research”), a third-party investment strategist (an “Outside Strategist”),<sup>1</sup> or (if available) an Equitable Advisors IAR (referred to as MWP Advisor Sleeve)—or a third-party registered investment adviser of which certain Equitable Advisors IARs are principals and/or investment adviser representatives<sup>2</sup>—with oversight from the LPL Financial Overlay Portfolio Management Group (the “LPL Overlay Manager”). Your Equitable Advisors IAR works with you to determine which of the allocation strategies, called “models,” will work with your individual investment objectives. The Equitable Advisors IAR may recommend that you choose more than one strategist within a single MWP account.

In connection with any of these programs, our IARs may from time to time retain third party economists, analysts, or consultants to develop model portfolios, provide financial or economic research and data, develop capital markets assumptions, interpret, and analyze economic and financial data sets and trends, develop economic models, or otherwise support the investment advisory services provided by the IARs under these programs.

c. SAM Program -- IAR as Portfolio Advisor

Equitable Advisors and its IARs provide direct portfolio management services to our clients in the LPL SAM program. In the SAM program, the IAR makes recommendations of specific investments to clients, and, in some cases with client consent and Company approval, may exercise discretionary authority over a client’s SAM account; discretionary authority is discussed in this Item 4 and in Item 16 below.

In all other LPL Programs, any portfolio management services are provided by LPL and/or its delegate. Equitable Advisors receives a portion of the advisory fee for the services it provides in all such LPL Programs. The fees for LPL Programs paid to the Company, as well as other compensation Equitable Advisors receives, are described in more detail in Item 5 - Fees and Compensation. In certain rare

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<sup>1</sup> Two of the Outside Strategists, AB and Equitable Investment Management (the brand name for Equitable Investment Management Group, LLC which, among other things, serves as the investment adviser to the 1290 Funds, as discussed in Item 10, below) are affiliates of Equitable Advisors. See LPL’s MWP Program Brochure for additional information regarding available portfolio strategists.

<sup>2</sup> For example, LPL makes available as an accommodation to Equitable Advisors portfolios created and designed by PST Advisors Inc. (“PST”). PST is a state-registered investment adviser owned and operated by a registered representative of the Company. PST is not affiliated with or under the control of the Company. PST has not met the LPL selection and review criteria that LPL applies to other portfolio strategists and its portfolios are only available to Equitable Advisors’ clients.

circumstances, we have as an accommodation entered into advisory relationships in which the IAR acts as portfolio manager with respect to assets held on a platform other than LPL.

(1) SAM Program Accounts

(a) *SAM Accounts Generally*

In most cases, portfolio management services for SAM accounts are provided on a non-discretionary basis, which means the client must approve all transactions prior to execution. In some instances, with client written consent and Company approval, an IAR may provide advisory services for a SAM account on a discretionary basis (see Item 16 – Investment Discretion).

In a SAM account, the client and the IAR can agree that (1) the client pays the transaction charges for executing trades in the account through LPL, or (2) the IAR pays such charges. LPL charges flat fees (referred to as “ticket charges”) for executing trades. In the second option, the overall advisory fee paid to LPL in SAM (and the portion paid to the Company and, thus, the IAR, is higher than when the client is paying transaction charges. This creates a conflict of interest in that it incentivizes an IAR to place a client in the second option and minimize trading, or select investment options that minimize the transaction costs to the IAR. The Company has controls in place to monitor the level of trading activity in SAM accounts.

In SAM accounts, the IAR serves as portfolio adviser on a non-discretionary or discretionary basis where clients (or the IAR on clients’ behalf when discretionary) may purchase and sell securities and/or liquidate previously purchased load mutual funds (e.g., equities, fixed income, options, no-load and load waived mutual funds, variable annuities, and ETFs) pursuant to investment objectives chosen by the client. IAR

Variable annuities available on the SAM platform are proprietary to Equitable Life Insurance Company, an affiliate of Equitable Advisors. IARs will not receive up front commissions for recommendations of Equitable proprietary variable annuity products in SAM accounts but will receive an ongoing fee commensurate with any SAM investment as described more fully below in “Item 5 – Fees and Compensation.”

In addition, an IAR may recommend a SAM client invest in the 1290 Funds, managed by the Company’s affiliate Equitable Investment Management (or “EIM”) and AB Funds, managed by the Company’s affiliate AB. Equitable Advisors and its IARs may receive other compensation and benefits related to recommendations of proprietary products, such as the 1290 Funds and AB Funds. IARs are prohibited from using discretionary authority to purchase the 1290 Funds and AB Funds, and any product proprietary to an Equitable Advisors affiliate – client consent is required for such investments even in otherwise discretionary accounts. This compensation creates a conflict of interest in that an IAR is incentivized to recommend such investment products based on the compensation received, rather than on a client’s needs. These conflicts of interest are disclosed in this Brochure, the LPL Program brochures, and other materials discussing the products and services offered, as well as in our GCOI disclosure. All of these materials are provided at account opening and are available on our disclosure website at <https://equitable.com/CRS>. Important information regarding compensation and conflicts of interest can also be found in the prospectus for any funds offered, which are available upon request.

The client should consider these additional payments and the potential conflicts of interest they create carefully prior to investing in the LPL Programs through Equitable Advisors. Additional conflicts of interest

and compensation that may create conflicts of interest are discussed in Item 5 below. The client is encouraged to ask their IAR for additional information should they have any questions regarding these payments or the potential conflicts of interest they create. Furthermore, clients can refer to the prospectus or Statement of Additional Information for the specific variable annuity or mutual fund for more information regarding the additional compensation the IAR may receive.

IARs may also recommend certain alternative, complex, and structured products in SAM accounts, as discussed below. Structured products typically take the form of bonds called “Structured Notes,” although some structured products are Certificates of Deposit (“CDs”).

(b) *Alternative Investments in SAM Accounts*

Equitable Advisors and select IARs make available certain alternative investments to advisory clients in SAM. These alternative investments include managed futures, business development companies (“BDCs”) and real estate investment trusts (“REITs”), which are all considered to be alternative investment products due to their non-traditional composition. See Section 4, below, for a discussion of alternative investments, including those available through SAM accounts.

“Complex” investment products (e.g., sector funds, structured notes and leveraged ETFs) and alternative investments (e.g., managed futures, non-traded REITs, and BDCs) are generally viewed as difficult for average investors to understand and they typically invest, in whole or in part, in non-traditional (“alternative”) strategies or instruments. These products are often speculative, have high portfolio management fees, carry higher or unique risks (e.g., valuation risk, commodity risk, and lack of liquidity) and require additional investor experience when compared to traditional investments.

(2) MWP Advisor Sleeve Program

In MWP, the IAR on a non-discretionary basis recommends a strategist or strategists and model(s) designed by the strategist(s), and LPL implements the models in the client’s account on a discretionary basis. In the MWP Advisor Sleeve program, the IAR designs model portfolios of securities as a strategist in MWP for his/her clients. In some cases, an IAR may recommend portfolios created by another IAR of the Company. These portfolios are implemented by LPL, which maintains discretionary authority over the client’s account as overlay manager.

Due to the existing arrangements between LPL and Equitable Advisors, LPL allows our IARs to offer portfolios created and designed by Equitable Advisors IARs to the Company’s clients. The portfolios created by our IARs under MWP Advisor Sleeve are only available to Equitable Advisors clients. Equitable Advisors’ IARs are not subject to the LPL selection and review criteria that LPL applies to other portfolio strategists in MWP. This means that LPL would not subject the Equitable Advisors IARs to the due diligence and screening criteria it applies to other portfolio strategists. Clients wishing to use an Equitable Advisors’ IAR as a strategist should bear this in mind and should not think that the availability of their Equitable Advisors’ IAR as a strategist in the MWP program platform means that LPL has vetted, assessed, or approved of their abilities, experience, or portfolio management acumen.

Clients should and are encouraged to speak to their Equitable Advisors IAR who serves as an MWP Advisor Sleeve strategist to discuss the arrangement and the services the IAR will provide. Clients should be certain they understand the investment strategies and techniques the IAR intends to utilize as an MWP Advisor Sleeve strategist, the associated risks, and the IAR’s approach to asset allocation, diversification, risk

management, portfolio monitoring, and rebalancing. Clients should also be comfortable with their Equitable Advisors IAR's experience in managing portfolios, the basis of their research, their buy and sell criteria, and the resources they are able to dedicate to serving as a strategist in MWP Advisor Sleeve. Clients should review their IAR's individual Form ADV Part 2B (also referred to as a Brochure Supplement) for more information about their IAR's experience and education

As set forth more fully in the MWP account documentation, LPL charges three fees in connection with MWP accounts: the Advisor Fee (of which the Company receives a portion under MWP), the Strategist Fee, and the LPL Program Fee.<sup>3</sup> These fees are separate and pay for distinct services. Where an Equitable Advisors IAR is the strategist (MWP Advisor Sleeve), the Strategist Fee is 0% as the Advisor Fee is presumed to include compensation for such services. In MWP Advisor Sleeve, the Advisor Fee may not exceed 2.35%, as discussed in Item 5 below. This removes the direct financial incentive for an IAR to recommend a client adopt the IAR's own model portfolios in MWP Advisor Sleeve. The Advisor Fee is for the investment advisory services of Equitable and the Equitable Advisors IAR and may not exceed 2%. The Strategist Fee is a fee for the model portfolio design services of a strategist, and ranges from 0% to 0.25%.<sup>4</sup> The LPL Program Fee is for the investment advisory, administrative, trading, and custodial services of LPL, and ranges from 0.08% to 0.35%.<sup>5</sup>

The Strategist Fee and LPL Program Fee referenced in this paragraph may change from time to time, upon thirty (30) days' prior notice to clients.

#### **4. Alternative Investments**

Alternative investments such as non-traded BDCs, and REITs may be recommended for purchase in SAM accounts, in Equitable Advisors' brokerage accounts, and in certain TAMP or LPL Programs., IARs may only recommend such alternative investments to clients meeting certain liquid net worth thresholds. As a result, not all SAM clients may be able to purchase alternative investments.

A BDC is a type of pooled investment company that is registered under Section 54 of the Investment Company Act of 1940, as amended (the "1940 Act"), rather than as an open-end or closed-end investment company. A BDC invests primarily in certain qualifying private companies and must satisfy certain asset composition and other thresholds and requirements under the 1940 Act. BDCs facilitate the flow of capital to private companies and provide retail investors with exposure to the private equity and private debt investment markets, and are required to provide portfolio companies with "significant managerial assistance."

A REIT is a company that owns, and in most cases operates, income-producing real estate such as apartments, shopping centers, offices, hotels, etc. Some REITs also engage in financing real estate.

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<sup>3</sup>. See fn. 5.

<sup>4</sup> Where PST is the strategist and the Equitable Advisors Financial Professional assigned to the account is a principal of PST, the Equitable Advisors Financial Professional would receive the Advisor Fee and, indirectly, the Strategist Fee or a portion of that fee. Where the Equitable Advisors Financial Professional assigned to the account is the strategist, the Strategist Fee is 0% as the Advisor Fee is presumed to include compensation for such services.

<sup>5</sup> The Strategist Fee and LPL Program Fee referenced in this paragraph may change from time to time, upon thirty (30) days' prior notice to clients.

These alternative investments sold within an advisory program such as SAM will not incur an up-front sales charge to the client for the sale (i.e., the IAR will not receive a commission for their sale). Equitable Advisors and its IAR(s) will, however, receive compensation from the advisory fees on the value of all of the assets held within the client's SAM account, including the value of any investments in such BDCs, or REITs. Effectively, the value of these alternative investments is treated as part of the value of the account for purposes of applying the advisory fee under SAM. However, the BDCs and REITs Equitable Advisors offers are non-traded, meaning there is no liquid market for their shares.

While such non-traded REITs and BDCs may offer repurchase programs, they ordinarily impose significant conditions and restrictions on such programs. The holding periods on non-traded REIT and BDC investments vary and may require holding periods of ten (10) years or more. Therefore, non-exchange traded REITs and BDCs may result in higher compensation to your IAR than products that have a readily available market. Certain non-traded REITs, known as "daily NAV programs", may offer greater liquidity to investors, generally on a quarterly basis. These are long-term investments, and investors should be aware that liquidity is not guaranteed at any time.

Equitable Advisors also may offer qualified investors access to certain investment companies exempt from registration as investment companies under the 1940 Act, primarily through LPL, in their capacity as registered representatives in the Company's broker-dealer business. These include hedge funds, fund-of-hedge funds, and exchange funds structured as limited partnerships or limited liability companies. Equitable, in its capacity as a registered broker-dealer, and its IARs, acting as broker-dealer registered representatives, may act as promoters for certain of these funds. Hedge fund and fund of hedge fund interests are not available in the SAM program or any LPL Programs. Please review the Offering Memorandum or Prospectus of the hedge fund or fund of hedge funds for more information, as the terms of each offering may differ, as well as certain fees and charges that may be applicable.

