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FOUNDERS FINANCIAL SECURITIES, LLC

FORM ADV – PART 2A

March 31, 2023

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This Brochure provides information about the qualifications and business practices of Founders Financial Securities, LLC (“FFS” or “the Firm”). If you have any questions about the contents of this Brochure, please call us at 888-523-1162. 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.

The Firm offers and delivers information about our qualifications and business practices to clients at least annually. Pursuant to SEC Rules, FFS will notify clients of material changes to this brochure within 120 days of the close of our fiscal year. Further, FFS will disclose material changes to clients as necessary throughout our fiscal year. Additional information about FFS also is available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for FFS is 137945.

FFS is a Registered Investment Adviser. Registration as an Investment Adviser does not imply a certain level of skill or training.

Item 2 - Material Changes

With this Brochure, the Firm offers and delivers information about its qualifications and business practices to clients at least annually. FFS will ensure that clients receive a summary of any material changes to this Brochure within 120 days of the close of the Firm's fiscal year. FFS will provide other ongoing disclosure information about material changes as necessary.

The following is a summary of the changes made to this Brochure since the last annual update that FFS made on March 31, 2022:

Item 4 has been updated to provide information regarding the Firm's relationship with Maple Capital Management, Inc.

Item 4 has been updated to provide information regarding the Firm's relationship with Pontera Solutions Inc.

Item 4 and Item 5 have been updated to provide further clarity regarding Advisory business and the fees charged.

This Brochure can be requested by contacting the Firm at 888-523-1162.

Additional information about FFS is available on the SEC's website at www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with FFS who are registered, or are required to be registered, as Investment Adviser Representatives of FFS.

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Item 4 - Advisory Business

About FFS

FFS was founded in 2004 and became registered with the SEC as an Investment Advisor in 2006. FFS is a wholly owned subsidiary of Founders Financial, LLC. Listed below is a description of the various investment advisory services offered by FFS through registered individuals associated with FFS as Investment Adviser Representatives (“IARs”). IARs hold themselves out to the public using business names other than FFS. These are known as “doing business as” names or, more commonly, “DBAs.” IARs must disclose on their advertising and correspondence materials that they are an IAR of FFS and that securities and investment advisory services are offered through FFS.

Description of Services Available

FFS does not determine investment philosophies and strategies for IARs. Investment philosophies and strategies will vary by IAR based upon how they understand individual client investment needs. IARs are responsible for recommending and implementing investment advice under the supervision of FFS. Clients are advised that there is no guarantee, stated or implied, that the client’s investment goals or objectives will be achieved.

FFS’ IARs provide investment advisory services on both a discretionary and non-discretionary basis. These services include, but are not limited to, providing ongoing investment advice, management of investment advisory accounts, and recommendation of third-party money managers. IARs also provide advice to clients on matters not directly involving securities, such as financial planning, retirement planning and estate planning.

FFS’ IARs approach to financial planning can include a review of a client’s financial assets, liabilities, and cash flows through the lens of their goals and objectives. Based on that review, the IAR will work with the client to create a financial plan that considers savings goals, projections about a client’s potential ability to achieve their goals and objectives, the impact of different rates of return and possible future variations in cash flow. Further, the IAR will work with the client to determine a prudent asset allocation considering existing assets, client risk tolerance and time horizon, and the potential benefits of diversification.

FFS IARs approach to investment management and advisory services can include personal discussions in which a client’s goals and objectives are discussed and established. The IAR will develop an investment plan that considers each client’s investment objectives, risk tolerance, time frame, and future need for the funds. The FFS IAR will use various tools, resources, and questionnaires to understand these factors and then build and manage the portfolio according to the criteria. FFS IARs will provide continuous investment management advice based on the client’s individual needs.

FFS’s IARs assist clients that are trustees or other fiduciaries to retirement plans by providing fee-based consulting and/or advisory services. If client elects to engage FFS and IAR to perform ongoing investment monitoring and ongoing investment recommendation services to a retirement plan, such services will constitute “investment advice” under Section 3(21)(A)(ii) of ERISA. Depending upon the scope of services offered by the IAR, clients may also have the option of engaging FFS and IAR to provide certain investment advisory services on a discretionary basis as an “investment manager” under Section 3(38) of ERISA. Therefore, FFS and the IAR will be deemed a “fiduciary” as such term is defined under ERISA when providing either non-discretionary investment advice or discretionary investment manager services, as designated in the client account agreement. Clients should understand that to the extent FFS and IAR are engaged to perform services other than ongoing investment monitoring and recommendations (for example, investment education and general financial information), those services are not “investment advice” under ERISA and therefore, FFS and IAR will not be a “fiduciary” under ERISA with respect to those other services.

ERISA and Individual Retirement Accounts Disclosure

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

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

The following is a list and description of our advisory programs:

I. Independence Advisory

Independence Advisory is an investment advisory platform available to IARs who manage client accounts through their own investment process. Management and trading in these accounts may be discretionary or non-discretionary. These accounts are custodied at Pershing LLC ("Pershing"), Axos Clearing LLC ("Axos") or Charles Schwab & Co, Inc. ("Schwab"). The IAR and client will decide which custodial platform will serve the client's needs after a discussion of their investment objectives, risk tolerance and investment goals. The IAR can also offer advisory services for accounts not directly held with FFS custodians. This is accomplished through the management of Held Away 401k Accounts, via a partnered program with Pontera. See Item 12 for more information on each custodian's practices.

The IAR will develop an investment allocation that considers each client's investment objectives, risk tolerance, time frame, and future need for the funds. The FFS IAR will use various tools, resources, and questionnaires to understand these factors and then build the portfolio subject to the investment choices available within the platform, the investment selections for Held Away 401k Accounts are limited to the choices offered through the specific account and custodian.

FFS IARs will provide continuous investment management advice based on the client's individual needs. Client accounts typically hold mutual funds, stocks, and exchange traded funds (ETFs). Held Away 401k Account holdings can also include money market funds, investments with third party managers, or other types of securities.

For Held Away 401k accounts, FFS IARs leverage an Order Management System from Pontera to implement asset allocation and rebalancing strategies on behalf of the Client. Fees for the investment advisory services for held away accounts are typically charged to a different account of the client that is managed directly by the IAR through another FFS advisory program or can be paid directly by client. Fees are not deducted from the held away accounts.

II. Third-Party Asset Managers

FFS enters into agreements with various unaffiliated third-party asset managers or sub-advisors to provide investment management, investment advice, consultation, and direction to FFS and the IAR concerning the management of the client account. In instances where sub-advisors are engaged, the client acknowledges that they receive all pertinent contracts, agreements, and disclosure documents.

Each IAR shall assist their client in formulating an investment plan based on the client's investment objectives, risk tolerance, and time horizon. Once an investment plan is formulated, a suitable third-party asset manager is selected to implement and manage the investments in the client's account. In preparing the investment plan, each IAR will set appropriate restrictions or limitations on the management based on client's investment profile and explain to the client the discretionary nature of the account activity transacted by the third-party asset manager. Also, FFS will periodically conduct due diligence and surveillance reviews of third-party managers. The relationship of FFS with the third-party asset manager will be clearly communicated to the client in the third-party asset manager's Client Services Agreement and/or other similar documentation. Each third-party asset manager is required to provide FFS and each of the IARs with a disclosure document, typically a copy of their Form ADV 2A.

IARs also have access to two platforms through which they can access third-party asset managers:

- *The Managed Portfolio Program* is a fee-based platform through which an IAR constructs risk tolerance-based investment models utilizing a combination of mutual funds, exchange-traded funds (ETFs), and investment strategies sub-advised by third-party asset managers in an effort to meet the stated investment objectives of each client. Based on the information provided by the client, the IAR will determine which model(s) of the Managed Portfolio Program are appropriate for each client. FFS and IAR will monitor the sub-advised investment strategies, mutual funds, and exchange-traded funds (ETFs) that are selected for the Managed Portfolio Program and will assume discretionary authority, via the Investment Advisory Agreement, to manage the accounts. Custodial services are provided by Axos.

- *Independence Manager Exchange (IMX)* is a turnkey advisory platform through which IARs can outsource asset management to one or more institutional third-party asset managers. Based on the information provided by the client, the IAR will determine which model(s) of the IMX platform are appropriate for each client. FFS has partnered with Orion Portfolio Solutions to deliver IMX. Custodial services for IMX are provided by TD Ameritrade Clearing, Inc.

III. **Freedom Capital Management Strategies®**

Freedom Capital Management Strategies® ("FCMS") is a comprehensive suite of investment advisory programs managed by FFS. FFS delivers investment solutions through our IARs, which include professionally managed investment advisory accounts, investment fiduciary services for qualified retirement plans, and investment education for retirement plan participants, as detailed below.

In certain situations, FFS engages independent investment sub-advisors or model delivery providers to assist in the management of the investment strategies available through FCMS. In instances where sub-advisors are engaged or FFS has discretion, FFS obtains authorization from the clients to accept delivery of all trade confirmations.

- *FCMS Managed Accounts* – Through FCMS Managed Accounts, FFS offers a curated suite of managed investment strategies that incorporate strategic, dynamic, and alternative asset allocation methodologies. The IAR will assist each client in developing and implementing a personalized investment allocation based on the client's investment objective, risk tolerance, and time horizon. The client accounts in FCMS are managed on a discretionary basis, as detailed in the Client Advisory Agreement. The client accounts invested through this program are held in custody at Axos.

- *FCMS Private Wealth Solutions* – FFS has partnered with Maple Capital Management, Inc. ("Maple Capital"), a Registered Investment Advisor that is not affiliated with FFS, to create customized portfolio solutions that are typically comprised of individual stocks and bonds. FFS and the IAR are responsible for client management which includes, but is not limited to, such things as: account setup, identifying client investment objectives, suitability, risk tolerance, and client relationship management. Maple Capital is responsible for investing activities, which include but is not limited to such things as: selecting and monitoring investments, portfolio construction, and executing transactions in accordance with the client's investment objectives and risk tolerance. The terms and conditions under which the client shall engage Maple Capital through FFS will be set forth in an investment advisory agreement between the client, FFS and Maple Capital.

  Private Wealth Solutions incorporates a private client service model where the portfolio management team from Maple Capital works alongside the IAR to develop and implement a custom investment portfolio for each client based upon each client's investment objectives, risk tolerance, and time horizon. The client accounts in this program are managed on a discretionary basis, as detailed in the investment advisory agreement and are held in custody at Schwab.