Certain alternative investment products (plus some structured notes and CDs that may also be available in SAM accounts) have a short to intermediate maturity – generally less than five years, although some may go as long as fifteen years. Purchasing a product with a long period until maturity in an advisory account may result in higher compensation to a client's IAR than if the product is purchased directly or in a brokerage account. If purchased in the brokerage context, the IAR would receive an upfront commission, while in the advisory context the value of the investment is subject to the ongoing, asset-based advisory fee and no commission is paid to the IAR. Depending on the circumstances, purchasing through one channel or the other (brokerage or advisory) may result in a lower fee ultimately paid by the client.

Alternative investments purchased in advisory accounts do not carry a sales commission; however, Equitable Advisors receives a portion of the dealer manager fee that is paid on alternative investment accounts, including assets held within advisory accounts. Furthermore, they are subject to the ongoing asset management fee agreed upon between the client and Equitable Advisors.

Equitable Advisors may make the same, similar, or different alternative investments available to customers in its brokerage business through its registered representatives. If such alternative investments are purchased through the broker-dealer channel, different fee structures will apply; for example, Equitable Advisors and its selling registered representative (which may also be an IAR) will receive a sales commission rather than an advisory fee, as described in the investment's offering memorandum. Equitable Advisors and its IARs may have a financial incentive to recommend purchasing an investment in one of these structures (advisory or brokerage) in a given situation over the other as a result of the

different compensation structures and terms. Under certain conditions, including length of time that the product is held, a client may pay a higher sales charge in a commission-based product or may pay more in an advisory account which is subject to an ongoing fee based on assets under management. Other factors may also affect how much a client pays in either an advisory or brokerage structure. Equitable Advisors has supervisory policies and controls in place to monitor whether the purchase of such an investment in an advisory or brokerage context is suitable for the client, and whether a brokerage or advisory account generally is in the client's best interest.

In connection with any alternative investment decision, as with any securities investment decision, a client should consult his or her IAR for more information regarding the different fee and commission structures that may apply depending upon whether the client purchases the investment product in an investment advisory program or in a broker-dealer account. As part of the analysis, a client should consider and discuss in particular his or her investment time horizon and overall likely costs before making a decision about what type of relationship (i.e., brokerage vs. advisory) is appropriate for the investment. The Company encourages clients to consult with their own legal, tax, and accounting advisors in connection with alternative investments.

## **5. Retirement Plan Support and Fiduciary Advice**

### **a. Retirement Plan Investment Advisory Support Services**

Equitable Advisors may enter into agreements with sponsors of retirement plans to provide general retirement plan management education and support services (the "Retirement Services") to the plan sponsor and/or plan participants in exchange for a fee, further information about which is provided in Item 5 – Fees and Compensation. Only appropriately credentialed IARs are authorized by Equitable Advisors to provide Retirement Services.

The plan sponsor will select the Retirement Services to be provided. The Retirement Services are for general educational purposes only and are intended to help plan sponsors discharge their fiduciary responsibilities to the qualified plan and plan participants. The plan sponsor may also select certain Retirement Services that will provide general education to plan participants to help in their understanding of the terms and provisions of the qualified plan.

Certain Company-approved IARs may act as ERISA fiduciaries to plan sponsors and retirement investors. Unless otherwise agreed pursuant to an ERISA investment advisory services agreement (see "ERISA Fiduciary Services" below), the Retirement Services will not include any recommendation to any plan sponsor regarding specific investment options to select under a qualified plan or portfolio plan design, nor will the Retirement Services involve providing any recommendation to any plan participant regarding (i) the allocation of their qualified plan account balance, (ii) contributions to investment options under the qualified plan, or (iii) the investment alternatives of their account balances at retirement or separation from services, unless the plan sponsor agrees in writing to allow recommendations to participants regarding their investment alternatives at retirement or separation. Specific Retirement Services selected by the plan sponsor will be described in the written agreement entered into between Equitable Advisors and the plan sponsor. Equitable Advisors and its IARs may also act as consultants to other investment advisors providing plans with similar non-fiduciary services; in such cases, Equitable Advisors' client is the other adviser, and not the plan nor any participant.



In certain instances, an IAR providing Retirement Services to plan sponsors may provide reports and/or a sample investment policy statement created with software tools owned and operated by companies that are not affiliated with or under common ownership, control or operation with Equitable Advisors, its affiliates, or IARs. Any such reports or investment policy statements are not recommendations regarding any securities transactions, and are provided solely to assist plan sponsors in making informed decisions relative to the management of their qualified plans. It will remain the plan sponsor's responsibility to adopt a specific investment policy statement, if desired, and to select specific investment options for the plan.

Arrangements for Retirement Services may also include the opportunity for participants to receive, at their sole discretion, additional personalized financial services, including, but not limited to, personal financial planning services, investment advisory asset management services, or insurance or brokerage services not related to their retirement plan ("Optional Services").

The relationship created between Equitable Advisors and a participant through Optional Services will not include the participant's employer or qualified plan sponsor. Neither the qualified plan nor any qualified plan participant will be obligated at any time to purchase any additional products or services (including Optional Services) through Equitable Advisors or any other party. Further, neither the participant's employer nor any qualified plan is a fiduciary sponsoring Equitable Advisors or its IAR with regard to the provision of Optional Services. The decision to receive Optional Services is solely the decision of the qualified plan participant.

Unless otherwise agreed in writing, Equitable Advisors and its IAR will not act as ERISA fiduciaries with respect to any qualified plan, and any investment materials provided to plan participants will be general in nature and limited to educational information regarding the qualified plan and its available investment options. Such information may include:

- Providing specifics about the qualified plan and its design;
- Providing a list, by asset class, of all available investment choices (such list will not include any specific investment recommendations);
- Providing Morningstar, Ibbotson or other investment profiles for all available investment choices including fund sheets, which include a general description of the investment objectives, identification of the corresponding asset class, the risk characteristics, and the annualized net rates of return;
- Providing general financial and investment information, *e.g.*, educational information and materials regarding general financial and investment concepts;
- Providing general asset allocation models, including information and materials that provide participants with models of asset allocation portfolios of hypothetical individuals with different time horizons and risk profiles;
- Providing interactive investment materials, which may include questionnaires, worksheets, software, and similar material that provide the means for participants to estimate future retirement income needs and assess the impact of different asset allocations; or

- Such other information as may be permitted under the DOL Regulations and guidance pertaining to “investment education” versus “investment advice.”

b. ERISA Fiduciary Services – Retirement Plan Consulting Services

It is Equitable Advisors’ policy that, unless approved by Equitable Advisors, no IAR may (1) act as a fiduciary under ERISA Section 3(21) or (2) as a fiduciary discretionary investment manager under ERISA Section 3(38) by providing investment advice to a qualified plan under Section 401(a) of the Internal Revenue Code that is subject to Title I of ERISA, its sponsor, responsible fiduciary, or its participants, or (3) in any way assuming responsibilities for a plan that would make the IAR a fiduciary under either of the foregoing sections of ERISA. IARs must be specifically approved by the Company to act as an ERISA fiduciary under Section 3(21) or 3(38). This is referred to as the Company’s Retirement Plan Consulting Services program (“RPCS”). Where approved, the nature of such services is described below. No services provided to retirement plan participants are intended to constitute an “employee benefit” under ERISA or any other law or regulation.

In limited circumstances, Equitable Advisors may enter into an agreement with a retirement plan sponsor to provide services as a non-discretionary ERISA fiduciary pursuant to ERISA section 3(21)(A)(ii) (“ERISA Fiduciary Services”). Under ERISA section 3(21)(A)(ii), Equitable Advisors will assist a plan’s fiduciary in the initial selection and ongoing monitoring of the investment line-up available to the plan’s participants. Only appropriately credentialed IARs specifically approved by Equitable Advisors under the RPCS program are authorized to provide ERISA Fiduciary Services.

Similarly, Equitable Advisors may enter into an agreement with a plan sponsor to provide discretionary “investment manager” services to the plan under Section 3(38) of ERISA (also making it an ERISA fiduciary). No services may be provided to qualified plan participants in an ERISA fiduciary capacity (i.e., with respect to their assets in the subject plan), although upon written consent of the plan sponsor, recommendations may be made to plan participants regarding their investment alternatives at retirement or separation. A summary of the ERISA Fiduciary Services is provided below. Plan sponsors should refer to their written agreement with Equitable Advisors for more details regarding the specific services to be provided and the fees to be paid.

(1) ERISA Section 3(21)

(a) *Non-Discretionary Investment Option Recommendation*

When acting as a non-discretionary fiduciary under ERISA Section 3(21), Equitable Advisors will analyze the list of available investment options for the qualified plan and provide the plan sponsor with a recommended list of core asset classes that, when combined, constitute a prudent investment lineup for a qualified plan seeking a basic level of complexity. Equitable Advisors will also provide definitions of additional asset classes/categories that, when combined with core asset classes, will constitute prudent investment lineups for those plan sponsors seeking more sophisticated levels of complexity. Equitable Advisors will identify for the plan sponsor’s consideration one or more investment options from each asset class/category that are appropriate for long-term strategic asset allocations. Equitable Advisors will evaluate the investment options, including comparing their performance to appropriate benchmarks and peer group(s). Equitable Advisors will provide the plan sponsor with a “core list” of recommended investment options within each of the core asset class groups, as well as supplemental asset

classes/categories. Equitable Advisors will also provide some general guidelines as to how many and what management type (active or passive) of investment options are appropriate to select with respect to each of the asset class groups to assist the plan sponsor in making its final investment option selections.

*(b) Non-Discretionary Monitoring of Investment Options*

In providing ERISA Section 3(21) fiduciary services, Equitable Advisors reviews investment option performance on a quarterly basis or as otherwise agreed with the plan sponsor. Each investment option will be reviewed, and investment options that do not meet the criteria will be placed on a watch list. Placement of an investment option on the watch list does not mean that it will be removed from the investment options but, rather, triggers further due diligence. That due diligence seeks to determine if the original bases for selecting the investment option are still valid. Equitable Advisors will provide the plan sponsor with a quarterly report summarizing its review.

Once an investment option is on the watch list, it will remain there until further due diligence indicates that it should be either removed from the watch list or removed as an investment option. To be removed from the watch list, certain qualitative and quantitative measures must be met. If, after further due diligence, Equitable Advisors determines that the investment option no longer meets the criteria for remaining on the core list, Equitable Advisors will identify one or more suitable replacements to the extent available on the platform.

**(2) ERISA Section 3(38) Discretionary Services**

Equitable Advisors may also allow certain credentialed IARs to act as discretionary “investment managers” to qualified plans under ERISA Section 3(38). Generally, such 3(38) approved IARs have an established track record providing services as a non-discretionary 3(21) fiduciary, among other criteria for approved under the RPCS program. These services are only available to qualified plans, not plan participants. Plan sponsors electing 3(38) Investment Manager services delegate to Equitable Advisors and its IARs the authority to provide the 3(21)(A)(ii) selection and ongoing monitoring services with respect to of the specific securities, mutual funds, institutional funds, or funds (including removal and replacement) available through the applicable qualified plan platform as investment options in the qualified plan, but in a discretionary capacity. The terms and/or availability of 3(38) investment manager services may be affected by DOL or other rulemaking and may be terminated or subject to change by Equitable Advisors.

The ERISA Fiduciary Services provided will be based upon the information provided to Equitable Advisors by the plan sponsor, including, but not limited to, the investment options available under the qualified plan. Equitable Advisors and its IARs may utilize the software options or tools as described below to help guide the recommendations to the plan sponsor or discretionary investment decisions, where applicable. The plan sponsor will agree to review at least annually and to advise Equitable Advisors of any changes in the investment options that are available under the qualified plan or to the demographic or other information previously provided to Equitable Advisors regarding the qualified plan. Equitable Advisors and its IARs may also act as consultants to other investment advisers providing plans with similar fiduciary services; in such cases, Equitable Advisors’ client is the other adviser, and not the plan nor any participant.

Additional services may include assistance (in a non-discretionary or discretionary capacity as elected by the plan sponsor) in creating asset allocation models to be included as options within the plan’s investment menu, creation, or development of target date funds with appropriate glidepath options for

the plan and certain other services as may be described within the ERISA Fiduciary Options agreement between the plan sponsor and IAR.

### (3) Additional Provisions

Except in the case of ERISA 3(38) investment manager services, Equitable Advisors and its IAR will not exercise any discretion or authority regarding the plan sponsor's selection of the qualified plan platform and service provider(s). IARs will also not exercise discussion with respect to specific securities or funds available through a group annuity platform that will be eligible investment options under the qualified plan. When Equitable Advisors services as a 3(21) ERISA fiduciary, it remains the sole responsibility of the plan sponsor or named fiduciary to select and retain the qualified plan platform and service provider(s), to establish and maintain the investment policy for the qualified plan, to determine the appropriate mix and number of asset classes to be included in the investment options available under the qualified plan, and to select the specific mutual funds, institutional funds or funds available through group annuity contracts that will be investment options under the qualified plan. If a qualified plan contains a company stock or self-directed brokerage option, Equitable Advisors shall not be required to take such stock or brokerage options into account in making any of its determinations or recommendations. Plan sponsor shall retain sole fiduciary responsibility with respect to such company stock or self-directed brokerage options.

The ERISA Fiduciary Services provided will be based upon the information provided to Equitable Advisors by the plan sponsor, including but not limited to the investment options available under the qualified plan platform. The plan sponsor will agree to review at least annually any changes in the investment options that are available under the qualified plan platform or in the demographic or other information previously provided to Equitable Advisors regarding the qualified plan. The plan sponsor must advise Equitable Advisors of such changes promptly in order to allow the Company to fulfill its fiduciary duty to the client and effectively serve its needs. In providing the ERISA Fiduciary Services to Plan Sponsors, Equitable Advisors and its IARs may utilize software and other tools operated by the Retirement Plan Advisory Group ("RPAG"), Fi360, or Plan Tools. Equitable Advisors, its affiliates, and IARs are not affiliated with or under common ownership, control, or operation with RPAG, Fi360, or Plan Tools.

Arrangements for ERISA Fiduciary Services may include the opportunity for participants to receive, at their sole discretion, Optional Services as described above in the section on Retirement Plan Investment Advisory Support Services and in Corporate Financial Planning. No investment advisory relationship created through Optional Services shall include the participant's employer or plan sponsor. Neither the qualified plan nor any qualified plan participant will be obligated at any time to purchase any additional products or services (including Optional Services) through Equitable Advisors, its affiliates, or other carriers. Further, neither the participant's employer nor any fiduciary that is responsible for making decisions under the qualified plan endorses or is sponsoring Equitable Advisors or its IAR about the provision of Optional Services to participants. The selection of an Equitable Advisors IAR to provide Optional Services is solely the decision of the qualified plan participant.

Equitable Advisors IARs may perform joint work or receive referrals from other Equitable Advisors IARs. The Firm's agreements with clients for ERISA fiduciary services do not include these IARs, who may work separately with individual plan participants, including the provision of advice regarding their investment alternatives at retirement or separation.

This Brochure also constitutes the disclosure required to be provided to plan sponsors under ERISA Section 408(b)(2) and the DOL Regulations issued thereunder. The fee range charged for ERISA Fiduciary Services and other important information relating to the fees for ERISA Fiduciary Services and Optional Services is provided in Item 5 – Fees and Compensation. IARs generally receive approximately 40 – 90% of advisory fees received by Equitable Advisors with respect to ERISA Fiduciary Services, the same range as the advisory fees provided to IARs with respect to the Company’s advisory services generally.

Equitable Advisors and/or its IARs may reimburse plans or otherwise defray the costs for expenses such as mailings and/or other administrative expenses.

In addition to the services described above, in limited circumstances, certain Equitable Advisors IARs have entered into joint work arrangements whereby such professionals, acting as investment adviser representatives, but not ERISA fiduciaries, refer plans to other Equitable Advisors IARs who are credentialed to act as ERISA fiduciaries as part of the Retirement Plan Consulting Services program. In such instances, the ERISA credentialed IAR serves as the primary client contact. The referring IAR receives initial and ongoing compensation for the referral. Please contact your IAR for more details.

In assisting plan sponsors with the selection of plan investment options, IARs may choose to include certain funds that are affiliated with Equitable Advisors, such as 1290 Funds or AllianceBernstein (AB) Funds, or variable annuity products manufactured and/or distributed by Equitable Advisors or its affiliates. In assisting plan sponsors with selection of plan service providers and platforms, IARs that are credentialed to act as ERISA fiduciaries may propose a qualified plan platform that is manufactured by an affiliate of Equitable, such as Retirement Gateway, Equitable Retirement 360 (“AR 360”), or Equitable Retirement Vision with recordkeeping and administrative services also provided by Equitable affiliates. In those events, there is an incentive for the IAR to recommend the product issued or service provided by the affiliate even where the IAR does not directly benefit. This conflict is addressed through disclosure here, and by the fact that the IAR does not benefit directly from such recommendations. The IAR and Equitable Advisors intend to comply with the provisions of applicable Prohibited Transaction Exemptions issued by the DOL, and clearly describe the conflicts of interest that are posed by selecting a product affiliated with Equitable Advisors. Plan sponsors should carefully review all disclosures and consider the potential conflicts prior to making the decision to select the applicable program for their plan.

## **F. Assets Under Management**

As of December 31, 2024, Equitable Advisors’ regulatory assets under management were \$34,656,353,594. This calculation only includes assets in SAM accounts and other limited arrangements in accordance with the definition of “regulatory assets under management” for the purposes of Form ADV Part 1A, Section 5. It does not include any of the assets invested with any of the TAMPs or in other LPL Programs (other than SAM) described above. Of the regulatory assets under management amount, \$14,832,843,278 was managed by us on a discretionary basis, and \$19,823,510,316 was managed on a non-discretionary basis.

	<b>US Dollar Amount</b>	<b>Number of Accounts</b>
<b>Discretionary</b>	<b>\$14,832,843,278</b>	<b>32,078</b>
<b>Non-Discretionary</b>	<b>\$19,823,510,316</b>	<b>51,555</b>
<b>Total</b>	<b>\$34,656,353,594</b>	<b>83,633</b>

## **Item 5 – Fees and Compensation**

The following discussion generally describes how Equitable Advisors and our IARs are compensated for the advisory services we provide to our clients. Below we also discuss other sources of compensation that the Company and/or IARs may receive, including from third parties or in contexts outside of advisory services, as well as the potential or actual conflicts of interest such compensation may create. See also Item 14, below, for a discussion of additional compensation received from various sources in connection with the Firm's advisory and brokerage services.

For additional information, see the Company's Compensation and Conflicts Disclosure as well as the GCOI, available at [www.equitable.com/CRS](http://www.equitable.com/CRS).

### **Financial Planning Services**

The Financial Planning Agreement will set forth the amount of the financial planning fee and the timing and terms of its payment. The fee determined by you and your IAR will also be indicated on the fee receipt. Your IAR will explain the fee and the factors considered in calculating the fee prior to asking you to sign the Financial Planning Agreement. The client or the IAR may terminate the Financial Planning Agreement at any time and for any reason. If you cancel the Agreement by written notice within five (5) business days after the signing of the Agreement, Equitable Advisors will refund all fees paid. After that five (5) business day period, the fee will be prorated or will be charged based on the hours billed by the IAR at the time of notice of termination.

IARs also may offer fee-based financial planning services under your annual asset-based fee within certain types of managed accounts. In these circumstances, the financial planning services are ongoing for the duration of your managed account (or until otherwise agreed between the client and the IAR) and may involve financial planning advice regarding assets outside of the managed account.

Fees for financial planning may be fixed or hourly. If fixed, the client will pay a set amount for the services. For new financial planning clients, fixed fees may range from \$250 to \$25,000. Fees may exceed this limit under certain circumstances. Thereafter, fees for follow-on reviews of a financial plan created by your IAR generally range from \$250 to \$12,500. If the fee is charged hourly, the fee will equal an agreed-upon hourly amount multiplied by the estimated number of hours. Hourly fees are negotiable and generally range from \$100 to \$400 per hour. In some cases, the client's assets may be used to determine the fee. Typically, the fee is determined and billed when the client executes the Financial Planning Agreement, although generally the client has the option of paying the fee in installments.

As described in Item 4, above, once a client's financial plan is delivered and presented, the IAR may offer the client options to implement the plan. Should you decide to purchase products offered by your IAR(s) to implement your financial plan rather than ongoing advisory services, your IAR will be acting in his or her capacity as a broker-dealer registered representative and/or as an insurance agent of Equitable Network, and you will enter into a separate agreement to cover these brokerage and/or insurance services. In these capacities, your IAR will be representing the issuing and distributing companies, which may be affiliated with Equitable Advisors, and, in the event of a purchase, the IAR and Equitable Advisors (and/or its affiliates) will generally be entitled to commissions or other compensation in addition to the fee paid by the client for the financial planning services. This presents a conflict of interest inherent in every brokerage relationship in that the IAR and Equitable will benefit every time there is a transaction.



If you decide to enter into continued investment advisory services with the Company in implementing your financial plan or otherwise through the TAMP referral arrangements or LPL programs the Company offers, you will enter into an advisory agreement with the Company, become an advisory client, and will pay a separate fee from that paid for your financial plan, as described below.

In addition to fees and possible commissions received by IARs related to fee-based financial plans, IAR(s) under certain circumstances receive other compensation and benefits related to financial planning advice. This presents a conflict of interest in that there is an incentive to enter into a fee-based financial planning arrangement based on the compensation received, rather than on a client's needs. We disclose potential and actual conflicts of interest to clients through documents such as this Brochure, our Form CRS, GCOI, and other materials discussing the products and services offered. The client should consider these additional payments and the potential or actual conflicts of interest they create carefully prior to agreeing to a fee-based financial plan offered through Equitable Advisors. The client is encouraged to ask his or her IAR for additional information should he or she have any questions regarding these payments or the conflicts of interest they can create.

Certain registered representatives/IARs who operate under Equitable Advisors' home office groups do not receive fees or commissions but rather are compensated by Equitable Advisors on a salary basis. These registered representatives typically receive additional compensation from Equitable Advisors in the form of an annual cash bonus based in part on total products and services sold. This presents a conflict of interest similar to the brokerage conflict described above in that the IAR and Equitable Advisors benefit from increased sales. The fees charged to the client for purchases of these products and/or services are the same as the fees charged for purchases from Equitable Advisors' other Financial Professionals, whether as IARs (advisory services) or as registered representatives (brokerage).

Although Equitable Advisors does not maintain a formal recommended list, we leverage LPL Research's recommended mutual fund list. Clients always have the option to purchase investment products that Equitable Advisors recommends through other brokers or agents that are not affiliated with Equitable Advisors.

### **Asset Management Programs and Retirement Plan Services**

In investing in LPL programs, clients pay LPL an annualized Account Fee generally based on a percentage of their account value (the "Account Fee"), a portion of which LPL pays to the Company. Some LPL Programs charge additional fees, as described in the relevant LPL Program Brochure, but the Account Fee serves as compensation for Equitable Advisors' advisory services. LPL pays Equitable Advisors a percentage of the Account Fee, and Equitable Advisors provides a portion of that fee to your IAR. The remainder is retained by Equitable Advisors for supervisory and administrative services. The percentage of the Account Fee your IAR receives may be higher for certain LPL Programs or TAMPs. programs whose overall fee percentages are significantly lower when compared to other programs. Generally, fees are deducted from client accounts. The minimum and maximum Account Fee for each LPL Program is provided in the chart below.

The Account Fee is customarily negotiable (in whole or in part) but will not exceed 2.5% of the client's account value on an annualized basis, and is usually payable quarterly in advance. (Fees for Retirement Plan Services and/or ERISA fiduciary services can be based on assets under management or can be a fixed fee (also an "Account Fee" herein). The maximum Account Fee such Retirement Plan Services or ERISA

fiduciary services generally is 0.75% of the client's account value. The applicable Account Fee will be described in the Program Brochure and Account Agreement for the applicable LPL program. A client should read the applicable Program account agreement carefully and ensure that the client understands the amount of the Account Fee, the manner in which it is calculated, what other costs or expenses are included or excluded, and other applicable terms. Other fees, such as the fee for strategists in MWP may increase the fee over and above the maximum 2.5% stated above. These LPL Program materials are available at [www.equitable.com/crs](http://www.equitable.com/crs).

In limited cases, as determined between the client and the IAR, the Account Fee may be calculated on a tiered basis, becoming lower with greater assets in the LPL program account. Clients should be certain they fully understand how such tiered fees are calculated. Such tiered fees would be reflected in the account agreement signed by the client.

In some programs, clients are able to elect to be billed their annual advisory fee.