- *FCMS Freedom Independence Plan* – The Freedom Independence Plan is a discretionary investment advisory program for company qualified retirement plans. Through this program, FFS serves as a fiduciary investment manager, as defined in section 3(38) of the Employee Retirement Income Securities Act (ERISA). FFS selects, manages, and monitors the investments made available in the retirement plan of each plan sponsor client using this program and also develops an investment policy statement for each of the retirement plans. IARs assist the plan sponsor in determining if the program is appropriate for their plan and also provide plan design consultation to plan sponsors and investment education to plan participants. The program is currently available at several retirement plan recordkeepers that are unaffiliated with FFS, including LT Trust, John Hancock Retirement Plan Services, Professional Capital Services, Touchstone Retirement Group, and The Standard.

- TheFreedomStrategies.com – This is an investment education software offering assistance to clients with participant-directed retirement accounts that are held away. This subscription-based service delivers asset allocation guidance through FFS and our IARs to support clients in managing their retirement plan accounts that are not held with FFS. More information is available at TheFreedomStrategies.com.

IV. **Nationwide Variable Annuity**

This is a fee-based variable annuity issued by Nationwide. As with all variable annuities, the Nationwide product can provide certain tax advantages for non-qualified client assets. The IAR develops an investment allocation that considers each client's investment objective, risk tolerance, time frame, and future need for the funds. FFS' IARs will use various tools, resources, and questionnaires to understand these factors and then build and manage the portfolio according to the criteria within the Nationwide product and subject to the sub-accounts available within Nationwide Variable Annuities. FFS' IARs will provide on-going investment management advice based on the client's individual needs.

The investment selections for the variable annuity are limited to the choices offered through the specific product. Specifics regarding the annuity are found in the annuity prospectus and application documents. The IAR builds an appropriate asset allocation for each client based on their risk tolerance, using sub-accounts available within the Nationwide Variable Annuity. On-going monitoring of the account is performed by the IAR and recommendations for changes to asset allocations or sub-accounts must be approved by the client.

V. Financial Planning Services

FFS IARs offer financial planning and consulting. Financial planning typically involves providing a variety of services to individuals or entities regarding the management of their financial resources based upon an analysis of their individual needs. Generally, financial planning services involve preparing a financial analysis for a client based on the client's stated life goals, income, and financial needs, and could also include a review of the client's investment objectives and risk tolerance. The information provided as part of this service would normally cover present and anticipated assets and liabilities, including insurance, savings, investments, and anticipated retirement benefits or other employee benefits. Traditional financial planning involves meeting with the client to determine financial goals and objectives and then developing and delivering a financial plan.

The financial planning advice that is provided by the IAR will include general recommendations for a course of action or specific actions to be taken. Typical financial planning and consulting will include the following:

- Initial Client Meeting
    - The purpose of an initial meeting is to discuss specific areas of concern and potential planning areas. During this meeting, the IAR will work with the client to determine whether a financial plan is appropriate or whether the client seeks investment advice only.
    - As part of the initial meeting, or as a separate meeting, the IAR will review necessary documents to develop a financial plan. These documents can include, but are not limited to, brokerage statements, insurance policies, income tax statements, estate documents, previously completed financial plans, business agreements and retirement information.
- Developing a Financial Plan, Investment Analysis, or Both
    - Based on the information the IAR gathers, a financial plan or investment analysis will be developed. The IAR can use various computer software tools to assist in creating the financial plan or investment analysis. While the IAR will not provide tax or legal advice, with client permission the IAR can speak with the client's attorney or tax professional.

Financial plans typically consist of a combination of one or more of the following services:

- Financial Position
    - Financial position review encompasses a review of current financial position, including a review of current cash flow. This type of review typically involves reviewing client net worth, cash flow, budget, debt, and investment accounts.
- Retirement Planning
    - Retirement planning typically consists of analyzing current or expected future retirement needs. Based on the current level of retirement savings, additional retirement accounts (such as an IRA or Roth IRA) could be recommended, or additional contributions to existing company retirement plan could be recommended.
    - If the client has an account in a company retirement plan that falls under ERISA (such

as a 401(k), defined benefit plan, etc.), the IAR can provide education on the company's retirement account or recommendations for the investment allocation based on the client's risk tolerance for their consideration.

- Insurance Analysis
    - Insurance analysis typically consists of analyzing current or expected insurance needs. Based on the client's specific circumstances such as, number of dependents and the age of the members in a household, the IAR could suggest the need to increase or decrease the amount of insurance or modify or change the type of policy. The types of policies that the analysis covers could include, but are not limited to, life insurance, long-term care insurance, disability insurance, health insurance, and property and casualty insurance.

- Education Planning
    - The IAR can review current or future needs as it relates to paying for education expenses for the client or their dependents. This type of review typically analyzes the amount of money being saved for education expenses in addition to what might be needed based on the client's goals. Further, the review could include recommendations on how to invest funds that are earmarked for educational needs.

- Estate and Wealth Transfer

  The IAR can review the goals of the client as it relates to the client's financial legacy. This type of review typically assesses account ownership structure, beneficiary designations, and whether the client has appropriate legal documentation. The IAR is not involved in providing any legal or tax advice and will commonly recommend the client seek appropriate counsel from legal or tax professionals.

- Investment Analysis

  Investment Analysis involves the IAR interviewing the client to understand the client's goals and objectives of current portfolio(s) and investable assets. This analysis typically consists of the client completing a risk tolerance interview and/or assessment. Upon completion the IAR will typically compare the client's current portfolio to the client's determined risk tolerance. The investment analysis can include, but is not required to contain, security and/or product analysis of client positions, broad asset allocation review, and a review of the tax efficiency of the client's overall investment portfolio. As part of the consulting services, the IAR will not provide tax advice. Upon completion of the analysis, the IAR can provide the client recommendations regarding the client's investment portfolio that will take into consideration the financial planning objectives, accumulation goals, time frame, and investment experience.

- Recommendations

  The client is under no obligation to implement financial planning or investment recommendations provided by the IAR. If the client chooses to act on any of the advice given, client is under no obligation to open any accounts with FFS or the IAR, and could, in fact, open accounts with firms that are not affiliated with FFS. If the client implements any investment recommendations through FFS, this will create a conflict of interest for the IAR and FFS because the IAR and FFS will receive compensation for recommendations that are implemented through FFS. If the Client implements such recommendations by using another broker-dealer, investment advisor or dealing directly with an issuer of mutual funds, neither FFS nor the IAR will be compensated.

VI. 1031 Planning

As part of Financial Planning Services, FFS' IARs may also provide consulting services to clients initiating

1031 exchanges of real property and seeking advice towards re-investment of assets received from the exchange. FFS IARs can provide recommendations regarding the reinvestment of assets into Delaware Statutory Trusts (DST) or any real property instrument. Although FFS IARs may assist clients with the preparation of direct application purchase, the IAR does not facilitate the exchange or purchase of such properties or any investment. Further, the FFS IAR will not receive any compensation from the 1031 provider, nor have any responsibility for ongoing assessment or advice concerning the 1031 exchange and property that was selected by the client. Clients may choose to accept the IAR recommendations or may choose not to accept the recommendations made by the IAR. Finally, FFS IARs will not be listed as advisors of record as the transaction will occur through a nonaffiliated outside broker dealer.

VII. **Wrap Fee Programs**

FFS does not sponsor or manage any wrap fee programs. IARs are permitted to recommend the use of third-party asset managers that offer wrap fee programs. The third-party asset managers recommended by IARs that offer wrap fee programs include, but are not limited to, AssetMark, SEI Asset Management, and Orion Portfolio Solutions. These are considered “wrap fee” programs because the client pays a specified fee for the overall portfolio management services and trade execution. Wrap fee programs differ from other programs in that the asset management fee structure for wrap fee programs is intended to be largely all-inclusive, whereas non-wrap fee programs assess trade execution costs or separate administrative fees that are typically in addition to the asset management fee. For example, the FCMS Managed Account and FFS Independence Advisory programs are not considered wrap fee programs because clients generally pay trade-by-trade transaction costs, if any, and a separate administrative fee that are in addition to the asset management fee. Third-party asset managers that offer wrap fee programs are available through FFS and are managed in accordance with the investment methodology and philosophy used by the respective third-party asset managers, investment advisers, or strategists. Clients should refer to the specific program documents and the third-party asset manager’s wrap fee brochure for a full description of their services and all related terms, conditions, fees, and expenses.

Individualized Services and Client-Imposed Restrictions

The investment advisory services provided by FFS’ IARs depend largely on the personal information the client provides to the IAR. For FFS IARs to provide appropriate investment advice to, or in the case of discretionary accounts, make appropriate investment decisions for the client, it is very important that clients provide accurate and complete responses to their IAR’s questions about their financial condition, needs and objectives, and any reasonable restrictions they wish to apply to the securities or types of securities to be bought, sold, or held in their account(s). It is also important that clients promptly inform their IAR of any changes in their financial condition, investment objectives, personal circumstances, and reasonable investment restrictions if any, that could affect the client’s overall investment goals and strategies.

Each of the above programs has its own independent set of agreements and documents that will be provided to the client for review and execution. Each agreement identifies specific roles of the IAR and program fees, charges, and risks. Clients should refer to the specific program documents for a full description of their products and services and all related terms, conditions, fees, and expenses.

Program Choice Conflicts of Interest

FFS and the IAR have a fiduciary duty to act in the best interest of the client. A conflict of interest arises when FFS and/or the IAR have competing interests between the professional obligation of doing what is best for the client, and the self-interest of the IAR or of FFS, and that self-interest could influence the professional obligation. For example, the IAR has a certain level of discretion regarding the fee he/she charges a client. An IAR has a financial incentive to charge a higher fee, which creates a conflict of interest for the IAR. Another example involves compensation to FFS and the IAR: compensation will differ according to the specific advisory program or services chosen.

The program administrative fees, management fees, administrative servicing fees, and other compensation to FFS and the IAR vary across different platforms and could be more than the amounts that would otherwise be received if a client participated in another program, purchased a different mutual fund, or paid for investment advice, brokerage, and/or other relevant services separately. For example, FFS and/or its IARs typically receive a higher level of compensation for participating in the Freedom Capital Management Strategies program than other advisory programs available through FFS. Also, FFS receives compensation for assets held by Axos and Schwab that is not received for assets held by Pershing, although in neither instance does the IAR receive any portion of such compensation. For clients that hold accounts in multiple FFS Advisory programs, FFS does not calculate the combined account balances across FFS Advisory programs to determine an opportunity for tiered or breakpoint pricing for each program individually. Aggregating tiered or breakpoint pricing for multiple accounts only potentially applies to accounts held within the same FFS program. This could result in higher fees to the client which creates a conflict of interest for the IAR and the Firm by encouraging clients to open accounts across different programs.