Certain of the LPL programs offer additional services in consideration of the program fee including order execution, custody and clearing, which would otherwise be charged separately. Rather than paying those transaction and other charges, they are included in the Account Fee for the Program based on the value of the assets, including the value of the no-load and load-waived mutual fund holdings. The method of calculating and applying the Account Fee in such Programs may vary. The IAR and Equitable Advisors usually receive a portion of this fee. The range of fees is up to the IAR's discretion and, as noted above, is customarily negotiable.

As described in Item 4, above, in the SAM program the client and the IAR may determine that the IAR will pay the transaction costs incurred in the SAM account, rather than the client being such costs separately. When the IAR bears the transaction costs of a SAM account, the overall fee to the client may be higher than it otherwise would be to account for such costs which will be borne by the IAR. This arrangement can create a conflict of interest in incentivizing an IAR to trade less in a client account or to prefer lower-fee options. If contemplated, clients should discuss such arrangements with their IAR to fully understand the terms.

The following fee table details the range of fees paid to Equitable Advisors in each LPL Program and TAMP it offers, which ranges from 0.20% - 2.5%, depending on the program. This does not include other possible fees, depending on the LPL Program or TAMP program, only the minimum and maximum portion that may be paid to Equitable Advisors. As a result, your overall fee in most cases will be higher.

In its TAMP referrals, Equitable Advisors receives an ongoing payment from the advisory fee the referred investor pays to the TAMP. The TAMP remits a portion of that amount to the Company, and the IAR receives a portion. This payment generally continues for as long as the referred investor remains a client of the TAMP, subject to the terms of the applicable referred agreement with the TAMP.

<b>Product</b>	<b>Min</b>	<b>Max</b>
ACM Model Separate Account Strategies	0.50%	1.95%
ACM Private Account Strategies	0.50%	2.15%
AssetMark GMS	0.50%	1.30%
AssetMark Privately Managed Portfolios	0.50%	1.30%
AssetMark PMAS (IMA)	0.50%	1.30%
AssetMark PMAS (CMA)	0.50%	1.30%

<b>Product</b>	<b>Min</b>	<b>Max</b>
AssetMark PMAS (PRX)	0.50%	1.30%
AssetMark ETF Portfolios	0.50%	1.30%
AssetMark No-Load Mutual Funds – AssetMark Funds	0.50%	1.30%
AssetMark No-Load Mutual Funds – Other Fund Strategies	0.50%	1.30%
AssetMark GPS & GPS Select Solutions	0.50%	1.30%
Trek Financial	0.50%	1.25%
Boyd Watterson	0.20%	0.80%
Brinker Destinations	0.50%	2.25%
Brinker Personal Portfolios	0.50%	2.11%
Brinker Core Asset Manager	0.50%	2.37%
Brinker Retirement Plan Services (including Retirement Plan Services Plus)	0.30%	1.25%
CLS – Nationwide Tactical Strategies	0.20%	0.20%
CLS – IAM Portfolio	0.50%	1.50%
CLS – IAM Hybrid Portfolio	0.50%	1.50%
CLS – ETF Portfolio	0.50%	1.50%
CLS – Advisor One Protection (formerly CPM 3)	0.50%	1.50%
CLS – Master Manager Strategy Portfolio	0.50%	1.50%
CLS – Wealth Accumulation – AdvisorOne Portfolio	0.50%	1.50%
LPL Optimum Market Portfolios Advisory (OMP)	0.50%	2.50%
LPL Strategic Asset Management	0.50%	2.48%
LPL Manager Select	0.50%	2.35%
LPL Model Wealth Portfolios (MWP)	0.50%	2.35%
LPL Personal Wealth Portfolios (PWP)	0.50%	2.35%
Meeder Advisory Services	0.30%	0.45%
MIS Mutual Fund Portfolios	0.50%	1.10%
MIS ETF Portfolios	0.50%	1.10%
MIS Select Equity Portfolios	0.50%	1.10%
MIS SDBA	0.50%	1.10%
Nationwide ProAccount	0.20%	0.45%
PlanMember Elite	0.50%	1.35%
PlanMember OPTIFUND Managed Account Option	0.55%	1.15%
Signature Investment Advisors	0.50%	1.20%
SIMC MAP (SEI)	0.50%	2.35%
SIMC iMAP (SEI)	0.50%	2.35%
SIMC MF Asset Allocation (SEI)	0.50%	1.35%
The Pacific Financial Group	0.50%	1.00%

These fees may be higher than what you might pay with other investment advisers or that you might pay if you were investing through a traditional brokerage account.

In investment advisory accounts, neither Equitable nor the IAR gets paid a sales commission for the investments you make and transactions in your account. Certain products offered to advisory clients within the Company's advisory accounts may also be available on Equitable Advisors' brokerage platform; different fee structures would apply for transactions outside of an investment advisory account. An IAR servicing your advisory account may, in some instances, make available investments in the IAR's capacity as a broker-dealer or licensed insurance agent, as determined to be in your best interest. In this case, the IAR will disclose the role in which the IAR is acting (i.e., as broker-dealer registered representative or as IAR).

As discussed above and in greater detail in the applicable LPL Program brochure, in certain LPL programs custodial fees and transaction fees are separate from the Account Fee and are paid directly to LPL as the broker-dealer and custodian on the account. In cases where there are mutual funds, ETF's, BDC's, etc. in the clients' accounts, mutual fund and other expenses are in addition to any annual fee, transaction fees, or custodial fees. Equitable Advisors is generally not compensated from these fees.

However, in certain programs (such as SAM), some funds pay 12b-1 fees to Equitable Advisors while others do not. If the mutual fund pays Equitable Advisors 12b-1 fees in connection with assets invested in the fund in SAM accounts, Equitable Advisors rebates those fees to the client on a quarterly basis. This removes the potential incentive for an IAR to recommend a fund that pays 12b-1 fees over one that does not.

In general, commissions and other compensation payable to Equitable Advisors in connection with the sale of investment or insurance products and services are comparable to those charged by other full-service firms for the same products and services. In some cases, similar products or services may be available from other sources at a lower fee or commission or without a fee or commission (which may have the effect of lowering the cost to the customer and/or increasing the return on the product). Often, but not always, firms that offer such products and services (which include, among others, discount brokers and direct marketers) do not provide the same level of personalized advice and/or service as Equitable Advisors seeks to provide.

Some IARs receive compensation from Equitable Advisors in the form of a "forgivable loan," which is a loan often made when an experienced IAR joins Equitable Advisors. This IAR is not required to pay back the loan if the IAR remains with Equitable Advisors for a certain period of time and/or maintains a certain level of business production. LPL reimburses Equitable Advisors under certain circumstances for a portion of the amounts of such loans to IARs. This creates a potential or actual conflict that is addressed through this disclosure and by the fact that the business production requirement is not tied to certain products.

As noted above, we disclose potential and actual conflicts of interest as well as additional information through documents such as this disclosure document, our Form CRS, our GCOI, and other materials discussing the products and services offered, including but not limited to any LPL Program brochure, TAMP program materials, and other related materials. In TAMP investments, investors should carefully review the conflicts and compensation disclosure in applicable program materials and the Form ADV Part 2A of the relevant TAMP, which will be provided to investors considering such an investment at or prior to their entering into a client agreement with the TAMP. Form ADV Part 2A for such TAMPs can be located on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).

For additional information on other compensation that Equitable Advisors and its IARs may receive in connection with providing advice to clients, please see Items 10, 11 and 14 of this Brochure.

Depending upon the program and other factors, IARs generally receive approximately 40 – 90% of advisory fees received by Equitable Advisors.

In addition, there are transaction costs charged by the broker-dealer for executing trades that may or may not be included in the advisory fee, depending on the program; information relating to such costs are set forth in the TAMP materials or LPL Program brochures, as well as the account opening documentation relating to each program. Please ask your IAR if you would like details regarding the charges associated with any LPL Program, TAMP program or investment or insurance product presented to you by your IAR.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Equitable Advisors does not charge any performance-based fees on client accounts (i.e., fees based on a share of capital gains in, on or capital appreciation of the assets of, a client account).

## **Item 7 – Types of Clients**

Equitable Advisors provides investment advice to individuals, trusts, estates, charitable organizations, banks or thrift institutions, corporations and other business entities, and pension and profit-sharing plans.

Each TAMP program and LPL program has its own minimum account size, but the minimums do not vary based on the type of client. Please refer to the applicable LPL Program brochure or the applicable TAMP's Form ADV Part 2A, or equivalent program brochure, for details regarding the minimum account size for each program, or contact your Equitable Advisors IAR.

As noted in Item 4, Equitable Advisors has certain liquid net worth and other minimum requirements that must be met before an IAR can recommend alternative investments in client SAM accounts (which apply equally in recommendations in the Company's brokerage business).

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

### **Methods of Analysis**

Depending on a client's particular situation, need and expectations, there are various methods of analysis and investment strategies that IARs may use when developing a financial plan, formulating investment advice, or managing assets.

The principal source of information used by Equitable Advisors to prepare financial plans is the information provided by clients, including personal data, assets and liabilities, income expectations, assumed rate of inflation and return on assets, long term and short-term financial goals, risk tolerance and other relevant data. Additionally, to prepare some financial plans, the staff at the Equitable Advisors Financial Planning Team may consult from time to time with other employees (some or all of whom may be employees of Equitable Advisors or its affiliates) having legal, accounting, or actuarial training to help develop or review financial planning advice.

With regard to investment advisory services, Equitable Advisors subscribes to various market and investment publications and services directly, or indirectly through LPL. Equitable Advisors also analyzes the prospectuses and offering memoranda of mutual funds, unit investment trusts, direct participation programs, variable annuities, variable life insurance and other life insurance policies in developing and evaluating investment and/or planning recommendations. National conventions, professional meetings, membership in industry organizations such as the International Association for Financial Planning and the Investment Company Institute also serve to provide Equitable Advisors with continuing access to the practical experiences of others and current developments.

Equitable Advisors and its IARs also have access to investment research compiled by LPL's in-house research team ("LPL Research"). LPL Research provides Equitable Advisors and its IARs with access to investment research and advice, market and economic commentary, performance reporting and recommendations, and portfolio management tools and services, which cover topics including mutual funds, separate accounts, REITs, ETFs, fixed income, and certain alternative investments.

Equitable Advisors' Policy Advisory Committee (the "PAC") oversees Equitable Advisors' financial planning and other policies, such as review and approval of financial planning tools to help ensure the presentation of quality financial planning advice. (New asset management programs are reviewed and approved by Equitable Advisors' PRC.)

## **Discussion of Risk**

Investing in securities involves the risk of loss, including loss of principle invested, that clients should be prepared to bear. Understanding the type of risk(s) exposure involved in securities and investment advisory services, as well as one's own tolerance for risk, is a key component of the investment decision making process. Risks associated with specific investments and investment types are described in detail in the prospectus or other product offering documentation for those investments, and more general risks are set forth in the TAMP materials or LPL Program brochure for each investment program.

Clients and potential clients should review the Company's Risks of Investing in Investment Advisory Programs, Compensation and Conflicts Disclosure, and GCOI disclosure, available at [www.equitable.com/CRS](http://www.equitable.com/CRS).

The primary risk involved in financial planning services stems from the possibility that the financial information and assumptions (such as assumptions regarding future market behavior) used in connection with developing the financial plan are or will prove to be inaccurate. Such inaccuracy could result in the implementation of the plan in a manner such that the client's investment objectives and financial needs are not met. Furthermore, even if the financial plan is itself appropriate, the plan may not be implemented appropriately.

As discussed in Item 4 – Advisory Business, for asset management programs other than SAM, Equitable Advisors' IARs do not recommend securities; rather, they work with clients and recommend the advisory programs of third-party advisers -- the TAMPs and LPL Programs. As with all such programs, investments are subject to market risk, will fluctuate, and may lose value. Asset allocation does not guarantee a profit or protect against loss.

As noted above, additional investment advisory programs are offered through third-party program sponsors that are unaffiliated with Equitable Advisors and LPL. Equitable Advisors serves as an investment adviser in referring clients to these programs, and the third party serves as the principal sponsor and an investment adviser. These programs may clear through or retain broker-dealers other than Equitable Advisors or LPL Financial.

As discussed, investing in securities involves the risk of loss that clients should be prepared to bear. The types of risk vary depending on the type of securities and investment advisory programs in which a client participates and are described in their respective offering documents and program materials.

## Item 9 – Disciplinary Information

Equitable Advisors is dually registered as an investment adviser and broker-dealer. As such, it is subject to oversight and regulation (and potential disciplinary action) by the SEC and FINRA (the self-regulatory agency that regulates broker-dealers). The following are summaries of regulatory actions against the Company during the past ten years. Additional details about the Company or these matters can be obtained through Financial Industry Regulatory Authority's (FINRA) BrokerCheck website <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck>, or the SEC's Investment Adviser Public Disclosure website <http://www.adviserinfo.sec.gov>.

- In an order dated May 2, 2019, FINRA alleged that the Company distributed documents that did not accurately represent the credit quality of certain bond funds offered within group annuity contracts for 401K retirement plans. The findings stated that certain enrollment forms, investment options attachments, and other documents that were created by the Company's affiliated life insurance company and distributed to retirement plan sponsors inaccurately represented that certain bond funds were investment-grade when, in fact, they were not. FINRA's findings also stated that the Company's supervisory systems and written supervisory procedures (WSP's) were not reasonably designed to achieve compliance with relevant FINRA rules in that the Company did not have supervisory systems or WSP's in place related to the accuracy of the description of the credit quality of bond funds that its insurance affiliate distributed to plan sponsors. The Company, without admitting or denying the findings, consented to an Acceptance, Waiver and Consent with FINRA and was censured, fined \$600,000, and required to send corrected disclosures to all affected plan participants and pay restitution to plan participants in an amount totaling \$172,461.33.
- In an order dated March 11, 2019, the SEC charged the Company with willful violations of Sections 206(2) and 207 of the Advisers Act, alleging that from January 1, 2014 through August 8, 2014, the Company at times purchased, recommended, or held for advisory clients mutual fund share classes that charged 12b-1 fees instead of lower-cost share classes of the same funds for which the clients were eligible, and failed to adequately disclose the conflicts of interest inherent in such recommendations. Without admitting or denying the findings, the Company consented to the imposition of a cease-and-desist order, censure, undertakings, and payment of disgorgement and prejudgment interest to affected clients in the amount of approximately \$1,134,152. The SEC noted the Company's self-reporting of this matter in connection with the Share Class Selection Disclosure Initiative and the Company's certification of completion of substantially all of the undertakings the SEC required in connection with the order. The SEC did not impose a civil monetary penalty.

## Item 10 – Other Financial Industry Activities and Affiliations

Equitable Advisors' principal business consists of acting as an investment adviser, as described in this Brochure, and as a broker-dealer offering investment products and services (including variable insurance products) to its clients. In its capacity as a broker-dealer, Equitable Advisors distributes mutual funds, unit investment trusts, and variable life insurance and annuities, and offers brokerage and other services for general securities as an introducing broker, with LPL acting as clearing broker and maintaining custody of client assets. For additional information regarding our brokerage business, please see Item 12 below, our



Form CRS, and GCOI, available through your IAR or on our disclosure website at <https://equitable.com/CRS>.

For execution and clearing of certain brokerage transactions in its role as introducing broker-dealer, Equitable Advisors maintains a clearing arrangement with LPL. In the LPL programs, LPL serves as broker-dealer.

The Company's IARs are also registered representatives of the Company in its brokerage business and may also be licensed insurance agents (life, health, casualty, long-term care, annuities, variable life, etc.). When appropriately licensed, Equitable Advisors' IARs usually offer variable and traditional life insurance and annuity products of Equitable, Equitable Life and Annuity Company, and numerous other unaffiliated life insurance companies, in their capacity as insurance agents associated with Equitable Network, an insurance agency affiliate of Equitable Advisors. Please refer to Item 4 – Advisory Business and Item 5 – Fees and Compensation above for a discussion of the compensation and conflict of interest implications of these various relationships.

Several companies affiliated with Equitable Advisors are also registered investment advisers. For information regarding their investment advisory business, please refer (where applicable) to each Form ADV on file with the SEC on its Investment Adviser Public Disclosure website <http://www.adviserinfo.sec.gov/>. These related persons are as follows:

- AB CarVal Investors L.P., File No. 801-71932;
- AB Custom Alternative Solutions LLC, File No. 801-60159;
- AllianceBernstein L.P., File No. 801-32361;
- AllianceBernstein Corporation, File No. 801-39910;
- Alliance Corporate Finance Group Incorporated, File No. 801-43569;
- AllianceBernstein Holding L.P., File No. 801-32361;
- AB Private Credit Investors LLC, File No. 801-80389;
- Sanford C. Bernstein & Co., LLC, File No. 801-57937;
- Equitable Investment Management Group, LLC, File No. 801-72220;
- PlanMember Securities Corporation, File No. 801 – 39177;
- PlanMember Asset Management Corporation, File No. 801-111678;
- AB Broadly Syndicated Loan Manager LLC, File No. 801-119242;
- Bernstein Institutional Services, LLC, File No. 801-129468; and
- CarVal CLO Management LLC, File No. 801-131161

Equitable Investment Management Group, LLC ("EIM", also known as "1290 Asset Managers" and the brand name "Equitable Investment Management") is the adviser to certain proprietary mutual funds known as the 1290 Funds and, as noted in Item 4 above, is available as a Strategist that IARs may recommend to clients in the MWP program. The 1290 Funds are registered investment companies under the Investment Company Act of 1940 and offered by prospectus. Equitable Advisors' IARs may recommend the 1290 Funds within certain advisory products (such as SAM accounts) as well as through its brokerage platform. Different price structures apply depending upon how the funds are purchased and which class is selected.

Additionally, in limited instances, Equitable Advisors has entered into written agreements with investment advisers who are not affiliated with Equitable Advisors, but which are owned and/or operated by one or

more Equitable Advisors IARs (an “outside investment adviser” or “ORIA”). Ordinarily, these persons are solely registered representatives of Equitable Advisors in its brokerage business and their advisory services are conducted through the ORIA. In certain limited cases, the principals, owners, and investment adviser representatives of these outside investment advisers are dually registered as investment adviser representatives of Equitable Advisors and the ORIA. Under certain circumstances, those individuals and other of Equitable Advisors’ IARs under certain circumstances are permitted to refer prospective investment advisory clients to the outside investment adviser. For more information, see Item 14 (“Client Referrals”) below.

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

### **Code of Ethics**

Equitable Advisors maintains a Code of Ethics that applies to all of our advisory “supervised persons” in accordance with Rule 204A-1 under the Advisers Act, which includes our IARs. The Code of Ethics and other policies and procedures are designed to assist the Company’s IAR advisory supervised persons in understanding their obligations under applicable law and regulation, to detect and prevent violations of the securities laws, to monitor the Company’s and IARs satisfaction of their fiduciary duty to clients, to ensure disclosure of, avoid, address, and/or mitigate conflicts of interest with Equitable Advisors’ clients, and prevent or detect other practices that may be inappropriate, illegal, or improper.

The Code of Ethics also assists the Company in monitoring the personal securities trading activities of those individuals deemed to be “access persons” under the Advisers Act (generally, our IARs and others who are privy to client trading and account information). A copy of the Code of Ethics is available for review on our disclosure website at [www.equitable.com/CRS](http://www.equitable.com/CRS). Alternatively, you can request a copy of the Code of Ethics from your IAR.

### **Participation or Interest in Client Transactions and Personal Trading**

Except as otherwise described above in Item 4 – Advisory Business, Equitable Advisors and our IARs do not recommend specific securities to clients in connection with our investment advisory services except with respect to LPL’s SAM program; rather, the specific securities are selected by the third-party program sponsor (LPL or a TAMP) that the client has chosen, with the help of his or her IAR, with which to invest. In the TAMP programs, the TAMP or third-party advisers the TAMP consults select the investments or create and adjust model portfolios implemented by the TAMP. In all of the LPL Programs save for SAM, underlying strategists, managers, or LPL selects the individual investments and rebalances the clients’ investments. In MWP Advisor Sleeve, certain Equitable Advisors IARs may create and manage a model portfolio for Equitable Advisors’ clients, with LPL determining implementation of the portfolio with discretionary authority over the client account.

For the SAM program, the IAR recommends specific securities to clients, which may include funds managed by AB and/or EIM, affiliates of Equitable Advisors, as well as insurance products offered through our affiliate, Equitable Network (in their capacity as licensed insurance agents of that affiliate). However, IARs may not recommend the purchase or sale of any individual securities of our publicly-traded parent company, Equitable Holdings, Inc. (NYSE: EQH), or individual securities of any Equitable affiliate, including AB. The definition of “individual securities” for the above referenced purposes includes all stock, fixed

income, and derivative instruments, including, without limitation, ADRs, bonds, and notes. Further, when an IAR exercises discretionary authority over a SAM account, the IAR cannot exercise such authority with respect to insurance products issued by, or funds managed by, our affiliates (e.g., Equitable-sponsored variable annuities, 1290 Funds managed by EIM (discussed below), etc.).

In SAM accounts, IARs may recommend the purchase or sale of mutual funds in the 1290 family of funds (managed by EIM) or funds managed by AB. An affiliate of Equitable Advisors, 1290 Asset Managers, is the investment adviser to the 1290 funds and receives a management fee for its advisory services to the funds. This affiliate benefits financially when more assets are invested in the 1290 funds. Alliance Bernstein, L.P. is the investment adviser to the AB Funds and is also an affiliate of Equitable Advisors. Alliance Bernstein, L.P. also benefits financially as additional assets are invested in the AB Funds. Because your IAR is an associate of Equitable Advisors, he or she has an indirect incentive to recommend a 1290 fund or AB Funds over another mutual fund family. This conflict of interest may affect the ability of your IAR to provide clients with unbiased, objective investment advice concerning the selection of mutual funds for the account. Note, however, that Equitable Advisors takes steps to mitigate these conflicts of interest. It does not compensate your IAR in a manner that is based on his or her recommendations of the 1290 funds or AB funds. A client's Account Fee in SAM is not determined based on assets invested in the 1290 funds or AB funds, and Equitable Advisors does not compensate your IAR based on the recommendation of a particular mutual fund of the same class of mutual fund shares over another.

In addition, the IARs' ability in the SAM program to recommend specific securities may result in situations where (i) a IAR personally invests in the same securities that are recommended to clients; or (ii) an IAR buy or sells securities for the IAR's own account at or about the same time as such securities are recommended to a client. Conflicts of interest could arise in such instances, including the possibility that the IAR could "front run," or trade for the IAR's personal account ahead of a client, or otherwise attempt through client recommendations to influence the price of a security the IAR is invested in or contemplating buying or selling for the IAR's own account.

We address these conflicts of interest in a number of ways, including by disclosing them to you. As noted above, our Code of Ethics regulates the personal securities trading activities of our IARs that we have deemed to be access persons. Our Code of Ethics requires our access persons to maintain their personal securities accounts with Company-approved broker-dealers. These broker-dealers provide Equitable Advisors with a feed of the access persons' account holdings and trades. These reports are analyzed by our Personal Brokerage Accounts Group to compare an IAR's personal trading to trading in client accounts to identify issues such as "front running," among other things.

We will take appropriate action to remedy any circumstance in which an IAR's personal trading may impact the client, including by reversing the trades so that the client receives the more favorable price.

Our Code of Ethics also prohibits access persons from acquiring for their own account securities in any Initial Public Offering ("IPO") and requires access persons to obtain specific written approval prior to acquiring for their own account any securities in a limited offering (e.g., a private placement of securities). These prohibitions are intended to help address potential and actual conflicts of interest that could arise relating to allocation of IPO and other limited offerings of securities to our clients.

IARs may aggregate their personal trades with those of clients to obtain a better price. However, in such cases, controls are in place to prevent IARs from allocating trades or prices obtained in a manner that disfavors clients. Aggregation of trades is discussed in greater detail in Item 12 below.

## Item 12 – Brokerage Practices

Equitable Advisors does not select or recommend broker-dealers for client transactions in the TAMP or LPL programs that the Company offers, and does not itself perform brokerage services in connection with such programs. The Company acts as a broker-dealer in its brokerage business, but not with respect to the programs offered to its advisory clients.

In the TAMP programs the Company offers, the applicable TAMP selects the broker-dealers used (or delegates that selection to a third-party adviser depending on the applicable TAMP program). In certain programs, the client may not have a choice of broker-dealer, while other programs may permit such choice, as agreed between the client and the TAMP. Certain of the TAMPs may use LPL as broker-dealer to execute all or a portion of the trades for their programs. A client should review the TAMP's Form ADV Part 2A to understand its client transaction, custody, and brokerage policies and practices and any conflicts it may face in this area.

In LPL programs, LPL serves as the broker-dealer for the programs. When an IAR acts as portfolio manager in SAM accounts, LPL requires that the client appoint LPL as the sole and exclusive broker-dealer for transactions in the SAM account agreement. Clients cannot select their own brokers in the LPL programs, including SAM. The Company has processes in place to monitor LPL's execution of client trades in SAM seeking to ensure LPL is meeting its execution obligations under applicable regulation.