FFS and the IAR also have a financial incentive to maintain non-invested cash within the client account for operational purposes and/or as a liquid holding position until investment recommendations and decisions are made by the client, which creates a conflict of interest for the IAR and FFS. Clients may find higher interest-bearing alternatives for non-invested cash outside of accounts held through custodians utilized by FFS for account custody.

For the Independence Advisory, Managed Portfolio Program, and FCMS Managed accounts FFS typically maintains at least 2.0% of the account value in the custodian's cash sweep account for operational purposes, including the payment of fees and transaction charges. This practice could result in a lower investment return than that which might be obtained if such value was otherwise invested.

The custodian will utilize a bank sweep option or non-interest-bearing cash account to allocate idle cash in each client account, which is selected by the client at the time of new account setup. This is done by automatically investing idle cash in the account's selected option. To the extent the Axos Insured Deposit Program is selected by the client, this action is primarily taken so that idle cash has the opportunity to earn interest for a liquid cash holding in the account. This bank sweep option or non-interest-bearing cash account is also the first option that the custodian will withdraw funds from to pay any debits on the account. For specifics on the bank sweep option that the custodian has been instructed to use in a client account, clients should request this information directly from their IAR. Further, clients may find interest bearing liquid accounts not held at the custodian will credit higher interest and as such should consider this as an option for the liquid cash positions in client account that are greater than the 2% the FFS typically maintains for operational purposes.

As a result of the differences in fee schedules and sources of compensation that exist among the various advisory programs, custodial relationships, and services offered, FFS and the IAR have a financial incentive to recommend one program or service over another program or services available through FFS, creating a conflict of interest for the IAR and the Firm. The results of such a recommendation cannot be determined in advance, but only with the benefit of hindsight. FFS and the IAR will always endeavor to act in the client's best interest.

Assets Under Management

As of December 31, 2022, FFS manages $ $2,272,682,543 of advisory assets. FFS manages $1,719,763,972 on a discretionary basis, and $ $552,918,571 is managed on a non-discretionary basis.

Item 5 - Fees and Compensation

How FFS and IAR are Compensated

Investment Advisory Fees

All fees are determined separately for each account. The fee rates applied by the IAR depend on, but are not limited to, the type of assets under management, the composition or structure of the account, the size of the account, and the services rendered to the client. These fees are negotiable, which will result in different clients paying different fees for similar services. Other investment advisors could offer similar programs that charge less fees or that will not charge separately for brokerage and transaction costs.

Generally, fees are based on the application of a percentage rate to the value of assets under management. Depending on the program and as outlined in detail later in this document, fees will be charged quarterly or monthly, in advance or in arrears. IARs can also charge a flat dollar rate or percentage for managing multiple accounts held away or can receive a combination of percentage of assets under management and commissions, if the IAR is also a registered representative.

Complete information regarding fees and charges assessed are described in applicable prospectuses and client account opening documents. Clients are advised to review these documents thoroughly prior to opening any account.

FFS will provide a 30-day notification, in writing, of any change in the amount of the fees and charges. At the expiration of the 30-day period, the new fees and charges will become effective unless the client notifies FFS in writing that the account is to be closed.

I. Independence Advisory

Independence Advisory Accounts Custodied with Pershing

Clients will pay FFS annual fees to participate in the account, as negotiated by the IAR and the client. These fees are negotiable, which will result in different clients paying different fees for similar services. The annual fees are prorated monthly and will be assessed at the beginning of each month based on the account value as of the close of business on the last business day of the preceding month. The fee shall be paid monthly in advance and FFS will instruct the custodian to deduct the fees from the account. The breakdown of the total fee is provided in detail in the client's executed Independence Advisory Agreement. Information on all fees and charges will also be provided to the client via confirmations and/or statements.

Fees for Independence Advisory accounts typically do not exceed 2.50% annually. Independence Advisory accounts typically require a minimum account balance of $25,000. Exceptions may be granted by the IAR. This may result in some clients maintaining accounts with less than $25,000. For accounts that are opened with less than $25,000 with the expectation of additional funding to occur, or if account value falls below $25,000, the fee is not to exceed 2.50% or the $125 minimum annual fee, prorated monthly, whichever is greater. Accordingly, under some circumstances, a client might pay an effective rate greater than 2.50%. The annual fee received by FFS and the IAR does not include transaction charges and other account related fees, which are described fully in the agreement provided to the client at, or before, establishing an account. The initial fee is due upon account funding and will be calculated at a prorated amount.

Client will also incur certain charges imposed by investment companies, mutual funds, or third parties other than FFS and the IAR in connection with investments made through the account, including, but not limited to, the following types of charges: 12b-1 fees, shareholder services fees, management fees, servicing fees, other transaction charges and service fees, and IRA and Qualified Retirement Plan fees. FFS will receive a portion of the ticket charges applied by the custodian to trades executed in client accounts, which creates a conflict of interest for the IAR and the firm. Neither FFS nor the IAR will receive or share in any administrative fees charged by Pershing.

The custodian will utilize a default money market fund or bank sweep option to allocate idle cash in each client account. This is done by automatically investing idle cash in the account's default option. This default action is primarily taken so that idle cash has the opportunity to earn interest for this type of liquid cash holding. This money market fund or bank sweep option is also the first option that the custodian will withdraw funds from to pay any debits on the account. For specifics on the current default money market fund or bank sweep option that the custodian has been instructed to use in client accounts, the client should request this information directly from their IAR. Client may choose a money market fund or bank sweep option other than the default. However, the custodian only has the ability to suppress 12b-1, shareholder service and other similar fees on the default options. If client chooses a money market fund or bank sweep option other than the default FFS will receive 12b-1 or similar fees, if the one selected charge them to the client. Further, the client may find interest bearing liquid accounts not held at the custodian will credit higher interest and as such should consider this as an option for the liquid cash positions maintained in the client account.

Independence Advisory accounts offer transaction-fee ("TF") mutual funds, as well as no-transaction-fee ("NTF") mutual funds. The purchase or sale of TF funds available for investment through Independence Advisory accounts will result in the assessment of transaction charges to the client. NTF funds do not assess transaction charges up front, but typically have higher internal expenses than funds that do not participate in an NTF program. These higher internal fund expenses are assessed to clients who purchase or hold NTF funds. Depending upon the frequency of trading and hold periods, NTF funds may cost the client more. In addition, the higher internal expenses charged to clients who hold NTF funds will adversely affect the long-term performance of their accounts when compared to share classes of the same fund that assess lower internal expenses. Clients are urged to inquire whether lower-cost share classes are available and/or appropriate for their account in consideration of their expected investment holding periods, amounts invested, and anticipated trading frequency. Further information regarding fees and charges assessed by a mutual fund is available in the appropriate mutual fund prospectus.

For more information about how account charges could lead to conflicts of interest, see Program Choice Conflicts of Interest located in Item 4 of this document. All fees are fully disclosed in the Independence Advisory Agreement, Custodial agreement(s), or in the applicable prospectus. The Firm's clearing/custodial firm has been instructed, whenever possible, to credit 12b-1 fees or shareholder services fees they receive from the client's account holdings to the client's account.

Independence Advisory Accounts Custodied at Axos

Client will pay FFS annual fees to participate in the account, as negotiated by the IAR and the client. These fees are negotiable, which will result in different clients paying different fees for similar services. The annual fees are prorated monthly and will be assessed at the beginning of each month based on the account value as of the close of business on the last business day of the preceding month. The fee shall be paid monthly in arrears. A pro-rated charge will be assessed at the end of the month for the client's initial investment. FFS will instruct the custodian to deduct the fee from the account. The breakdown of the total fee is provided in detail in the client's executed Independence Advisory Agreement. All fees and charges will also be provided to the client via confirmations and/or statements. Fees for Independence Advisory accounts typically do not exceed 2.50%.

Independence Advisory accounts at Axos typically require a minimum account balance of $5,000. In addition to the advisory fees described above, the custodian charges a flat annual fee based on the size of the account. For accounts that are valued less than $25,000 the custodian charges a $50 annual account fee. For accounts that are valued $25,000 to $99,999 the custodian charges a $75 annual account fee. For accounts that are valued greater than $100,000 the custodian charges a $100 annual account fee. These custodial fees are charged quarterly in arrears. Due to the custodial fee, some accounts could pay an effective rate greater than 2.50%.

Client will also incur execution and account service charges from the custodian and certain charges imposed by investment companies, mutual funds, custodian, or third parties other than FFS and Advisor in connection with investments made through the account, which are typically disclosed in the applicable prospectus or agreement. The custodian will receive (i) Rule 12b-1 fees, shareholder servicing, directed commissions, administrative and sub-administrative fees, and/or other revenue sharing payments from (a) mutual funds in which assets of the account are invested, and/or (b) from other persons connected with such mutual funds; (ii) fees or interest earned from uninvested cash balances in excess of interest paid to the client on such cash balances; and/or (iii) fees from non-mutual fund trading. The client understands and acknowledges that fees and interest referenced in the preceding sentence will be retained by custodian, without compensation to FFS, Advisor or the client.

For more information about how account charges could lead to conflicts of interest, see Program Choice Conflicts of Interest located in Item 4 of this document. All fees are fully disclosed in the Independence Advisory Agreement, Custodial agreement(s) or in the applicable prospectus. The custodian will retain custodial fees, and any 12b-1 and shareholder services fees received from the client's account holdings.

Independence Advisory Accounts Custodied at Schwab

Client will pay FFS annual fees to participate in the account, as negotiated by the IAR and the client. These fees are negotiable, which will result in different clients paying different fees for similar services. The annual fees are assessed monthly and will be calculated based on the average daily account balance for the preceding month. The fee shall be paid monthly in arrears. FFS will instruct the custodian to deduct the fees from the account. The breakdown of the total fee is provided in detail in the client's executed Independence Advisory Agreement. All fees and charges will also be provided to the client via confirmations and/or statements. Fees for Independence Advisory accounts typically do not exceed 2.50%.

Independence Advisory accounts custodied at Schwab typically require a minimum account balance of $5,000. Clients will also incur execution and account service charges from custodian and certain charges imposed by investment companies, mutual funds, or third parties other than FFS and the IAR in connection with investments made through the account, including, but not limited to, the following types of charges: 12b-1 fees, shareholder service fees, management fees, servicing fees, other transaction charges and service fees, and IRA and Qualified Retirement Plan fees.

For more information about how account charges could lead to conflicts of interest, see Program Choice Conflicts of Interest located in Item 4 of this document. All fees are fully disclosed in the Independence Advisory Agreement, Custodial agreement(s) or in the applicable prospectus. The custodian will retain custodial fees, and any 12b-1 and shareholder services fees received from the client's account holdings. Independence Advisory accounts custodied at Schwab offer transaction-fee ("TF") mutual funds, as well as no-transaction-fee ("NTF") mutual funds. The purchase or sale of TF funds available for investment through Independence Advisory accounts will result in the assessment of transaction charges to the client. NTF funds do not assess transaction charges up front, but typically have higher internal expenses than funds that do not participate in an NTF program. These higher internal fund expenses are assessed to clients who purchase or hold NTF funds. Depending upon the frequency of trading, amount invested, and hold periods, NTF funds may cost the client more. In addition, the higher internal expenses charged to clients who hold NTF funds will adversely affect the long-term performance of their accounts when compared to share classes of the same fund that assess lower internal expenses. Clients are urged to inquire whether lower-cost share classes are available and/or appropriate for their account in consideration of their expected investment holding periods, amounts invested, and anticipated trading frequency. Further information regarding fees and charges assessed by a mutual fund is available in the appropriate mutual fund prospectus.

Held Away 401k Accounts

The advisory fee consists of the annual administrative fee and the investment advisor fee. The fee for the initial period will be paid on a pro rata basis based on the number of days in the billing period for which services were provided, in arrears, based on the billing period ending value of the account value. For all future periods, the fee will be assessed and payable each billing period, in arrears, based on the billing period ending value of the account value. All fees are fully disclosed in the investment advisory agreement. An account may be terminated with written notice at least 15 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

Held Away Assets Service fees will be assessed and billed quarterly. The fee for the service will be billed separately and will not exceed 2.50% of the assets included in the held-away account.

II. **Third-Party Asset Managers**

To receive fees and/or compensation, FFS' IARs can act in either a "solicitor" or "advisor" capacity when making third-party asset manager programs available to the client.

When FFS' IARs act as a "solicitor" for the third-party asset manager, neither FFS nor the IAR are appointed by the client as an investment adviser in relation to the account. Instead, the IAR will assist the client in selecting one or more third-party asset managers believed to be suitable based on the client's stated financial situation, investment objectives, and financial goals. When the IAR act as a "solicitor," FFS and the IAR are compensated for referring the client to the ongoing advisory services provided to the client within the selected third-party asset manager program. FFS and the IAR receive compensation via the third-party asset manager by receiving a portion of the fees that the client pays to the third-party asset manager program sponsor as stated in the client's signed agreement with the third-party asset manager and the written disclosure statement from the solicitor to the client disclosing the terms of the arrangement between the third-party manager and the solicitor, including the compensation to be received by the solicitor. See Item 14 for more information on these relationships.

When FFS' IARs act as an "advisor" to the client, the client will be provided with portfolio management supervisory services with respect to the third-party asset manager program(s) the client selects. This means the IAR will periodically monitor the third-party asset manager's performance, investment selection, and continued suitability for the client portfolio and will advise the client accordingly. The IAR will help determine the client's risk tolerance, investment goals, and other relevant guidelines to help choose a third-party asset manager program designed to help the client satisfy their investment needs. The specific third-party asset manager program selected by the client may cost the client more or less than purchasing third-party asset manager program services separately. Factors that bear upon the cost of a particular third-party asset manager program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account; the historical or expected size or number of trades for the account; the types of securities and strategies involved; the amount of fees, commissions, and other charges that apply at the account or transaction level; and the number and range of supplementary advisory and client-related services provided to the account. Lower fees for comparable services may be available from other sources.

Whether FFS' IARs act as a "solicitor" or as an "advisor," client will pay an annual fee to the third-party asset manager as negotiated by IAR and client. The fees for client's accounts managed directly by third-party asset managers will be billed to the account maintained with the third-party asset manager or its designated custodian. These fees are negotiable, which will result in different clients paying different fees for similar services. The client authorizes the third-party asset manager under the third-party asset manager's client agreement to charge the client's account directly for investment services rendered and directly remit the fees owed to FFS and IAR on a periodic basis as called for in the third-party asset manager's client agreement.

Fees and transaction charges differ for each third-party asset manager. The client is notified via the third-party asset manager's separate client agreement and Form ADV of the specific terms and conditions governing the relationship between the client and the third-party asset manager.

In the event of termination, when acting as a "solicitor" neither the IAR nor FFS will advise the third-party asset manager to deliver securities and funds held in the account. The client must provide termination instructions directly to third-party asset manager. The client must also contact the third-party asset money manager directly regarding all fees and charges that will remain in effect from the termination date.

Managed Portfolio Program

The Managed Portfolio Program is the Firm's marketing label for the third-party asset manager program whereby the IAR constructs investment models. The client will pay FFS an annual fee to participate in the program. The fee is paid in quarterly installments, in arrears, and will be deducted from the account. The amount of the administrative and advisor fees for Managed Portfolio Program for all dollar amounts invested is 1.65%. FFS and the IAR share in the fee as compensation for the services performed.

Managed Portfolio Program accounts typically require a minimum account balance of $10,000. In addition to the administrative and advisory fees described above, the custodian charges a flat annual fee based on the size of the account. For accounts that are valued less than $25,000 the custodian charges a $50 annual account fee. For accounts that are valued $25,000 to $99,999 the custodian charges a $75 annual account fee. For accounts that are valued greater than $100.000 the custodian charges a $100 annual account fee. These custodial fees are charged quarterly in arrears.

The client will incur certain charges imposed by the investment company, mutual fund, custodian, or third parties other than FFS and Advisor in connection with investments made through the account, which are typically disclosed in the applicable prospectus or agreement. The custodian will receive (i) Rule 12b-1 fees, shareholder servicing, directed commissions, administrative and sub-administrative fees, and/or other revenue sharing payments from (a) mutual funds in which assets of the account are invested, and/or (b) from other persons connected with such mutual funds; (ii) fees or interest earned from uninvested cash balances in excess of interest paid to the client on such cash balances; and/or (iii) fees from non-mutual fund trading. The client understands and acknowledges that fees and interest referenced in the preceding sentence will be retained by custodian, without compensation to FFS, the IAR, or the client.

For more information about how account charges could lead to conflicts of interest, see Program Choice Conflicts of Interest located in Item 4 of this document. All fees are fully disclosed in the Independence Advisory Agreement, custodial agreement(s) or in the applicable prospectus. The custodian will retain custodial fees, and any 12b-1 and shareholder services fees received from the client's account holdings.

Independence Manager Exchange

Independence Manager Exchange is the Firm's marketing label for the third-party asset manager program offered through Orion Portfolio Solutions (formally FTJ FundChoice, LLC) ("Orion"). The terms and conditions under which the client shall engage Orion will be set forth in separate written agreements between (1) the client and FFS and (2) the client and Orion. Clients will pay Orion an annual fee to participate in the program, as negotiated by IAR and the client. The administration fees charged by Orion are exclusive of, and in addition to, FFS' IAR investment advisory fee. FFS receives a portion of the administration fees from Orion. All fees will be assessed monthly, in arrears, and will be collected from the client's TD Ameritrade account by Orion. Complete disclosures regarding the fees, expenses, and other charges for participation in this program are set forth in Orion's Application Addendum, Orion's Form ADV2A, and FTJ Orion's Wrap Fee brochure which is provided to the client prior to establishing the account.

The amount of the fee will vary depending on the strategies selected and client's assets invested within the program but will not exceed 2.75% annually. In addition, these fees are negotiable, which will result in different clients paying different fees for similar services. Orion reserves the right to change the fees and will inform the client by posting changes on its websites or by other means. FFS and the IAR will receive a portion of the fees and charges as compensation for the services performed.

Client will also incur certain charges associated with securities transactions in the clients' accounts, including: (a) dealer markups, markdowns or spreads charged on transactions in over the counter securities; (b) costs relating to trading in certain foreign securities; (c) the internal charges and fees that are imposed by any mutual funds, such as mutual fund operating expenses, management fees, redemption fees, 12b-1 fees, shareholder services fees, and other fees and expenses; (d) brokerage commissions or other charges imposed by broker-dealers or entities other than the custodian if and when trades are cleared by another broker-dealer; and (e) charges to carry tax lot information on transferred mutual funds or other investment vehicles, postage and handling charges, returned check charges, transfer taxes; stock exchange fees or other fees mandated by law. Further information regarding charges and fees assessed by funds can be found in the appropriate prospectus or offering document. For more information about how account charges could lead to conflicts of interest, see Program Choice Conflicts of Interest located in Item 4 of this document.

Investment strategists available through Orion make all investment decisions and will, from time to time, select for the client share classes that charge 12b-1 fees when lower cost share classes are available. This may occur because some mutual funds charge 12(b)-1 fees, but no transaction fees, while other share classes in the same fund family do not charge 12(b)-1 fees but do charge transaction fees. Mutual funds charging 12(b)-1 fees will be recommended when the overall cost is seen as a benefit to the client. Neither these payments nor other payments received by the custodian with respect to the client's assets invested, will be credited back to the client in calculating the above-described fees. FFS and IAR do not receive any portion of such 12b-1 fees but will conduct surveillance to certify the mutual fund is in the client's best interest.

Clients can terminate the account effective upon written notice to FFS and/or the IAR. FFS can terminate for any reason, including a client's failure to promptly pay fees and charges, or for any conduct or situation that in FFS' judgment impairs an effective relationship between the parties effective upon written notice to the client.

Termination of an account will not affect the liabilities or obligations of the client as to transactions initiated prior to termination. If the client terminates the relationship within five (5) business days of signing the agreement, the client will receive a full refund of fees paid.

Orion's services can be terminated by the client, Orion, or the Firm in accordance with Orion's Terms of Services and Use Agreement. The client is responsible to pay for services rendered until the termination of the agreement.

III. **Freedom Capital Management Strategies®**

FCMS Private Wealth Solutions

Private Wealth Solutions is the Firm's co-advised offering through Maple Capital Management, Inc. ("Maple Capital"). Client will pay an annual fee to participate in the program, as negotiated by IAR and client. The annual fee will be assessed quarterly in advance, based upon the market value of cash and securities in the account at the end of the immediately preceding quarter. If the client establishes an account at any time other than the first day of a calendar quarter, the initial fees will be applied on a pro rata basis. If the client deposits additional cash or securities exceeding $250,000 into an account after the first day of any calendar quarter, the additional deposit will be treated as a new account opened mid-quarter and will be subject to a fee prorated based on the number of days remaining in the quarter. For partial account withdrawals in excess of $250,000 within a billing period, a credit will be applied against the next quarter's fee in the amount of our unearned fee. The administration fees charged by Maple Capital are exclusive of, and in addition to, FFS' IAR investment advisory fee. Complete disclosures regarding the fees, expenses, and other charges for participation in this program are set forth in the separate client agreement and Maple Capital Form ADV2A which is provided to the client prior to establishing the account.