We do not utilize any soft dollar arrangements, use client brokerage commissions to obtain research or other products or services, or permit a client to direct brokerage through a specified broker-dealer (unless provided as an option by an asset management program). For more information regarding the selection of broker-dealers for client transactions, custody, and best execution, please refer to the respective program sponsor's Form ADV Part 2A and/or account agreement.

In the SAM program, Equitable Advisors' IARs place securities orders on client's behalf either on a discretionary or non-discretionary basis. The IAR may aggregate orders and allocate the price among all applicable clients, so that all clients may receive improved pricing. This will generally be done only for discretionary accounts, as Equitable Advisors does not permit its IARs to exercise time and price discretion, and thus they are unable to hold client-approved transactions in non-discretionary accounts from the market. An IAR may determine not to aggregate transactions, for example, based on the size of the trades, the number of client accounts, the timing of the trades, the liquidity of the securities, and/or the discretionary or non-discretionary nature of the trades. If an IAR does not aggregate orders, some clients purchasing securities around the same time may receive a less favorable price than other clients. This means that this practice of not aggregating may cost clients more money. LPL is also an investment adviser in the SAM program, and is the broker-dealer for those accounts, but it generally does not aggregate orders unless instructed to by Equitable Advisors.

In aggregating orders through LPL, a IAR must set the allocation of the aggregated trade prior to entering it and cannot change that allocation. Trades are generally allocated pro rata. This control seeks to prevent IARs from allocating an aggregated trade in a way after time for price discovery that favors one client over another or the IAR's personal trades aggregated with those of clients (i.e., "cherry picking").

## Item 13 – Review of Accounts

**Financial Planning:** Our financial planning services generally address the client’s financial situation at the time the plan is prepared and terminate upon delivery of the plan. Thus, we do not typically initiate any periodic or other reviews of financial plans we deliver to clients except insofar as such clients are receiving investment advice related to their financial plan pursuant to an asset-based fee advisory account. As noted in Item 4, above, certain of our IARs will offer financial planning as part of a broader advisory account relationship. However, clients are encouraged to review their financial plan periodically to take account of changes to their financial circumstances, goals, market conditions, or other factors. Although not obligated to do so, clients may engage Equitable Advisors to assist in reviewing and updating a financial plan, in which case the client will enter into a new financial planning agreement with Equitable Advisors and pay a fee for the review and updating services. The review may follow the same general format as the original plan or may focus only on specific issues of concern to the client. The review and fees charged will follow the same guidelines and procedures described throughout this Brochure for our financial planning activities. See Items 4 and 5 for a specific discussion of financial planning fees.

**Asset Management Programs:** IARs monitor and review advisory accounts on an ongoing basis and as needed based on the nature of the account, the strategy employed, and other factors. IARs servicing Client Referral Arrangement TAMP accounts and LPL Program accounts (including SAM and MWP), described in Item 4 – Advisory Business, are required to meet with the client at least annually, if not more frequently. At this review, the IAR and the client discuss any updates to the client’s personal or financial information and/or investment needs, among other factors, which may affect their risk tolerance, time horizon, financial goals, and/or investment objectives.

These reviews are not conducted in Handoff Referral Arrangement TAMP accounts or for accounts with certain TAMPs, such as Nationwide, where Equitable Advisors has been instructed by the TAMP that they have an alternative method of completing an annual review.

SAM accounts may also be required to be reviewed upon triggering certain thresholds in the Proactive Surveillance system the Company employs to assist in monitoring accounts. This system monitors SAM accounts for various metrics that indicate the potential need for rebalancing or other servicing, and produces alerts to the IAR and supervisory personnel when triggered. Alerts are issued for breaching certain thresholds or limitations around investment or cash concentration, account inactivity, and other factors.

From time to time, certain advisory account balances may decline below the stated minimum for the relevant program. Consistent with our fiduciary duty to our clients, we will periodically review those accounts to determine if it is appropriate to continue within the advisory program. The review will determine the cause of the decline and will inform next steps, which would include the IAR confirming that the account type (e.g., brokerage versus advisory) and program are still suitable for, and in the best interests of, the client.

### **Regular Reports**

**Financial Planning:** Aside from the written report or “plan” that is generally provided to the client, no additional regular reports are typically provided to financial planning clients.

Investment Advisory Programs: Most of the investment advisory programs we make available to our clients provide, at a minimum, quarterly reports to the client. However, since the vast majority of the programs are sponsored by third party investment advisers – TAMPs and LPL --the reports will be produced and delivered by the program sponsor. Clients should review the program sponsor's response to Item 13 – Review of Accounts in the sponsor's Form ADV Part 2A for details regarding such reports.

ERISA Fiduciary Services: In addition to the initial proposal, or "plan" that is provided to qualified plan sponsors, periodic reports will be provided to the qualified plan sponsor. These reports will provide updated information on the investment options within the plan, to aid the qualified plan sponsor in monitoring the selected options.

### **Important Note Regarding Consolidated and Performance Reports, and Proposal Tools:**

Our IARs may provide clients with consolidated financial and/or performance reports, as well as investment proposals created using tools owned and operated by third parties, including Investigo, a division of Broadridge, eMoney Advisors, LLC, AssetMap, PlanLab, and ClientWorks (provided by LPL). In some cases, TAMPs make their proprietary proposal tools available to IARs in referring investors to the TAMPs. These reports are provided for information purposes only and as a courtesy to the client. Accuracy of the information contained in a consolidated or performance report is not guaranteed. Clients are encouraged to review and maintain official account statements ("source documents") provided by their account custodian. Source documents may contain notices, disclosures and other important information and may also serve as a reference should questions arise regarding the accuracy of a consolidated or performance report. Differences in reporting times for various assets (including those held away) may result in differences between an Equitable Advisors report and a source document. Clients should compare source documents to any reports received and contact their IAR immediately if discrepancies occur. In addition, clients should carefully read the disclosures included on any report or proposal they receive, particularly where the report or proposal contains hypothetical performance information regarding past or future investment performance. For more information regarding proposal tools and the use of hypothetical performance information, see the "Proposal Tool Disclosure" posted on our disclosure website at [www.equitable.com/CRS](http://www.equitable.com/CRS).

An Equitable Advisors report may, with the client's authorization, include assets that we do not hold on a client's behalf ("held away" assets) and which are not included on our books and records. In most instances, held away assets may be non-verifiable by us and may not be covered by SIPC protections, depending on the nature of the custody arrangement and the custodian. These reports may also include assets that are difficult to value accurately, such as closely held business or partnership interests or collectibles, and which may also be held away. We have no obligations with respect to these assets and no independent effort has been made to validate their values. Nothing in a report should be construed as evidencing any opinion or guarantee of the accuracy or reasonableness of any such values.

## **Item 14 – Client Referrals and Other Compensation**

### **Client Referrals**

#### **Inbound Referrals to the Company by Third-Parties**

From time to time, we enter into promoters' agreements (also called "referral agreements" or "endorsement agreements") with third parties through which those parties provide us with client referrals in exchange for compensation. We structure such referral arrangements in accordance with the Marketing Rule under the Advisers Act and other applicable federal and state laws. Clients referred to the Company will receive a disclosure document at the time of the endorsement or referral that will describe the compensation we pay to the referring party and the relationship (if any) between the Company and the referring party.

Equitable Advisors has entered into referral agreements where it receives client referrals with unaffiliated investment advisory firms owned by registered representatives and IARs of the Company (operated as an "outside business activity" or "OBA"), certain banks and credit unions, and trade groups and associations.

When the Company receives referrals from such entities, it pays compensation which may take the form of a percentage of the overall advisory fee the Company receives on an ongoing basis, a one-time payment, or a fixed periodic fee for the arrangement. In these cases, the referring party promoting or endorsing Equitable Advisors has an incentive to refer clients to the Company because of the compensation received, rather than based exclusively on the needs of the referred party. Generally, absent an advisory or other relationship between the promoter and the referred investor, such referring parties do not owe the referred investor a fiduciary duty or duty to act in such person's best interest in making the referral.

#### **Outbound Referrals to TAMPs and Other Advisers**

Likewise, if Equitable Advisors is referring a person to another investment adviser for investment advisory services (such as a TAMP), the IAR will provide such referred person with a disclosure statement for signature. However, this disclosure does not obligate a referred person in any way; such person may choose, entirely at his or her option, whether to become an investment advisory client or not of Equitable Advisors or the investment adviser that is the subject of the referral. Such a referred person may also choose different services and products available through Equitable Advisors that are not investment advisory in nature, such as life insurance or securities products.

Equitable Advisors' IARs may enter into arrangements to receive certain information on prospective insurance or securities clients. Such arrangements to obtain referrals of prospective insurance or securities clients are generally permitted by Equitable Advisors provided that the compensation paid is a nominal amount, the referral is not specific to any type of product or service, and the arrangement is not conditioned upon the opening of any type of account or the purchase or sale of any type of product. These arrangements are intended to be product-neutral and are not referral or commission-sharing arrangements; there is no restriction on the types of products or services one may choose when deciding to become a client of Equitable Advisors.



Certain registered representatives of Equitable Advisors may also refer broker-dealer business to qualified IARs and receive referral fees. Certain Equitable Advisors IARs may act as promoters or co-advisors to other investment advisers and receive fees in that capacity, including, in limited cases, ORIAAs (discussed above).

### **Additional Payments from Investment Product Providers**

In the case of a variable product, mutual fund, or 529 plan, we urge you to carefully read the applicable prospectus/offering statement, which provides details on the product features and any charges or costs associated with the product. Equitable Advisors provides enhanced marketing and support opportunities to certain fund families (including affiliated fund families such as AB and 1290 Funds) and, in return, such fund families pay financial support to Equitable Advisors in addition to any commissions Equitable Advisors and its IARs receive for the sale of such funds while acting as a broker-dealer.

Financial support payments received by Equitable Advisors from mutual funds will generally be structured as: (i) an annualized percentage of assets placed by Equitable Advisors into the fund (generally ranging from 1 basis point ("bp" or "bps") (0.01%) through 5 bps (0.05%)), subject to an alternative annual minimum payment generally ranging from \$10,000 through \$250,000; and/or (ii) an annual flat fee payment (up to \$2 million) irrespective of assets placed by Equitable Advisors into the fund. Financial support payments are generally not assessed with respect to assets held in mutual funds through qualified retirement or other accounts or plans subject to ERISA.

To view a list of fund families that provide Equitable Advisors with additional financial support compensation, please refer to Equitable Advisors' Compensation and Conflicts Disclosure as well as its Principles of Investing brochure, which are available from Equitable Advisors' IARs and on our disclosure website at <https://equitable.com/CRS>.

Equitable Advisors also receives financial support payments for assets placed by Equitable Advisors in certain alternative investments, including non-traded REITs and BDCs. Financial support payments in connection with these securities are intended to compensate Equitable Advisors for certain marketing and other services. Financial support payments from such companies generally range from 100 bps (1.0%) to 150 bps (1.5%) based upon total sales of the alternative investment offering sold by Equitable Advisors. Such financial support payments are made to Equitable Advisors from the broker-dealer managing the sales syndicate for such entities.

Equitable Advisors also receives financial support payments from certain of the TAMPs to which it refers investors or clients in addition to the portion of the advisory fee it receives for individual referrals. Equitable Advisors currently receives financial support payments from the following program sponsors: ACM, AssetMark, Brinker, Colony Group, PlanMember, SIMC, Boyd Watterson, and Morningstar. Financial support payments from each program sponsor generally range from 1 bp (0.01%) to 10 bps (0.10%) of client assets referred to the TAMP and may be subject to a minimum payment amount. Certain programs make payments based upon annual assets in the program or a combination of sales and assets under management. Alternatively, some TAMPs pay financial support payments through a flat fee. Financial support payments are paid to the Company by the TAMP, and are not part of the fees paid by the client to the TAMP.

Equitable Advisors may retain portions of financial support payments for any valid corporate purpose, and these amounts may contribute to the overall profits of the Company. Financial support payments are

generally not assessed with respect to assets held in asset management programs through qualified retirement or other accounts or plans subject to ERISA. The financial support payments (if any) are disclosed more fully in the Client Agreement, fee disclosure, and/or Equitable Advisors' Principles of Investing brochure, that are provided to clients, as well as the Compensation and Conflicts Disclosure, which as noted above is available on our disclosure website and may also be obtained from any IAR.