The amount of the fee will vary depending on the strategies selected and client's assets invested within the program but will not exceed 2.75% annually. In addition, these fees are negotiable, which will result in different clients paying different fees for similar services FFS and the IAR will receive a portion of the fees and charges as compensation for the services performed.

In addition to the above-described fee, the client may also incur indirect fees imbedded within mutual funds, exchange traded funds, third-party investment management programs and outside partnerships. Neither FFS, the IAR, nor Maple Capital will share in the fee nor receive any compensation for the use of such products in the management of the account; and clients can terminate the account at any time upon written notice to FFS or the IAR. FFA or the IAR can terminate the account by providing at least ten (10) days prior written notice to the client. In the event of termination by either, any fees paid in advance will be prorated to the date of cessation of management activities, and any unearned portion of prepaid fees will be refunded to the client.

FCMS Managed Accounts

Clients will pay FFS annual fees to participate in the program, as negotiated by IAR and client. These fees are negotiable, which will result in different clients paying different fees for similar services. These fees are paid in quarterly installments, in advance and will be deducted from the account. Fees for the program typically do not exceed 2.75% annually.

FCMS Managed Accounts do not require a minimum account balance. In addition to the annual fees described above, the custodian charges a flat annual fee on the size of the account. For accounts that are valued less than $25,000 the custodian charges a $50 annual account fee. For accounts that are valued $25,000 to $99,999 the custodian charges a $75 annual account fee. For accounts that are valued greater than $100,000 the custodian charges a $100 annual account fee. These custodial fees are charged quarterly in arrears. Due to the custodial fee, some accounts could pay an effective rate greater than 2.75%.

The initial fee is due at the beginning of the quarter following execution of the agreement and will include the prorated fee for the initial quarter in addition to the standard quarterly fee for the upcoming quarter. Fees are due in advance and deducted directly from the client account.

Client will incur certain charges imposed by investment company, mutual fund, custodian, or third parties other than FFS and Advisor in connection with investments made through the account, which are typically disclosed in the applicable prospectus or agreement. Custodian will receive (i) Rule 12b-1 fees, shareholder servicing, directed commissions, administrative and sub-administrative fees, and/or other revenue sharing payments from (a) mutual funds in which assets of the account are invested, and/or (b) from other persons connected with such mutual funds; (ii) fees or interest earned from uninvested cash balances in excess of interest paid to Client on such cash balances; and/or (iii) fees from non-mutual fund trading. All fees and interest referenced in the preceding sentence will be retained by Custodian, without compensation to FFS, Advisor or Client.

For more information about how account charges could lead to conflicts of interest, see Program Choice Conflicts of Interest located in Item 4 of this document. All fees are fully disclosed in the FCMS Managed Accounts Agreement, custodial agreement(s) or in the applicable prospectus. The custodian will retain custodial fees, and any 12b-1 and shareholder services fees received from the client's account holdings.

FCMS Freedom Independence Plan™

The Plan will pay FFS an annual advisory fee, as negotiated by IAR and client. These fees are negotiable, which will result in different Plans paying different fees for similar services The fee is paid in monthly or quarterly installments, as described in the client agreement, in arrears, and the client authorizes the plan to remit the fees to be paid directly to FFS from the plan assets to be deducted from the participants accounts by the plan's record keeper.

The amount of the advisory fee will vary depending on the amount of assets within the plan but will not exceed 2.00% annually. The recordkeeper and third-party administrator will charge their own separate fees that are not considered in the 2% advisory fee and FFS does not receive any of these fees. The client will pay these fees through their plan's record keeper (or other custodian of the plan's assets) directly to FFS and/or IAR from the plan assets. Notwithstanding the obligation to pay the fees, a client can elect within their sole discretion to pay any or all fees to FFS and/or the IAR in lieu of payment through the plan by remitting a check payable to the record keeper. Any fees remaining unpaid after 30 business days from date of invoice will be due, payable, and collected immediately through the plan.

The client acknowledges that FFS and/or its affiliates are prohibited from receiving fees from mutual funds, or their distributors, that are offered as investment alternatives under the plan. These fees consist of, but are not limited to, 12b-1 fees, shareholder service fees, sub-transfer agency fees, and/or other similar fees, and are in addition to the fees charged for investment advisory services. All 12b-1 fees, shareholder service fees, sub- transfer agency fees, and/or other similar fees received by record keeper from mutual funds, or their distributors, shall be used to offset plan expenses or remitted to the plan.

The client shall be entitled to terminate the plan agreement within five (5) business days of the execution of the agreement without incurring a penalty or charge. Otherwise, either party can terminate upon 30 days prior written notice to the other party. FFS and the IAR shall be entitled to a pro-rata amount of compensation. Such termination will not, however, affect the liabilities or obligations arising from transactions initiated prior to such termination, and such liabilities and obligations shall survive any expiration or termination of the account.

The FreedomStrategies.com

The client will pay FFS a fee to participate in the program. The fee for the program is $500 annually, paid in quarterly installments, in arrears. Billing will not begin until the client has been in the program for one full quarter.

IV. **Nationwide Variable Annuity**

The client will pay FFS an annual fee, as negotiated by IAR and the client. These fees are negotiable, which will result in different clients paying different fees for similar services. The fee is paid in monthly installments, in arrears. The amount of the advisory fee will not exceed 1.50% annually, which is in addition to fees and expenses charged by Nationwide.

Client fees for accounts held directly with Nationwide will be billed to the account designated by the client. These fees could come directly from the client's Nationwide Variable Annuity, or an account held with another custodian. Through the account agreement, the client authorizes these fees to be directly remitted to FFS on a periodic basis. FFS will provide a portion of these fees to the IAR for services provided. If client fees are deducted from client's Nationwide Variable Annuity, it could create a taxable event for the client. Client should review any tax implications regarding fees paid from their Nationwide Variable Annuity with their tax professional. Further, if securities are liquidated from other accounts to pay client fees it could also have tax implications that should be reviewed with the client's tax professional.

The client authorizes FFS to act upon instruction from client to pay the advisory fees charged by IAR from the account pursuant to the written advisory agreement between client and IAR. The payment of such fees will be treated as a withdrawal under the terms of the account agreement. Client acknowledges that a withdrawal from the account to pay such fees could incur a withdrawal charge, if applicable, during the surrender charge period, if applicable, and thus could require FFS to liquidate a larger dollar amount than the advisory fees due. Client further acknowledges that withdrawals could negatively impact any guarantees associated with certain optional benefit riders.

Fees will be deducted pro rata as the default. Systematic fees will be executed on the last calendar day of each month- end. Any recurring systematic fees billed in arrears will be prorated and paid upon surrender or annuitization of the account, or termination of IAR from the account.

In the event the client terminates that account, FFS will not advise Nationwide to deliver funds held in the account. The client must provide instructions directly to Nationwide. The client is to contact Nationwide directly regarding all fees and charges that will remain in effect from the termination date.

V. **Financial Planning**

An IAR can be engaged to create a financial plan and provide guidance on an on-going basis, at specified intervals, or as a one-time event. The IAR can request a deposit prior to the delivery of the financial plan and recommendations. IAR's have the choice of charging fees at a flat rate or a certain fee per hour, per week, or per month. In the case of ongoing financial planning, the fee can be based on a percentage of the asset value of the client's accounts for the plan provided. Financial plans are priced according to the degree of complexity associated with the client's situation. Financial planning fees shall generally not exceed a flat rate of $12,500, or $500 per hour, or $7,500 per year. However, based upon individual circumstances, IAR's are authorized to negotiate a higher fee. Financial planning fees are negotiable, which will result in different clients paying different fees for similar services.

Plans must be delivered no later than six months from the date of the financial planning agreement. A financial planning fee deposit cannot exceed $1,200 and if a plan is not delivered within six months from the date of the agreement, the IAR is required to return the funds received or be granted an extension by the client for the plan delivery. A client can terminate a financial planning agreement without penalty by providing written notice within five (5) business days of receiving the agreement. Client is required to make payments for financial planning to FFS.

VI. **1031 Exchange Consulting**

The IAR consulting services fee charged to the client for 1031 Exchange recommendations are not to exceed 3% of the assets included in the recommendations of the 1031 assessment. Clients sign written agreements with their qualified intermediaries which provide that FFS fees are billed to the qualified intermediary, chosen by the client, and the qualified intermediary pays the fee to FFS on the client's behalf.

Additional Fee Information

Tiered or Breakpoint Billing

FFS and the IAR may offer tiered or breakpoint billing schedules, at the discretion of the IAR. A breakpoint billing schedule considers the account value and compares it to a set fee schedule. Based upon the value of the account at the end of the billing period, the account's billable fee rate could decline as the value of the account reaches the next fee rate, or breakpoint. The account's billable fee rate could also increase if an account value declines. The total value of the account is compared against the fee rate for the respective value range that corresponds with the account value to determine the total account fee for that period. A tiered billing schedule looks at the account value and compares it to a set fee schedule. Based upon the value of the account at the end of the billing period, the account's combined billable fee rate could decline as the value of reaches the next fee rate, or tier. The difference between a breakpoint schedule and a tier schedule is as follows: breakpoint fees assess the appropriate fee level on the entire account balance while tiered fees charge the appropriate fee level on each "tier" of account value. Tiered and breakpoint billing schedules and availability vary for each program. For clients that hold accounts in multiple FFS Advisory programs, FFS does not calculate the combined account balances across FFS Advisory programs as a part of a breakpoint or tiered billing for each program individually. Aggregated breakpoint or tiered billing for multiple accounts only potentially applies to accounts held within the same FFS program. Further, FFS does not automatically aggregate accounts for breakpoint or tiered billing. There is no requirement that FFS or IAR offer a client breakpoint or tiered billing, which creates a conflict of interest for the IAR and the Firm, which could negatively impact the client. The client may be able to receive the same, or similar investment products and/or services for less cost through a different advisor.

All fees and arrangements are negotiable and FFS and/or the IAR are allowed to waive a particular fee whether on an ongoing or a one-time basis, in its sole discretion. The Firm could also allow for the aggregation of assets among a client's "related" managed accounts for purposes of determining the total value and the applicable advisory fee to be paid by a client. FFS reserves the right to determine whether client accounts are "related" for purposes of aggregating a client's accounts together for a reduction in the percentage fee amount. FFS does not automatically aggregate assets from "related" accounts for purposes of providing tiered billing. This is determined by IAR and the client as they negotiate the overall client fee structure. The absence of such automation creates a conflict of interest as the IAR will potentially receive a higher overall fee if the accounts are not aggregated.

Client can request that FFS and IAR consider the size of the total household relationship, for purposes of achieving a fee reduction through breakpoint or tiered billing. An example of a household could include, but is not necessarily, the main account holder, spouse, parents, grandparents, children, and grandchildren. It is the client's responsibility to inform the IAR of the potential opportunity to household accounts.

Mutual Fund Share Class Selection

Mutual funds offer many different share classes for purchase by clients. In determining which share class to purchase for a client's account, it is the IAR's intention to select the share class with the lowest total expenses that are available for purchase through the Firm's custodians that also meet any required purchase guidelines of the mutual fund and the client investment objective. FFS makes best efforts to invest in the lowest-cost share class available to the client in conformity with its policies and procedures. Institutional shares often have lower internal costs, but not all mutual fund families offer an institutional share class. The availability of a particular mutual fund share class often depends on factors such as the size of a client's investment, the client's custodian, whether the mutual funds sponsor is willing to grant a waiver, and the amount of aggregate client investments in the Fund, either generally or through a particular custodian. FFS maintains policies and procedures for the selection of mutual fund share classes and conducts periodic training with all advisors on this process.

There are instances in which FFS could recommend a mutual fund that carries a 12(b)-1 fee, even when a lower-cost share class is available for the same fund. For example, a lower-cost class share may not be available to FFS due to investment minimums. In other cases, mutual funds charging 12(b)-1 fees are transferred into FFS. In which case the Firm may recommend the client holds the existing share class, instead of selling the fund and buying a lower-cost share, which could result in a tax liability. In addition, some mutual funds charge 12(b)-1 fees, but no transaction fees, while other share classes in the same fund family do not charge 12(b)-1 fees but do charge transaction fees. Mutual funds charging 12(b)-1 fees will be recommended when the overall cost is seen as a benefit to the client if the anticipated transaction fees exceed the anticipated 12(b)-1 fees. When recommending a particular mutual fund share class, the different available share classes are compared and reviewed along with the anticipated investment timeframe, potential tax consequences, future anticipated transactions, and other costs to determine the best selection for the client at that time. FFS does not receive any part of these fees charged by Mutual Funds.

The Management Fee also does not cover fees and charges in connection with: debit balances; margin interest; odd-lot differentials; IRA fees; transfer taxes; exchange fees; wire transfers; extensions; non-sufficient funds; mailgrams; legal transfers; bank wires; postage; costs associated with exchanging foreign currencies; and SEC fees or other fees or taxes required by law.

Although FFS believes its fees are reasonable considering the services provided, clients should be aware that fees may be higher than those otherwise available if advisory services and brokerage services were provided separately for a discrete fee or if an investment Advisor were to select brokerage and negotiate commissions in the absence of the extra consulting service provided. The comparison is dependent upon several factors, including the frequency of brokerage activity in the client's account, the size of the account under management, and any negotiated fee arrangements with respect to the account. An investor should consider these factors prior to opening an Advisory Account with FFS. Clients should consider the value of the additional consulting services when making such comparisons. The combination of custodial, consulting, and brokerage services may not be available separately or may require multiple accounts, documentation, and fees. All fees described herein are subject to negotiation depending on a range of factors including, but not limited to, account size and overall range of services requested.

Termination of Accounts

For the Independence Advisory, Managed Portfolio Program, and FCMS Managed accounts, either the client or FFS can terminate the account for any reason. Client can terminate effective upon written notice to FFS and/or the IAR. FFS and/or IAR can terminate for any reason, including client's failure to promptly pay fees and charges, or for any conduct or situation that in FFS' judgment impairs an effective relationship between the parties, effective upon written notice to the client.

In the event of termination, FFS will advise the clearing/custodian firm to deliver securities and funds held in the account as directed by the client, unless client requests that the account be liquidated. All fees and charges will remain in effect for 30 business days from the termination date. Should a client not provide delivery instructions upon termination, FFS reserves the right to register securities in the client's name and ship such securities to the client, all at the expense of the client.

Termination of an account will not affect the liabilities or obligations of the client as to transactions initiated prior to termination. In the event of a termination, FFS reserves the right to apply the pro-rata fees and execution charges for the month that are owed based upon custodian's regular transaction charges and service fees. If the client terminates the relationship within five (5) business days of signing the Independence Advisory agreement, the client will receive a full refund of fees paid.

Item 6 - Performance-Based Fees and Side-By-Side Management

FFS and its IARs do not charge performance-based fees. Neither FFS nor IAR will be compensated by sharing in capital gains or capital appreciation of the funds/securities maintained in the account.

Item 7 - Types of Clients

FFS provides and offers investment advisory services to a broad array of clients, including individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, and corporations or other businesses. The majority of FFS clients are retail clients that fall under the "Individuals (other than high-net-worth individuals)" category. This category includes, but is not limited to, individual, joint, trust, IRA, 401(k) participant, and custodial accounts.

The minimum account size varies by the advisory service:

I. Independence Advisory Accounts
    a. Independence Advisory Accounts Custodied at Pershing– $25,000

b. Independence Advisory Accounts Custodied at Axos– $5,000
c. Independence Advisory Accounts Custodied at Schwab– $5,000
d. Independence Advisory for Held Away 401(k) Accounts – No Minimum

II. Third-Party Asset Managers – will vary based upon sponsoring company standards
   a. Managed Portfolio Program – $10,000
   b. Independence Manager Exchange – will vary based upon sponsoring company standards

III. Freedom Capital Management Strategies®
   a. FCMS Managed Accounts – no account minimum but investment minimums apply to certain strategies within the program
   b. Private Wealth Solutions – Typically $750,000 at the client household level
   c. Freedom Independence Plan™ – no minimum
   d. FreedomStrategies.com– no minimum

IV. Nationwide Variable Annuity – $15,000

Under certain circumstances, FFS may waive the minimum account size requirement and accept accounts less than minimums noted. Such circumstances may include but not be limited to anticipated additional assets to be managed or whether the client or any family members have assets under management with FFS.

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

FFS and/or IARs, depending on the program, are responsible for determining and implementing investment advice under the supervision of the Firm. The IAR can perform various techniques in analyzing investments for advisory clients which could include, but are not limited to, fundamental analysis, technical analysis, and cyclical analysis. There is no guarantee, stated or implied, that the client's investment goals or objectives will be achieved. Investing in securities involves risk of loss that clients should be prepared to bear. As a result of this inherent risk, FFS and its IARs cannot represent, guarantee, or even imply that the methods of analysis used can accurately forecast future returns, accurately identify market highs and lows, or protect clients from investment losses as a result of economic conditions, market downturns and other market conditions.

All methods of analysis and investment strategies involve investment risks, including the risk of loss. Some of the material risks involved in technical analysis includes the potential for a lack of consideration given to the intrinsic value of specific investments. Technical analysis focuses primarily on economic factors and market conditions, which could overlook variables specific to a particular investment. Conversely, fundamental analysis generally focuses on more specific variables, such as a public companies financials, sales, earnings, debt, management, and assets. As a result, there is a risk that fundamental analysis omits the overall state of the economy and markets as a factor. Cyclical analysis is also subject to material risks, which include uncertainty over how long market cycles will last, when they will peak and when they will reach a bottom.

The majority of investment recommendations made by IARs through the Firm's advisory services programs involve investment risks, including the risk of loss. Many of the investment recommendations made by IAR's through the Firm's advisory services programs involve the potential for tax implications as a result of income and capital gains distributions. Clients could have to pay taxes on these distributions even if the fund performed poorly or lost value after shares were purchased. Lack of control is also a risk that clients encounter, clients and IARs typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of the manager's purchase and sale transactions. Another risk is price uncertainty. Mutual fund investors face this risk because the price at which shares are purchased and sold is based on the fund's net asset value, which will not be calculated until several hours after the transaction has already been processed. Clients should read the mutual fund's prospectus and shareholder reports to learn about its investment strategy and risks.

Investment strategies utilized by IARs could involve frequent trading of securities. If the IAR strategy utilizes frequent trading, this will negatively affect the client's investment performance through increased brokerage and transaction costs.

Some of the common risks clients should consider prior to investing include, but are not limited to:

- Market Risk

  Even a long-term investment approach cannot guarantee a profit. Economic, political and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment portfolios will fluctuate, there is the risk that a client will lose money and investments could be worth more or less upon liquidation.

- Interest Rate Risk

  When interest rates increase, the value of the account's fixed income investments will generally decline, and the account's share value could be reduced. This effect is typically more pronounced for intermediate and longer-term obligations. This effect is also typically more pronounced for mortgage- and other asset-backed securities, the value of which could fluctuate more significantly in response to interest rate changes. When interest rates decrease, the account's current income could also decline.

- Inflation Risk

  Inflation will erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

- Reinvestment Risk

  This is the risk that future proceeds from investments might have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

- Business Risk

  These risks are associated with a particular industry or a particular company within an industry. For example, oil- drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability decline than an electric company, which generates its income from a steady stream of customers who buy electricity no matter the economic environment.

- Liquidity Risk

  Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many investors or traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- Financial Risk

  Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its financing obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations could result in bankruptcy or a declining market value of the business.

- Mutual Fund and ETF Performance

  FFS and/or IARs select mutual funds and ETFs in a client's portfolio based on a variety of criteria. However, we depend on the manager of such funds to select individual investments in accordance with their stated investment strategy. Should a fund manager's portfolio selection deviate from such strategy, a given investment might underperform or face enhanced risk.

- Pandemics and Other Public Health Crisis

  Pandemics and other health crises, such as the outbreak of an infectious disease such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and COVID-19 or any other serious public health concerns, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy, and business activity in any of the areas in which client investments may be located. Such disruption, or the fear of such disruption, could have a significant and adverse impact on the securities markets, lead to increased short-term market volatility or a significant market downturn, and may have adverse long-term effects on world economies and markets generally. A continued outbreak may have a material and adverse impact on your investment returns. The impact of a public health crisis such as the COVID-19 (or any future pandemic, epidemic or outbreak of a contagious disease) is difficult to predict, which presents material uncertainty and risk with respect to the performance of your investments.

- Cybersecurity Risk

  The information technology systems and networks that FFS and its third-party service providers use to provide services to FFS clients employ various controls, which are designed to prevent cybersecurity incidents stemming from intentional or unintentional actions that could cause significant interruptions in FFS operations and result in the unauthorized acquisition or use of clients' confidential or non-public personal information. Clients and FFS are nonetheless subject to the risk of cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost, and reputational damage to respond to regulatory obligations, other costs associated with corrective measures, and loss from damage or interruption to systems. Although FFS has established its systems to reduce the risk of cybersecurity incidents from coming to fruition, there is no guarantee that these efforts will always be successful, especially considering that FFS does not directly control the cybersecurity measures and policies employed by third-party service providers. Clients could incur similar adverse consequences resulting from cybersecurity incidents that more directly affect issuers of securities in which those clients invest, broker-dealers, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions.

Item 9 - Disciplinary Information

As a Registered Investment Adviser, FFS is required to disclose all material facts regarding any legal or disciplinary events that are material to a client's evaluation of FFS or the integrity of its management.

On September 30, 2019, FFS agreed to a settlement with the SEC in which the SEC found that FFS failed to meet best execution requirements, made inadequate disclosure to advisory clients about conflicts of interest related to the receipt of 12b-1 fees and/or its selection of mutual fund share classes that pay such fees, and that it failed to adopt policies and procedures reasonably designed to prevent these deficiencies.

During the period January 1, 2014, through September 30, 2016, for investment advisory accounts held at Trust Company of America and January 1, 2014, through January 31, 2017, for investment advisory accounts held at Pershing. FFS purchased mutual fund share classes that charged 12b-1 fees instead of lower-cost share classes of the same mutual funds for which the clients were eligible.

Without admitting or denying the findings, FFS consented to a cease-and-desist order, a censure, reimbursement of $1,246,133.60, prejudgment interest of $229,332.28, and a civil penalty of $140,000.00.

Item 10 - Other Financial Industry Activities and Affiliations

FFS is also a broker-dealer registered with the Securities Exchange Commission ("SEC") and a member of Financial Industry Regulatory Authority ("FINRA"). FFS uses Pershing, LLC as its clearing firm for brokerage business. In an IAR's separate capacity as a Registered Representatives of the broker-dealer, they are able to implement securities transactions for advisory clients for separate and typical commission compensation. This means that IAR's of FFS will also receive commissions for the sale of investment products through the registered broker-dealer if a client purchases a commissionable product through an IAR who is also a registered representative. The IAR will let the client know in which capacity, IAR or registered representative, he/she is acting prior to establishing the account. Commissions received by a registered representative for the sale of these investment products through the registered broker-dealer will be in addition to, and separate than, any advisory fees received for services rendered as an IAR of FFS. All fees earned by an IAR of FFS will be fully disclosed and agreed to in writing by all clients prior to the execution of an advisory account or transaction. Commissions charged by FFS will be higher than commissions charged by some other broker-dealers, so recommending that such transactions be executed with FFS could result in additional cost to the client, which creates a conflict of interest for the IAR and the firm. For more information about how account charges could lead to conflicts of interest, see *Program Choice Conflicts of Interest* located in Item 4 of this document.

For broker-dealer services, FFS and/or the IAR will receive compensation for such transactions, which compensation is separate and distinct from the IAR's compensation related to providing investment advisory services. From time to time, IAR's of the Firm will recommend that clients buy or sell securities or investment products that the IAR also owns. In such circumstances, the IAR shall adhere to the Firm's Code of Ethics.

FFS has executed a tri-party agreement with Concourse Financial Group Securities, Inc. and Pershing, LLC. In addition to being a conduit to Pershing custodial services, Concourse Financial Group Securities, Inc. also assists with FFS' back-office functions. These include, but are not limited to, account transfers, cashiering, and establishing new accounts on the Pershing platform.

FFS representatives have access to insurance products through Founders Financial Securities Insurance Agency, an affiliate of FFS ("FFS Ins. Agency"). As such, FFS Ins. Agency distributes products and does not open or maintain customer accounts or hold customer funds or securities.

Some IARs are also licensed independent insurance agents and will recommend or sell clients insurance products. Clients are under no obligation to purchase these products from the IAR. In their separate capacities as an independent insurance agent, the IAR will be able to implement insurance transactions for advisory clients for separate and typical commission compensation. Insurance compensation earned by these persons are separate and in addition to investment management and advisory fees.

All clients are advised that broker-dealer services (and insurance) are separate from advisory services offered pursuant to this brochure, and IARs will be compensated for making recommendations involving the broker-dealer or insurer, including a share of commissions.

Some IARs are also Certified Public Accountants ("CPA"). In their separate capacities as CPAs, these individuals will be able to provide accounting and tax services for advisory clients for separate and typical compensation. Clients are under no obligation to purchase these services from the IAR. Such services are not advisory services.

Some IARs are licensed mortgage loan originators. In their separate capacity, these individuals will engage in loan origination, mortgage lending and servicing, and, as compensation for such services, are entitled to receive certain percentages of lending, origination, and servicing fees and expenses. The financial information and opportunity that these IARs must communicate with the client, could influence investment decisions or investment recommendations, and may constitute a conflict of interest. There are no additional financial incentives, bonuses, or additional compensation to an IAR to participate in this outside business activity and FFS has no responsibility for the supervision of this activity. Clients should know that they may be able to secure a mortgage loan through other originators that could provide lower percentages of lending and lower fees for origination and servicing.

FFS offers certain persons, including issuers of securities and/or sponsors of insurance products, the opportunity to communicate and otherwise engage with IARs via the Firm's electronic platforms and, in some cases, in person. The purpose is to educate IARs on financial products and resources and make IARs aware of how these financial products could potentially help a client achieve their investment goals. These companies pay the Firm a fee for these opportunities. The opportunity that companies must communicate with the Firm and its investment adviser representatives, could influence investment decisions or investment recommendations, and may constitute a conflict of interest because the company has an opportunity to communicate directly with IARs that other service providers and investment managers may not have. There are no requirements that IAR's recommend the investment products or services of these companies. There are no additional financial incentives, bonuses, or additional compensation to an advisor to recommend these companies' products. As of the date of this brochure, sponsors include:

Brokers' Service Marketing Group	Lincoln Financial Distributors
Brighthouse Financial	Jackson National
Equitable Holdings, Inc.	Franklin Templeton Distributors
Prudential Insurance Company	John Hancock

In addition, some firms that FFS partners with will provide contributions toward annual Firm events. Current sponsors to these events include:

Pontera Solutions Inc.	Axos Clearing LLC
Orion Advisor Solutions	Docupace
Horizon Investments	

FFS will add or eliminate sponsors from time-to-time without prior notice.

As stated above, FFS Registered Representatives and IARs do not receive additional compensation for selling securities offered by a sponsor. Furthermore, they are not required to achieve a sales quota with respect to investments or services offered by any of the above sponsors. The Firm also has a policy against accepting reimbursement through brokerage transactions directed to FFS by sponsors. However, the opportunity that sponsors must communicate with FFS and the IARs could influence investment decisions or investment recommendations.

The Firm believes that, in general, these firms offer investment and advisory products and services of a high quality. However, FFS does not guarantee that these products and services will perform better than others that are available, and encourages its Registered Representatives, IARs, and clients to consider any company whose products and services might be suitable for the customer.

Item 11 - Code of Ethics

FFS has adopted a Code of Ethics ("the Code") for the Firm's supervised persons to comply with SEC Rule 204A. The Code describes our standards of business conduct and our fiduciary duty to our clients. The Code includes, but is not limited to, provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code annually, or as the Code is amended from time to time. FFS employees and persons associated with FFS are required to follow the Code.

FFS supervised persons are allowed to buy or sell securities recommended to clients. Subject to satisfying this policy and applicable laws, employees and persons associated with FFS and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for clients. The Code is designed to ensure that the personal securities transactions, activities, and interests of FFS IARs and employees will not interfere with making and implementing decisions in the best interest of advisory clients, while, at the same time, allowing IARs and employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of clients. In addition, the Code requires pre-approval of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. FFS employees and persons associated with FFS are monitored under the Code to reasonably prevent conflicts of interest between employees and clients.

Certain affiliated accounts are allowed to trade in the same securities with client accounts on an aggregated basis when consistent with our obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. FFS will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the transaction confirmation.

It is FFS's policy not to affect any principal or agency cross-securities transactions for client accounts. FFS will not affect cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction could also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

Clients or prospective clients can request a copy of our Code of Ethics by contacting us at 888-523-1162.

Item 12 - Brokerage Practices

Pershing provides load-waived and no-load mutual funds which may be combined with other securities products to achieve the client's portfolio objectives. Fees charged to clients are charged as a percentage based on assets under management and are not directly based upon transactions in a client's account for investment advisory services and execution of transactions. The IAR is authorized to pass along ticket charges and other ancillary charges to the client.

Independence Advisory at Axos or Schwab provides advanced tools for trading and rebalancing and offers three levels of trading functionality: account, block (upon approval), and model (upon approval). The Independence Advisory at Axos or Schwab platforms are designed to deliver significant scale and efficiency to IARs in the execution of their investment management responsibilities.

FFS does not engage in any soft dollar practice. The Firm does not receive benefits from any broker-dealer as a result of commissions generated from financial transactions executed in client accounts by that broker-dealer.

FFS utilizes Axos, Schwab, and Pershing to custody advisory assets and to execute advisory account transactions in connection with investment advisory programs the Firm offers to clients. Transactions executed through any of these firms are subject to FFS duty to obtain "best execution," i.e., a price that is as favorable to the client as possible under the prevailing market conditions. While FFS will make every attempt to obtain the best execution possible, there is no assurance that it will be obtained.

FFS will act in the best interests of the client to seek to obtain the best price and execution for transactions. The Firm will seek the best price in the marketplace as well as ensure that, in executing client transactions, clients do not incur unnecessary costs and charges. This could mean that FFS does not get the lowest possible commission cost if a transaction represents the best qualitative value for a client. In addition, whenever trading can create a conflicting interest between FFS and clients, the Firm will obtain consent from the client before engaging in the activity after providing full and fair disclosure of all material facts.

In connection with all third-party asset managers, the third-party asset manager's choice of custodian and executing broker will be limited to those choices offered by the third-party asset managers.

The Firm is permitted to aggregate client orders with those of other clients in a bunched trade or trades when securities are purchased or sold. For each account included in the bunched trade, FFS must reasonably believe that the bunched order is consistent with the Firm's duty to seek best execution and benefit each client participating in the aggregated order. The average price per share of each bunched trade is allocated to each account that participates in the bunched trade. Accounts that participate bunched trades are charged transaction costs, if applicable, in accordance with their advisory contracts.

If a bunched order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation. Partial fills will be allocated in a way that does not consistently advantage or disadvantage particular client accounts and are generally filled pro-rata among participating accounts.

The aggregation and allocation practices of mutual funds and third-party money managers that the Firm's IARs recommend to a client are disclosed in the respective mutual fund prospectuses and third-party money manager disclosure documents which are provided to the client at, or before, account opening.

Item 13 - Review of Accounts

A sample portion of all accounts will be reviewed on a quarterly basis by FFS' Chief Compliance Officer ("CCO"), or designated individual(s) under the supervision of the CCO. FFS will consider several factors to determine which accounts should be reviewed, including but not limited to: investment objectives versus management style, targeted allocation versus current allocation, suitability, performance, number of trades, and concentrated positions/diversification.

Further, each advisory program has its own unique characteristics that FFS will also consider when assessing how many accounts make an appropriate representative sample and what factors should be considered in said review.

Supervisory review of advisory accounts will include a review of account activity and other triggering factors such as fees charged, account performance and performance reports, customer complaints, products used, best execution, security concentration and other triggering factors as determined by the reviewer(s).

Financial planning services and/or fee-based insurance plans can include some of the above, but the review will mainly focus on fees charged in relation to a financial and/or insurance plan, and documents in support of the financial and/or insurance plan which could include worksheets, schedules, diagrams, and other pertinent information.

Examples of situations that could prompt FFS to conduct more frequent reviews include the following: performance is not in line with the client's risk tolerance, there is change in investment objectives, a significant addition or withdrawal of capital is made, rebalancing of the portfolio if current allocation and targeted allocation are not consistent, frequency of trades is not in line with objectives and current account type, or a concentrated position that leads to account volatility.

Accounts under management will be provided statements at least quarterly, directly from the account custodian. For all accounts, FFS or the IAR will contact the client at least annually to request current information to determine whether there have been any changes in the information provided about client risk tolerance or objectives. Further, the IAR strives to conduct client reviews on an annual basis, or more frequently at the client's request. The client must inform FFS or the IAR in writing of any material changes to their account information or financial circumstances that might affect the way their assets should be invested. Clients can contact FFS during normal business hours to consult regarding the management of their account(s).

Item 14 - Client Referrals and Other Compensation

The Firm will occasionally enter into agreements with individuals who will promote our firm. The agreements comply with SEC rule 206(4)-1 promulgated under the Investment Advisors Act of 1940. If a client is introduced to FFS by a promoter, FFS will pay that promoter a referral fee in accordance with the requirements of Rule 206(4)-1 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee will be paid solely from advisory fees and will not result in any additional charge to the client. The promoter, at the time of the referral, will disclose the nature of his/her/its promoter relationship, and provide each prospective client with a copy of the written disclosure statement from the promoter to the client disclosing the terms of the arrangement between the Firm and the promoter, including the compensation to be received by the promoter from FFS.

At this time, one IAR of the Firm has one promotor relationship. The promotor and the IAR have been properly educated on the obligations and disclosures required in accordance with SEC rule 206(4)-1.

Similarly, FFS has entered into an agreement to refer clients to AssetMark as a promoter. If a client is referred to AssetMark the promoter, at the time of the referral, will disclose the nature of the promoter relationship, and provide each prospective client with a copy of the written disclosure statement disclosing the terms of the arrangement between the AssetMark and the promoter, including the compensation to be received by the promoter from AssetMark.

In addition to the compensation payable under their agreement, AssetMark may enter into other reimbursement arrangements with certain IARs. These arrangements include AssetMark's reimbursement of qualified marketing/practice development expenses incurred by the IAR, costs for client events and/or workshops conducted by the IAR, and AssetMark also covers travel-related expenses for certain IARs to attend their annual conferences, quarterly meetings, or due diligence visits. These amounts vary depending on the value of the assets on the AssetMark Platform held by clients of the IAR. Full disclosure of this can be found in AssetMarks' ADV 2A.

FFS IARs may utilize lead generation services for purposes of identifying potential clients. The leads may or may not result in a client relationship. The IAR pays a fee to the lead generation service for access to their focused database of contacts who may be seeking financial services. There is no direct solicitation of clients for the IAR by the lead generation service.

The arrangements described above do not increase the fees payable by the client.

Item 15 - Custody

Client assets will be maintained by an unaffiliated, qualified custodian (e.g., Axos and Schwab), bank, broker/dealer (e.g., Pershing), mutual fund company or transfer agent. Client assets are not held by FFS or any of its affiliates. The client will receive statements at least quarterly from the custodian that holds and maintains their investment assets. Client understands that the custodian will charge a fee such as, but not limited to: custodial fees, deferred sales charges, odd-lot differentials, transfer fees, transfer taxes, lost certificate fees, wire transfer and electronic fund fees, postage and handling for paper delivery of statement and trade confirmations, margin and pre-payment fees, and other fees and taxes on brokerage accounts and securities transactions. FFS and IARs advise the client to carefully review the official custodial records provided to them by the custodian(s) and compare them to all account documents and agreements held by the client. FFS urges the client to carefully review their official custodial records and compare them to any additional account documents that the Firm provides to the client.

Further, each custody firm for any of the aforementioned investment advisory platforms charges a fee for custody services. The payment of such fee is the responsibility of the client. This fee is expressed as a custody, administrative or record keeping fee on the client fee and billing agreement for each account/plan. FFS does not pay the custody and administrative fees on any platform sponsored by FFS as they are the agreed upon responsibility of the account holder/client.

For purposes of providing its advisory services, FFS does not maintain either possession or custody of Client assets. FFS will not be deemed to have custody of Client funds or securities if the Client has authorized FFS to deduct advisor fees from the client account or for those clients who have granted FFS limited power to transmit funds to one or more “third parties” through a standing letter of authorization. Clients can find information about the transmittal of funds on their account statements produced by the client’s account custodian.

Item 16 - Investment Discretion

FFS services client accounts on a discretionary or non-discretionary basis, as set forth in the Investment Advisory Agreement. Investment discretion allows FFS and/or the IAR to select the identity and amount of securities to be bought or sold. Discretion is to be exercised in a manner consistent with the stated investment objectives of the client account. When FFS and/or IAR select securities and determine amounts, they observe the investment policies, limitations, and restrictions of the client. Investment guidelines and restrictions must be provided by the client to FFS in writing. Client may request that restrictions or limitations be placed on the purchase of specified securities. All such requests must be in writing and approved by FFS prior to adoption.

However, for certain advisory programs (refer to the investment advisory agreement for details) some clients authorize FFS and/or IAR to act with discretion to purchase/reallocate account holdings that are suitable for the client’s risk profile, or a client’s risk profile that is more conservative, when in FFS and/or IARs sole discretion thinks it appropriate to do so. Client acknowledges that the exercise of such discretion may result in different investment performance than would result from not exercising such discretion.

Item 17 - Voting Client Securities

For all the advisory services and programs offered through the Firm, neither FFS nor IARs have any authority to vote proxies on the client’s behalf. Clients are solely responsible for receiving and voting proxies for the securities maintained within accounts. Client will receive proxies or other solicitations directly from the custodian and/or transfer agent.

For accounts held with third-party asset managers and depending on the third-party asset manager’s proxy voting policies and procedures, the third-party asset manager could require the client to appoint them as agent and attorney-in-fact with discretion to vote proxies on the client’s behalf. Clients should review the third-party asset manager’s disclosure brochure to understand their proxy voting policies and procedures.

For accounts held with FCMS Private Wealth Solutions, the client will appoint Maple Capital as agent and attorney-in-fact with discretion to vote proxies on the client’s behalf. Clients reserve the right to rescind this service. Clients should review the agreement to understand their proxy voting policies and procedures.

Item 18 - Financial Information

As a Registered Investment Adviser, FFS does not allows IARs to take prepayment of more than $1,200 in fees for advisory services six months or more in advance. FFS does not have a financial condition that could impair our ability to meet contractual obligations. Therefore, FFS is not required to provide audited balance sheets.

Additional Information

Privacy Policy

The Firm collects non-public personal information about clients from information received on applications or other forms and information about client transactions with Firm affiliates, others, or the Firm itself. FFS does not disclose any non- public personal information about current or former clients, except as permitted by law or in order to provide the current services. Firm employees have limited access to client personal information based on their responsibilities to provide products or services to clients. The Firm maintains physical, electronic, and procedural safeguards in compliance with federal standards to protect client information. If the IAR servicing a client account leaves FFS to join another firm, the IAR is permitted to retain copies of certain client information so that the IAR can assist with the transfer of the client account and continue to serve the client at their new firm.

"Opting-out" of Third-Party Disclosures

If a client does not want an IAR to retain copies of client non-public personal information when the IAR leaves FFS to join another firm, the client can contact the FFS Compliance Department by calling 888-523-1162.

Class Action Lawsuits

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

Business Continuity Plan

FFS has developed a Business Continuity Plan to address how FFS will respond to events that significantly disrupt the operation of our business. Since the timing and impact of disasters and disruptions are unpredictable, FFS will be flexible in responding to actual events as they occur.

Within 24 hours after a significant business disruption, FFS plans to quickly recover and resume business operations and respond by safeguarding employees and property, making a financial and operational assessment, protecting the Firm's books and records, and allowing clients to transact business. FFS' business continuity plan is designed to permit the Firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

The Firm's business continuity plan addresses: data back-up and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank, and counter-party impact; regulatory reporting; and assuring clients' prompt access to their funds and securities if FFS is unable to continue as a business.

The Firm's sub-clearing firm, Concourse Financial Group Securities, Inc., backs up important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, FFS has been advised by Concourse Financial Group Securities, Inc. that its objective is to restore operations and be able to complete existing transactions and accept new transactions and payments within four hours of the disruptive event. Client orders and requests for funds and securities could be delayed during this period.

Contacting Us

If, after a significant business disruption, a client is unable to contact FFS at 888-523-1162, please visit the website at www.foundersfinancial.com to review updated contact information.

Varying Disruptions

Significant business disruptions can vary in their scope, such as disruption that affects only FFS, a single building housing the Firm, the business district where the Firm is located, the city where FFS is located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only the Firm or a building housing the Firm, FFS will transfer operations to a local site when needed and expect to recover and resume business within 24 hours. In a disruption affecting the Firm's business district, city, or region, FFS will transfer operations to a site outside of the affected area and recover and resume business within three (3) days. In either situation, FFS plans to continue in business, transfer operations to its clearing firm if necessary, and provide clients with instructions on how to contact FFS through its parent company's web site: www.foundersfinancial.com. If the significant business disruption is so severe that it prevents FFS from remaining in business, FFS will assure client's prompt access to their funds and securities.

This information is provided solely to clients of FFS and no further distribution or disclosure is permitted without the prior written consent of FFS. No person other than FFS clients can rely on any statement herein. The FFS Business Continuity Plan is reviewed and updated regularly and is subject to change.

Please visit the web site at www.foundersfinancial.com for the most current copy of this disclosure. You can request an updated copy by contacting FFS at 888-523-1162, or writing FFS at the following address:

Founders Financial Securities, LLC
ATTN: Compliance Department
1026 Cromwell Bridge Road Suite 100
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