Equitable Advisors also receives financial support payments from certain mutual fund companies for assets placed by Equitable Advisors in the funds through asset management programs. Currently, such asset management programs offered by Equitable Advisors are LPL's SAM and MWP Advisor Sleeve programs. Equitable Advisors also receives financial support payments from certain money market mutual fund companies used in connection with cash sweep vehicles; in addition, LPL shares income it receives from the cash sweep program with Equitable Advisors. Additional information regarding cash sweep payments in connection with these programs is also available in the LPL Program Brochure for each program. Information on LPL's cash sweep programs is also available on LPL's Form ADV Part 2A (which is included as part of the LPL Program Brochures), which clients should carefully review.

The financial support payments to the Company described above will not result in a higher payment to a client's IAR. However, the additional payments will contribute to Equitable Advisors' profits and may indirectly benefit the IAR insofar as the payments are used by Equitable Advisors to support costs related to marketing or training.

Equitable Advisors and its IARs recommending LPL Programs to the client receive compensation as a result of the client's participation in the LPL program. This compensation includes a fee based on a portion of the Account Fee, as discussed in Items 4 and 5 above, and also may include other compensation, such as bonuses, awards or other things of value offered by LPL to Equitable Advisors or by LPL or Equitable Advisors to the IAR. For example, LPL under certain circumstances provides reimbursement of fees that Equitable Advisors or its IARs pay to LPL for administrative services. In particular, pursuant to the agreement between LPL and Equitable Advisors, LPL pays Equitable Advisors an amount, in addition to a percentage of Client's Account Fee, based on the current market value of all client assets that Equitable Advisors maintains in LPL advisory programs. This amount is paid from the portion of the fee retained by LPL, and payment of this amount does not result in any higher or additional client fees. Therefore, this additional portion of the fee provides Equitable Advisors a greater financial benefit if more client assets are invested in LPL Programs. The amount of compensation that Equitable Advisors receives from LPL is generally more than what Equitable Advisors and its IARs would receive if the client participated in programs of other investment advisers or paid separately for investment advice, brokerage, and other client services. Therefore, Equitable Advisors and its IARs at times have a financial incentive to recommend an LPL Program account over other programs and services.

Equitable Advisors receives an advisory reallowance fee from LPL based on a percentage of average advisory assets under management custodied at LPL in advisory programs for which LPL is a sponsor. Equitable Advisors provides a fee to certain Equitable Advisors IARs based on a percentage of their total business production. Equitable Advisors and/or its IARs receive 12b-1 fees, other transaction charges and service fees, IRA and Qualified Retirement Plan fees, administrative servicing fees for trusts, other charges required by law, and marketing support from certain mutual funds held in investment advisory accounts. However, 12b-1 fees are returned to the client except in certain circumstances relating to the cash sweep program. Please see your LPL Program Brochure for additional information about LPL's cash sweep program.

In addition, in certain instances, Equitable Advisors or its IAR receives a “finder’s fee” from a mutual fund company for placing a client’s assets into the fund for broker- dealer activity. A finder’s fee is generally triggered by an asset placement equal to or in excess of \$1 million, and generally ranges from 25 bps (0.25%) to 100 bps (1.00%) and will be disclosed in the prospectus or Statement of Additional Information of the mutual fund.

Equitable Advisors and its IAR receive non-cash compensation from certain TAMPs, LPL, or other third-party investment advisory program sponsors. Such compensation may include such items as gifts of nominal value, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or marketing or advertising initiatives. Such sponsors also pay for education or training events that are attended by IARs and Equitable Advisors’ employees. The Company has policies and procedures in place to monitor any such non-cash compensation and ensure they comply with applicable law and regulation.

IARs and their managers receive higher levels of cash compensation or other incentives for recommending products issued by Equitable Advisors and/or its affiliates (“proprietary products”) rather than products issued by third parties. Among other things, they qualify for certain benefits, such as health and retirement benefits, based solely on purchases of these proprietary products. Equitable Advisors receives compensation from an affiliate, Equitable Distributors, attributable in part to the benefits payments in connection with recommendations of Equitable variable insurance products in SAM accounts. In addition to commissions or advisory fees, IARs and their managers at times receive other compensation related to purchases of proprietary products resulting from their recommendations. For example, they may receive, among other things, Equitable stock options and/or stock appreciation rights, allowances and other assistance with marketing and related activities, training and education, trips, prizes, entertainment, awards, and other merchandise.

Accepting compensation in connection with the sale of securities or other investment products, including financial support payments and asset-based sales charges or service fees from the sale of mutual funds, presents a conflict of interest in that there is an incentive to recommend investment products based on the compensation received, rather than on a client’s needs. We disclose potential conflicts of interest to clients through documents such as this disclosure document, the prospectus, the LPL Program Brochures, and other materials discussing the products and services offered. The client should consider these additional payments and the potential conflicts of interest they create carefully prior to investing in any securities or asset management programs offered through Equitable Advisors. The client is encouraged to ask his or her IAR for additional information should he or she have any questions regarding these payments or the potential conflicts of interest they create.

### **SEI Advisor Benefits Program**

A very small number of Equitable Advisors’ IARs may receive additional non-cash benefits pursuant to a third-party loyalty program offered by SEI, a TAMP to which the Company refers clients. Equitable Advisors’ IARs who have placed a various levels of client assets into SEI’s programs will qualify to receive certain benefits, such as access to conferences and experts on business matters, networking events, educational resources, business operation webinars, and other non-cash benefits. The Company does not allow for cash payments or reimbursements of expenses by SEI in this Program (save perhaps for hotel or flight expenses incurred in attending an SEI conference). Clients considering an SEI program should consider the actual or potential receipt by a IAR of such benefits, which creates a conflict of interest. Clients are encouraged to speak with their IAR if they have any questions regarding SEI’s Advisor Benefits

Program and whether the IAR participates. The Company monitors use of this program on a semi-annual basis through information provided by SEI.

## **Item 15 – Custody**

As a general policy and practice, the Company does not have or accept custody over client assets, as defined under Rule 206(4)-2 of the Advisers Act (known as the “custody rule”). The Company does not have custody over client assets in referring clients to TAMP programs, nor do we select the custodians used in such programs. Further, in LPL programs, LPL acts as broker and custodian for the LPL Program accounts, and the Company does not generally have custody of client assets.

However, the Company has custody of client assets in the context of the proprietary variable annuity products offered by its affiliates and available through SAM. This is the only circumstance in which the Company is deemed to have custody under the Advisers Act.

Clients have the ability to purchase two Equitable proprietary variable annuity products via the SAM platform: Structured Capital Strategies – ADV, and Investment Edge – ADV. Equitable Advisors does not maintain the client assets with respect to such investments. Its affiliate, Equitable Financial, has custody. As a result of this affiliate’s custody of client assets under the Advisers Act, Equitable Advisors is subject to and complies with the custody rule.

In connection with these annuity investments, clients should receive at least quarterly statements from the qualified custodian that maintains the client’s investment assets. For tax and other purposes, the custodial statements are the official records of the client’s account and assets. We may provide additional statements or reports to you regarding your account, including consolidated or performance reports. Any additional statements provided by Equitable Advisors are provided for informational purposes only. We urge you to carefully compare the official custodial statements you receive from Equitable Financial to any statements the Company or LPL may provide. Comparing statements may allow you to determine if the account transactions, including deductions to pay advisory fees, are accurate. Please report any discrepancies you identify to your IAR.

Please see our response to Item 13 – Review of Accounts, above, for more information on the consolidated or performance reports we may provide. Clients in all other asset management programs should refer to the relevant TAMP or LPL’s Form ADV Part 2A, or the relevant program materials, for more information on those firm’s custodial practices, including information regarding the frequency of statements the account custodian will provide.

## **Item 16 – Investment Discretion**

Discretionary accounts are those in which the client grants an investment adviser authorization to trade securities without obtaining specific client consent for each transaction. In its TAMP programs and in all but one of the LPL programs (SAM, discussed below and described in Item 4), the Company does not make recommendations of specific securities for client advisory accounts. As described below, in SAM, IARs may exercise discretionary authority over client accounts: (1) when the IAR is approved by the Company to exercise discretionary authority generally, and (2) the client has authorized discretionary authority in writing and the Company has approved such discretionary authority with respect to the client’s account.

Generally, with very limited exceptions, IARs are not permitted to exercise discretionary authority over SAM accounts for clients subject to ERISA.

In order to authorize discretionary authority over a SAM account, a client must sign a Discretion Authorization Form providing Equitable Advisors with the authorization to place equity, fixed income, and mutual fund trades on their behalf without seeking client preapproval. A IAR may not transact in certain securities on a discretionary basis even in the case of a SAM account for which the client has authorized discretionary trading. By way of example and not limitation, an IAR with discretionary authority cannot use that discretion to purchase an annuity, alternative investments, or proprietary investments within a SAM account; such investments require that the client consent to such transactions in each instance.

The Company approves IARs to manage discretionary accounts based upon experience and training, including training required to become familiar with Equitable Advisors' guidelines for offering and managing discretionary accounts. Prior to placing a discretionary trade, the IAR will be fully credentialed and versed in the product being traded.

Generally, where Equitable Advisors is authorized to act on a discretionary basis in an account subject to ERISA, Equitable Advisors and the IAR do so as an investment manager appointed under ERISA Section 3(38), subject to very limited exceptions.

## **Item 17 – Voting Client Securities**

As a matter of Company policy and practice, we do not have and will not accept authority to vote proxies on behalf of advisory clients, nor do we provide advice to clients as to how they should vote proxies. For the advisory programs we offer through LPL and TAMPs, the client should refer to the program sponsor's Form ADV Part 2A to determine the program sponsor's policy on and/or instructions for voting client proxies. In certain programs, LPL or a TAMP, or their delegate, may vote proxies on behalf of the client, while, in others, clients will retain the responsibility for receiving and voting proxies.

## **Item 18 - Financial Information**

See attached Statement of Financial Condition.

## **[STATEMENT OF FINANCIAL CONDITION]**

**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
**Statement of Financial Condition**  
**December 31, 2024**



**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
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## **Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Member of Equitable Advisors, LLC

### ***Opinion on the Financial Statement – Statement of Financial Condition***

We have audited the accompanying statement of financial condition of Equitable Advisors, LLC (the “Company”) as of December 31, 2024, including the related notes (collectively referred to as the “financial statement”). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

The financial statement is the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of this financial statement in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.

A handwritten signature in cursive script that reads "PricewaterhouseCoopers LLP".

New York, NY  
March 13, 2025

We have served as the Company's auditor since 1999.

**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
**Statement of Financial Condition**  
**Year Ended December 31, 2024**

**Assets**

Cash and cash equivalents	\$	117,757,130
Receivable from affiliates		1,082,188
Receivable from sponsors and broker-dealers		33,680,009
Deferred tax assets		1,984,662
Prepays and other assets, net		9,936,371
Goodwill & other intangible assets	\$	4,317,566
Total assets	\$	<u>168,757,926</u>

**Liabilities and Member's Capital**

**Liabilities**

Payable to affiliates	\$	31,190,640
Payable for commissions and fees		33,294,666
Other liabilities		<u>2,382,861</u>
Total Liabilities		<u>66,868,167</u>

**Member's Capital**

Total liabilities and member's capital	\$	<u>168,757,926</u>
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The accompanying notes are an integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.

**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
**Notes to Financial Statements**

Year ended December 31, 2024

**1) Organization**

Equitable Advisors, LLC (the "Company"), a Delaware limited liability company, is a wholly owned subsidiary of Equitable Distribution Holding Corporation (Holding) which is a wholly owned subsidiary of Equitable Financial Services, LLC (EFS). EFS is a direct, wholly owned subsidiary of Equitable Holdings, Inc. (EQH).

The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA). The Company is also a registered investment advisor under the Investment Advisors Act of 1940. Its principal businesses are the distribution of shares of investment products, primarily mutual funds offered by affiliates and third parties, as well as the sale of brokerage products and variable life insurance and annuity contracts issued by Equitable Financial Life Insurance Company (EFLIC) and Equitable Financial Life Insurance Company of America (EFLOA), wholly owned subsidiaries of EFS. The Company focuses on the development and management of retail customers and currently offers a variety of asset management accounts with related services, as well as money management products such as asset allocation programs and advisory accounts. Retail distribution of products and services is accomplished by financial professionals (FP's) contracted with Equitable Network, LLC, an affiliate, and the Company.

LPL Financial LLC (LPL), an independent brokerage firm, provides clearing and certain back-office brokerage services to the Company on a fully disclosed basis. The agreement between LPL and the Company is in effect through June 30, 2029 (the LPL Agreement). The LPL Agreement will renew automatically for an additional twenty-four month term unless terminated under certain conditions.

**2) Significant Accounting Policies**

**Basis of Presentation**

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions (including normal, recurring accruals) that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. The accompanying financial statements reflect all adjustments necessary in the opinion of management for a fair presentation of the financial position of the Company.

The Company estimates that the carrying value of receivables and payables approximates fair value, due to their short term nature.

**Equitable Advisors, LLC****(A wholly owned subsidiary of Equitable Holdings, Inc.)****Notes to Financial Statements**

Year ended December 31, 2024

Adoption of New Accounting Pronouncements

Description	Effective Date and Method of Adoption
<b><i>ASU 2023-07: Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures</i></b>	
This ASU provides improvements to reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple measures of segment profit or loss, provide new segment disclosure requirements for entities with a single reportable segment and contain other disclosure requirements.	The Company adopted the new accounting standard ASU 2023-07 for the year ended December 31, 2024. See Note 9 of the Notes to these Financial Statements for details.

**Equitable Advisors, LLC****(A wholly owned subsidiary of Equitable Holdings, Inc.)****Notes to Financial Statements**

Year ended December 31, 2024

Future Adoption of New Accounting Pronouncements

Description	Effective Date and Method of Adoption	Effect on the Financial Statement or Other Significant Matters
<b><i>ASU 2023-09: Income Taxes (Topic 740): Improvements to Income Tax</i></b>		
<p>The ASU enhances existing income tax disclosures primarily related to the rate reconciliation and income taxes paid information. With regard to the improvements to disclosures of rate reconciliation, a public business entity is required on an annual basis to (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. Similarly, a public entity is required to provide the amount of income taxes paid (net of refunds received) disaggregated by (1) federal, state, and foreign taxes and by (2) individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5 percent of total income taxes paid (net of refunds received).</p> <p>The ASU also includes certain other amendments to improve the effectiveness of income tax disclosures, for example, an entity is required to provide (1) pretax income (or loss) from continuing operations disaggregated between domestic and foreign, and (2) income tax expense (or benefit) from continuing operations disaggregated by federal, state, and foreign.</p>	<p>The ASU will be effective for annual periods beginning after December 15, 2024. Entities are required to apply the ASU on a prospective basis.</p>	<p>The adoption of ASU 2023-09 is not expected to materially impact the Company's financial position, results of operation, or cash flows</p>



**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
**Notes to Financial Statements**

Year ended December 31, 2024

Cash and Cash Equivalents

The company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. As of December 31, 2024, the cash held at two banks exceeded the Federal Deposit Insurance Company (FDIC) insurance limits.

Cash equivalents at December 31, 2024 include investments in a money market fund of an affiliated registered investment advisor, AllianceBernstein, totaling \$112,688,859.

Given the concentration of cash and cash equivalents, the Company may be exposed to certain counterparty risk.

Prepays and Other Assets, net

Prepays and other assets include \$1,261,200 of technology and analysis subscription cost chargebacks to FP's, reduced by an allowance for doubtful accounts of \$426,700 (the allowance is maintained at a level that the Company estimates to be sufficient to absorb potential losses and is primarily based on the current aging and historical collectability of these receivables), prepaid regulatory fees of \$148,354, prepaid federal and state tax liability of \$6,239,723 and accrued advisory fees for client accounts on an arrears billing cycle of \$2,713,793.

Goodwill and Other Intangibles

Goodwill represents the excess of purchase price over the estimated fair value of identifiable net assets acquired in a business combination. The Company tests goodwill for recoverability each annual reporting period at December 31 and more frequently if facts or circumstances are indicative of potential impairment.

The Company's intangible assets reflect amounts assigned to acquired customer relationships and contracts at the time of acquisition, less accumulated amortization. These intangible assets generally are amortized on a straight-line basis over their estimated useful life of approximately 7 years. All intangible assets are periodically reviewed for impairment as events or changes in circumstances indicated that the carrying value may not be recoverable. If the carrying value exceeds fair value, impairment tests are performed to measure the amount of the impairment loss, if any.

As of December 31, 2024, the Company had goodwill of \$3,130,041 and intangible assets of \$1,187,525 totaling \$4,317,566 resulting solely from the acquisition of Penn Investment Advisors (PIA) in 2023.

As of December 31, 2024, the Company's annual testing resulted in no impairment of goodwill, as the fair value of the reporting unit exceeded its carrying amount at each respective date. .

Income Taxes

The Company is included in the consolidated federal income tax return filed by EQH, and the consolidated state and local income tax returns filed by Holding. Federal income taxes are calculated as if the Company filed on a separate return basis, and the amount of current taxes or benefit calculated is either remitted to or received from Holding. The amounts of current and deferred income tax-related assets and liabilities are recognized as of the date of the financial statements utilizing currently enacted tax laws and rates. Deferred tax expenses or benefits are recognized in the financial statements for the changes in deferred tax liabilities or assets between years. Under the state tax sharing agreement with Holding, the Company computes its state tax liability as if the Company filed state tax returns on a



**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
**Notes to Financial Statements**

Year ended December 31, 2024

separate-return basis; if the Company's tax attributes are utilized by Holding to reduce Holding's state tax liability, the Company will be reimbursed.

Subsequent Events

Events and transactions subsequent to the balance sheet date have been evaluated by management, for purpose of recognition or disclosure in these financial statements, through March 13, 2025, the date that these financial statements were available to be issued. The Company has determined that it does not have any material subsequent events to disclose in the notes to the financial statements.

**3 ) Fair Value Measurement**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The accounting guidance established a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, and identifies three levels of inputs that may be used to measure fair value:

**Level 1** - Unadjusted quoted prices for identical assets or liabilities in active markets. Level 1 fair values generally are supported by market transactions that occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2** - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and inputs to model-derived valuations that are directly observable or can be corroborated by observable market data.

**Level 3** - Unobservable inputs supported by little or no market activity and often requiring significant management judgment or estimation, such as an entity's own assumptions about the cash flows or other significant components of value that market participants would use in pricing the asset or liability.

**Financial Instruments Measured at Fair Value on a Recurring Basis**

<b>December 31, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
Cash equivalents	\$ 112,688,859	\$ —	\$ —	\$ 112,688,859

Cash equivalents classified as Level 1 include investments in a money market fund of an affiliated registered investment advisor, AllianceBernstein and is carried at its approximate fair value as reported by the registered money market fund.

**4 ) Net Capital Requirements**

The Company is subject to the SEC Uniform Net Capital Rule (the Rule), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined in the Rule, shall not exceed 15 to 1. As of December 31, 2024, the Company had net capital of \$48,466,239 which exceeded required net capital of \$4,457,880 by \$44,008,359 and the Company's ratio of aggregate indebtedness to net capital was 1.38 to 1.

**5 ) Transactions With Affiliates**

**Equitable Advisors, LLC****(A wholly owned subsidiary of Equitable Holdings, Inc.)****Notes to Financial Statements**

Year ended December 31, 2024

On December 9, 2024 the Company's Board of Directors authorized a \$130 million distribution to its parent, Holding. The amount was paid on December 13, 2024. Dividend payments and other equity withdrawals are subject to certain notification and other provisions of the Rule.

During 2024, the Company earned commissions concessions and fees from affiliates of \$4,964,991 from AllianceBernstein, \$1,888,056 from Equitable Distributors, LLC (EDL) and \$154,143 from Equitable Investment Management Group LLC (EIMG).

Pursuant to the Agreement for Cooperative and Joint Use of Personnel, Property and Services, and the Distribution and Servicing Agreement, EFLIC provides the Company with personnel to perform management, administrative, clerical and sales services and makes available the use of certain property and facilities. During 2024, the Company incurred expenses of \$86,309,075 for the cost of such personnel and services, including \$1,110,942 of allocated costs for various share-based compensation plans sponsored by EQH.

The following table provides information relating to the Company's affiliated receivables and payables as of December 31, 2024

<b>Receivable From Affiliates</b>	
Alliance Bernstein for commissions	\$ 840,262
Equitable Distributors for commissions	241,926
Total Receivable from Affiliates	<u>\$ 1,082,188</u>
<b>Payable to Affiliates</b>	
EFLIC and its affiliates for shared services	\$ 12,983,892
Equitable Network for reimbursement of commissions expenses	17,795,883
EFLIC for commissions on Momentum products custodied at LPL	403,140
EFLIC for the reimbursement of taxes paid	7,725
Total Payable to affiliates	<u>\$ 31,190,640</u>

During 2024, the Company earned \$523,830,000 of commissions, concessions and fees and 209,942,947 of investment products and distribution fees from affiliates, which were simultaneously paid out to FPs or paid to the affiliates for services pursuant to the agreements described above.

**6 ) Income Taxes**

As a single member limited liability company, the Company is treated as a division of Holding for Federal and State income tax purposes, not as a separate taxable entity. Tax sharing arrangements between the Company and Holding provide that the amount the Company will either remit to or receive from Holding for its share of Federal and State income taxes is calculated as though the Company was filing separate Federal and State income tax returns. Under the Federal income tax sharing agreement, the Company is reimbursed for the use of its separate company losses or tax credits to the extent there is an aggregate reduction in the consolidated federal tax liability of EQH and it is reasonable to expect EQH's liability to be reduced. The Company is reimbursed for the use of such items under the State income tax sharing agreement in the years they actually reduce the consolidated state income tax liability of Holding.

**Equitable Advisors, LLC**  
**(A wholly owned subsidiary of Equitable Holdings, Inc.)**  
**Notes to Financial Statements**

Year ended December 31, 2024

The Company had the following deferred tax assets as of December 31, 2024.

State net operating loss	\$ 7,631
Deferred compensation	3,190,301
State income tax	(1,262,809)
Other	<u>49,539</u>
Deferred Tax Assets	<u>\$ 1,984,662</u>

At December 31, 2024, the Company had a total net deferred state tax asset of \$ 909,443 and a net deferred federal income tax asset of \$1,075,219.

The Company has determined that it is more likely than not that the federal, state and local deferred tax assets will be realized. As of December 31, 2024, the Company had total current taxes receivable of \$6,239,723 comprised of a federal income tax of \$2,276,795 and a state income tax of \$3,962,928.

The effective rate of 26% differs from the statutory tax rate of 21% primarily due to state income taxes of \$8,919,599 net of federal benefit.

As of December 31, 2024, the Company had no liability for uncertain tax positions.

As of December 31, 2024, tax years 2014 through 2018 and 2020 through 2024 remain subject to examination by the Internal Revenue Service and the 2018 through 2024 tax years are open to examination by state tax authorities.

**7) Off-Balance Sheet Risk**

In the normal course of business, the Company may enter into contracts that contain various representations and indemnities including a contract where it executes, as agent, transactions on behalf of customers through a clearing broker on a fully disclosed basis. If the agency transactions do not settle because of failure to perform by either the customer or the counterparty, the Company may be required to discharge the obligation of the nonperforming party and, as a result, may incur a loss if the market value of the underlying security is different from the contract amount of the transaction. The Company has the right to pursue collection or performance from the counterparties who do not perform under the contractual obligations. Although the right of the clearing broker to charge the Company applies to all trades executed through the clearing broker, the Company believes there is no estimable amount assignable to this right or rights under other contracts as any obligation would be based on the future nonperformance by the counterparties. At December 31, 2024, the Company has recorded no liabilities with regards to these rights.

The Company is subject to credit risk to the extent the sponsors and the clearing broker may be unable to repay the amounts owed.

**Equitable Advisors, LLC****(A wholly owned subsidiary of Equitable Holdings, Inc.)****Notes to Financial Statements**

Year ended December 31, 2024

**8 ) Commitments And Contingencies**

The Company is involved in various regulatory matters, legal actions and proceedings in connection with its business. Some of the actions and proceedings have been brought on behalf of various claimants and certain of those claimants seek damages of unspecified amounts. For certain specific matters, the Company estimates a liability which is included within Other liabilities on the Statement of Financial Condition. For certain other matters, management cannot make a reasonable estimate of loss. While the ultimate outcome of these matters cannot be predicted with certainty, in the opinion of management, the Company does not currently believe that potential losses are likely to have a material adverse effect on the Company's financial condition.

**9) Business Segment Information**

As a securities broker-dealer, the Company engages in a single line of business, which is comprised of several classes of services, including the distribution of shares of mutual funds issued by affiliates and third parties, the sale of brokerage products and variable annuity and life insurance contracts issued by affiliates, offering services in connection with asset management accounts and money management products. The Company has identified its President as the chief operating decision maker ("CODM"). The CODM uses net income to evaluate the results of the business and decide how to allocate resources. Additionally, the CODM uses excess net capital (see Note 4), which is not a measure of profit and loss, to make operational decisions while maintaining capital adequacy, such as whether to reinvest profits or pay dividends. The Company's operations constitute a single operating segment and therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole.