INDEPENDENT [FINANCIAL] PARTNERS®

FORM ADV PART 2A BROCHURE

IFP ADVISORS, LLC, DOING BUSINESS AS INDEPENDENT FINANCIAL PARTNERS

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This brochure ("Brochure") provides information about the qualifications and business practices of IFP Advisors, LLC, which operates under the business name of Independent Financial Partners ("IFP").

If you have any questions about the contents of this Brochure, please contact us at 813-341-0960 or Compliance@ifpartners.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Independent Financial Partners is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Independent Financial Partners is 125112. The SEC's website also provides information about any persons affiliated with IFP who are registered, known as Investment Adviser Representatives ("IARs") and/or Financial Professionals of IFP.

ITEM 2. SUMMARY OF MATERIAL CHANGES

Since the annual filing in March of 2021, there have been some material changes. Independent Financial Partners ("IFP") is required to provide this Brochure or a summary of material changes to you, our client, within 120 days of IFP's year-end.

- First, IFP is disclosing that it will start receiving $5 per account opened at Pershing for Health Savings Accounts ("HSA").
- Second, IFP is disclosing that it accepted a Paycheck Protection Program ("PPP") loan, which was forgiven.
- Third, IFP applied for and was granted the Employee Retention Credit, which is a refundable tax credit against certain employment taxes.
- Fourth, IFP reduced its maximum Assets Under Management ("AUM") fee for accounts opened going forward to 2% or, if a Third-Party Asset Manager ("TPAM") is used, the maximum will remain at 2.5%, although the maximum fee recommended fee remains at 1.5%.
- Fifth, IFP has some Investment Adviser Representatives ("IAR") who leave IFP and who continue to collect fees from accounts they brought to IFP while they were with IFP, and such payments may be construed as either Solicitor fees or revenue sharing.
- Sixth, IFP removed the option for its clients to obtain Robo advisory services.
- Seventh, IFP removed the option for IFP to receive fees from Sofi bank.

Since IFP's annual filing in March of 2022, IFP added additional references to models used by IFP, in particular DFA Models, American Funds/Capital Group Models and First Trust Models.

You and prospective clients can always receive the most current disclosure brochure for IFP at any time by contacting your IAR or by contacting IFP Compliance at (813)-341-0960.

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ITEM 4. ADVISORY BUSINESS

IFP Advisors, LLC, doing business as Independent Financial Partners ("IFP"), has been a Registered Investment Adviser ("RIA") with the Securities and Exchange Commission ("SEC") since 2008. IFP's direct, majority owner is IFP Group, LLC, and indirect owner, through IFP Group, is WKW Enterprises.

Generally

In general terms, IFP's service models can be depicted as follows:

- Rep as Portflio Manager
- Rep as Non-Discretionary Advisor
- IFP Centralized Asset Management/Models
- IFP as Sub-Advisor & Co-Advisor
- Third Party Asset Managers ("TPAMs")
- Financial Planning, Generally
- Pension and Retirement Planning & Consultancy

IFP conducts its investment advisory business through a network of independent Investment Adviser Representatives ("IARs") who operate offices located throughout the United States. While we oversee the way your accounts are established and the transactions in them, we do not dictate the products, platforms, or services your IAR recommends to you within the scope of available options IFP makes available to your IAR. Some IARs will operate under their own business name(s) or Doing/Business/As ("DBA") name(s). Such DBA names may be registered companies or registered trades names in their respective States, but such entities are not registered to conduct investment advisory services themselves; investment advisory services are provided through IFP. The business name(s) and DBA name(s) used by the IARs are separate from IFP. The purpose of using a name other than IFP is for your IAR to create a brand that is specific to the IAR and/or office from which the IAR or group of IARs operate. Such IARs also offer and provide other services through their DBA name(s), which are outside the scope of services provided by IFP. However, as stated above, all investment advisory services conducted by IARs are provided through IFP.

IFP offers a variety of investment advisory platforms, custodians, and brokers, including our own affiliated broker-dealer, IFP Securities, LLC, Member FINRA/SIPC/MSRB, doing business as Independent Financial Partners. Many of our IARs are also dually registered as Registered Representatives ("RRs") and solicit, offer and sell securities through IFP Securities, an affiliated, introducing broker-dealer whose accounts are held at Pershing, LLC ("Pershing"). Please refer to the Brokerage Practices section for additional information regarding our broker-dealer affiliate.

If you wish to contract with IFP and IAR for asset management services, you are required to use only those broker-dealers and custodians approved by IFP. IFP recommends broker-dealers and custodians based on relationships that have been established. As stated elsewhere herein, IFP has an affiliated broker-dealer, IFP Securities. As such, IFP uses IFP Securities for broker-dealer services, which uses Pershing, LLC ("Pershing") to clear and settle transactions, hold such securities positions in custody and other account assets, including cash. For accounts networked by IFP apart from those of its affiliated broker/dealer, IFP has direct relationships with Qualified Custodians, consisting of Schwab, Pershing Advisory Services (“PAS”), Fidelity Institutional Wealth Services (“FIWS”), TD Ameritrade Institutional (“TD”) and SEI[1], which provide brokerage execution through their own broker/dealer(s).

IFP enables its IARs to utilize many different avenues to provide personalized investment advisory services to you. These services include financial planning and consulting services, referrals to third-party asset managers, investment advice/management by the IAR and investment advice/management by IFP personnel in the Home Office.

IFP’s recommendations and services are provided based on your specific needs. Investment strategies and philosophies differ among IARs who are responsible for determining and implementing their own investment advice under the supervisory controls of IFP.

You and your IAR will discuss your financial goals, investment objectives, investment experience and time horizon, among other factors specific to your financial situation. You are given the ability to impose written restrictions on your accounts, including specific investment selections and sectors. When you impose these restrictions, IFP will make best efforts to honor those restrictions. For this reason, it is important you understand that IFP performs advisory and/or brokerage services including investment reporting for various clients, and that we give advice or take actions for clients other than you that differ from the advice given to you.

Conflicts of Interest Regarding Certain Compensation Methodologies, Multiple Services and Platform Decisions

IARs can potentially be acting in all three capacities when soliciting, offering, buying, selling and exchanging investment products, investment advisory services and/or insurance products. For avoidance of doubt, those three capacities are as a registered representative of a securities broker (also known as an RR), an investment adviser representative of a registered investment adviser (also known as an IAR), and an agent of an insurance company (also known as an “insurance agent”). There is a conflict of interest when IARs solicit, offer and sell securities and insurance products for which you would pay a commission, while also soliciting, offering and selling investment advisory services and managing the assets in your accounts and charging a separate investment advisory fee. IFP addresses this conflict of interest by requiring the IAR to disclose to you at the time a brokerage account is opened through IFP Securities the nature of the transaction or relationship, his or her role as an IFP Securities RR, and any compensation including commissions that are paid by you and/or received by the IAR. Moreover, it is the general policy of IFP to refrain from a charging a commission on accounts where the IAR is charging an investment advisory fee for the same period of time. In situations where clients want comprehensive financial planning[2], or ongoing advice covering securities originally sold in brokerage transactions, IFP's policy, absent a compelling rationale to the contrary, prohibits charging an investment advisory fee for assets sold in a brokerage transactions, unless (i) a period of time passes until the investment advisory fee that would have been charged exceeds the commission actually charged, *and* there is a sound basis to commence the investment advice/management of such assets at that time (ii) such products are not available on an advisory platform on an commission-free, advisory share class basis, are better for the client's investment objectives and in the client's best interest, are liquid and the client also seeks continuous and regular investment advice/management. Wherever possible, in situations where assets purchased in brokerage transaction for a commission through IFP Securities, such assets should either be excluded from investment advisory billing or the investment advisory fee should be reduced to offset any commission that was otherwise unavoidable for the particular security.

You are under no obligation to (i) engage the services of any IAR or other individual investment professional recommended by IFP, (ii) engage the services of any 3rd party investment adviser/manager recommended by IFP or (iii) accept the advice to buy, sell or exchange of any particular product and implementation decisions in situations where

[1] SEI Private Trust Company, with its affiliate of SEI Investments (Distribution) Company Co.

[2] This reference to comprehensive financial planning may involve ongoing account monitoring services or may simply refer to a discrete, single plan, or a revisitation of a plan periodically (e.g., annually). If ongoing account monitoring services are provided in conjunction with a comprehensive financial plan, then such services should be priced based upon a % of assets under management/AUM, for which ongoing advisory/management services would be provided. Without a specification of ongoing account monitoring services, financial planning services normally are priced based upon a flat fee and for which there would not be ongoing advisory/management services covering the accounts. In other words, financial plans priced based upon a flat fee and for which there would not be continuous and regular advisory/management services could provide such limited advisory services that cover securities (sold by IFP Securities) without having to wait until a commissioned product sold by IFP Securities "ages" for a period of time such that the commission equates to the proposed advisory fee for the same time period, or otherwise have to comply with considerations in point above concerning platform availability.

the IAR/IFP only has non-discretionary authority over the account. You may vest discretionary authority for trading decisions with your IAR or retain such authority yourself. If you retain discretion over implementation decisions, you will be the one to accept or reject recommendation from IFP or its IAR. In situations where you have provided the IAR/IFP with discretionary investment management authority, you may revoke that authority at any time, but unless or until revoked, your IAR retains the authority to make trading decisions in your account without discussing them with you beforehand.

Changes in Your Finances and Investment Objectives

It is your responsibility to promptly notify us if there is a change in your financial situation or investment objectives. You are not obligated to use IFP for securities transactions or individual insurance provider products.

Other

Additional descriptive information is provided under Fees and Compensation so that you and prospective clients can review the services and description of fees more thoroughly. Descriptions for some of our investment advisory and management services is contained in the following pages and section of this document, as well as in the respective program's Wrap Fee Disclosure Brochure of IFP and its 3rd Party Asset Managers/TPAMs.

FINANCIAL PLANNING SERVICES (PLANS AND CONSULTATIONS)

Some IFP IARs will provide financial planning services or platforms that focus on your specific needs and concerns. These services can be (i) comprehensive in nature and focus on your overall financial situation, risk, goals, and objectives, or (ii) modular in nature, focusing on specific areas of concern that you have such as asset allocation, college planning, estate planning, etc.

Financial Planning consists of:

- Helping you determine and set your long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, estate planning and other areas. The role of a financial planner is to identify your investment and planning objectives and to assess and/or provide effective/optimal strategies and recommendations to achieve your objectives.

- In this sense, we offer:

    - Comprehensive and segmented (modularized) financial plans and also through specific recommendations. Comprehensive planning services focus on a client's overall financial situation;
    - Modular planning services and consultations focus on specific areas of client concern, like retirement planning or education planning; and
    - Recommendations can be for asset allocation advice to specific accounts held away from an IAR (e.g., 401(k).

Your IAR will collect a variety of information and documentation from you that is necessary to perform the requested services. Your IAR will gather the information in order to review your current financial condition, to assist you in determining your attitude toward risk, and to identify your financial goals, objectives and challenges. Financial data that is gathered and reviewed include, but is not necessarily limited to, statements and account data from banks, broker-dealers, and mutual funds, as well as tax returns and insurance policies.

Depending on the level and the scope of the financial planning engagement, your IAR will also review wills and trusts for financial considerations (IFP may not and does not provide legal services). Your IAR will rely on the information provided by you. Therefore, it is important the information you provide is complete and accurate. Neither IFP nor your IAR are responsible for verifying the information you provide. In addition, if authorized by you, your IAR will gather information or documentation from your other professionals and are expressly authorized to rely on that information provided. We urge you to work closely with your attorney, accountant, or other professionals regarding the tax/financial and legal aspects of your personal situation.

Your IAR will discuss his or her recommendations with you as well as steps to be taken in order to implement those recommendations. It is your responsibility to notify your IAR if there are changes in your financial situation or investment objectives. You should notify your IAR of changes so that they can work with you to determine if the changes will affect the advice previously provided. Together, with your IAR, you can determine if you wish to engage him or her to review, evaluate, and revise the previous recommendations provided.

Although financial planning services are provided with the intention that you will implement the recommendations, you are not obligated to do so. You retain discretion over implementing decisions relating to financial planning services and are free to accept or reject any recommendation from your IAR. You have the option to purchase investment products that are recommended through other brokers or agents that are not affiliated with IFP. To the extent you would like your IAR to implement transactions on your behalf, you will need to enter into a separate contract with your IAR for the appropriate service, including contracts to establish (i) investment advisory/management services involving discretionary or non-discretionary continuous and regular account oversight and/or implementation services for an investment advisory fee (typically a % of assets in the account subject to advice or "under management")[3] or (ii) a brokerage account to be used to implement transactions in exchange for a commission-based compensation arrangement (without an investment advisory fee). With respect to the latter, a conflict will exist between the interests of IFP, your IAR and your interests because if you choose to implement the advice of your IAR through their separate capacity as a RR, your IAR will earn commissions in their capacity as a RR (or additional advisory fees financial planning engagement that result in entering into an ongoing investment advisory arrangement) in addition to the fees charged for financial planning services.

The fees for these types of services are negotiated between you and your IAR and depend on the nature of the financial planning services provided, as well as the time and the complexity of your circumstances and our services. All fees are agreed upon prior to entering into the Financial Planning and Consultancy Agreement signed by you.

Fee arrangements are documented on the Financial Planning and Consultancy Agreement (see Item 5 – Fees below for a specification of the ranges of fees[4].

These services do not involve actively managing your accounts. Depending on the specific planning service, if other than comprehensive financial planning, such plans may not consider all important financial issues of the client; clients and FP will agree of the scope of each financial plan.

INVESTMENT MANAGEMENT

<u>ADVISOR MANAGED</u>

Within IFP, portfolio management is handled in one of two ways. First, FP serves as the portfolio manager. Second, IFPAM serves as the portfolio manager. To cover transactions occurring within accounts, each custodian has asset-based pricing as an alternative, and some of them have both asset-based pricing and transaction-based pricing. In situations where the custodian offers asset-based pricing, then the IAR has the ability to select asset-based pricing in order to pay for the services provided by the custodian, including account and transaction fees.

Whether IFPAM or the IAR outside of our Home Office serves as the portfolio manager, then the IAR decides whether the client account should be priced whereby ticket fees and other transaction costs are borne by the Client or wrapped into 1 fee, inclusive of IFP's fee, which would result in the IAR absorbing any transaction costs incurred. In the case where

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3 The scope of the financial planning services is defined in the Financial Planning & Consultancy Agreement. *Unless* the Financial Planning & Consultancy Agreement specifies that the planning and investment advisory services are continuous and regular, ongoing account-related services, any duties, fiduciary other otherwise, shall terminate with the delivery or completion of the financial plan, *unless* a separate investment advisory contract is signed that specifies such ongoing services shall commence or remain in the scope of services provided by IFP/IAR. Also, comprehensive financial planning may involve ongoing account monitoring services or may simply refer to a discrete, single plan, or a revisitation of a plan periodically (e.g., annually). If ongoing account monitoring services are provided in conjunction with a comprehensive financial plan, then such services should be priced based upon a % of assets under management/AUM, for which ongoing advisory/management services would be provided. Without a specification of ongoing account monitoring services, financial planning services normally are priced based upon a flat fee and for which there would not be ongoing advisory/management services covering the accounts.

4 ITEM 5, Fees and Compensation, "*Financial Planning and Consulting Fees.*"

custodians such as Fidelity and Pershing Advisory Solutions utilizes an asset-based pricing model, it may cover only a portion of their securities (e.g., asset-based pricing for stocks and ETFs), but may retain transaction-based pricing for mutual funds, unless the mutual funds are structured as NTFs (non-transaction costs mutual funds).

In an Advisor Managed Account, sometimes known as "Rep as Portfolio Manager" ("RPM"), your IAR will be responsible for managing your account consistent with your defined objectives and risk tolerance and will assist you to develop a personalized asset allocation program and customized portfolio. IFP does not offer proprietary products. IFP's investment recommendations are not limited to any specific product or service offered through a broker/dealer or insurance company. Your portfolio holdings can include, but are not limited to, securities listed on the stock market exchanges; corporate and municipal bonds; Mutual Funds; Unit Investment Trusts ("UITs"); Exchange Traded Funds ("ETFs"); Variable Annuities ("VAs") and/or the sub-accounts within a VA; Variable Universal Life insurance ("VUL"); alternative products, including project-specified private placements, Real Estate Investment Trusts ("REITs"), Direct Participation Programs ("DPPs") or Business Development Companies ("BDCs"); equity options; warrants; United States government and government agency securities; certificates of deposit and commercial paper. Depending upon the issuer and how it structures the product, some investment products, (e.g., REITs, DPPs and BDCs) historically have been more often designed for the brokerage versus investment advisory channel, although platform availability for these products is expanding. If the product was structured and sold as a brokerage product, which means a commission was charged, it generally is not eligible to be held in an Advisor Managed Account, unless it is excluded from billing.

In an Advisor Managed Account, your IAR typically will diversify your holdings across various asset classes unless your objective is to invest in specific assets. The percentage weightings within the asset classes will be based on your risk profile, investment objectives, individual preferences and availability. You will have the opportunity to meet with your IAR to periodically review the assets in your Advisor Managed Account. We recommend you and your IAR meet on a regular basis to review your financial situation, investment objectives and current holdings, and you should let your IAR know about any changes in your circumstances in the meantime.

IFP does not pool your assets with those of other customers. Models are managed as SMAs, and IAR manage accounts individually, not as a pool of investor capital. IFP provides continuous and regular supervisory services over what are known as separately managed account. Among other things, the advice and management of your account are tailored to your individual and specific needs and objectives. Also, you retain the right to add or withdraw securities or cash, pledge securities, and vote securities. You will receive periodic statements directly from the qualified custodian.

We offer both discretionary and non-discretionary portfolio management and advisory services. Thus, the underlying accounts subject to ongoing account monitoring and supervisory services are handled on either a discretionary trading basis or non-discretionary trading basis as agreed upon between you and your IAR. In order to have trading authorization on your account, you must grant your IAR limited power of attorney over your account. This can be done through the standard IFP investment advisory agreement.

If you want your IAR to have discretion over the timing and amount of securities purchased or sold in your account ("Limited Trading Authorization"), you will be asked to sign an agreement providing such authorization. Such an agreement is referred to several ways, including Limited Power of Attorney, Letter of Authorization or with the investment advisory agreement itself, with specific language to refer to authorizing your IAR to place orders for your account without contacting you in advance. Such Limited Trading Authorization places more power and trust with your IAR, and if you proceed in that way, you should be comfortable with the investment management approach and plan, and understand that the implementation of that approach/plan is within the control of your IAR.

If you do not want your IAR to have discretion, your account will be non-discretionary and your IAR will need to speak with you directly to obtain authorization before placing trades. You should understand that any delay in obtaining your authorization to execute a recommendation could result in less favorable transaction terms, including a higher security transaction execution price depending on prevailing market conditions.

Some IARs will utilize an automated investment program through which you are invested in a range of investment strategies constructed by your IAR. These types of programs assist your IAR in determining your investment objectives and risk tolerances in order to select an appropriate investment strategy and portfolio. Additionally, these programs assist your IAR in managing your portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if applicable). However, this could lead to less frequent contact with your IAR.

IFP ASSET MANAGEMENT

IFP Asset Management ("IFPAM") offers a variety of model portfolios from which investors choose. IFPAM model portfolios, which are created and managed on a discretionary basis by IFP's Investment Management team. In instances where your IAR uses IFPAM, your IAR will help you determine which IFP models are best suited for you based on your risk profile, investment objectives, and preferences, leaving the actual trading decisions to IFP's Investment Management team. IFPAM offers a variety of model portfolios with varying investment product types, including mutual fund and ETF portfolios, equity portfolios and fixed income portfolios. On a case-by-case basis, IFPAM also offers to manage portfolios according to models that an IAR may provide.

The IFPAM enables its IARs who do not want to serve as RPM to have IFPAM manage the client's portfolio.

The IFPAM service model for its IARs is as follows:

PROCESS

ANALYZE

Analyze how the IAR is currently handling the asset management portion of the IAR's business and whether the IAR thinks IFPAM could provide value.

DISCUSS

Schedule a consultative call to review the IFPAM team, services, and model portfolios so the IAR can better understand how IFPAM can increase the enterprise value of the IAR's practice.

IMPLEMENT

Once the IAR is confident IFPAM is a good fit for the IAR, IFPAM will work with the IAR to devise an implementation strategy to move over any accounts that the IAR may wish to have IFPAM manage.

GROW

After implementation, IAR can go back to focusing on the IAR's clients, serving as the relationship manager, but teaming up with IFPAM to manage the client's money.

SERVICE

ACCESS IFPAM'S PRE-BUILT MODEL PORTFOLIOS

Eliminates the need to evaluate securities, analyze mutual funds and ETFs, and construct asset allocation strategies.

IFPAM CAN CUSTOMIZE STRATEGIES FOR HIGH-NET-WORTH CLIENTS

Eliminates the need to research positions, understand portfolio construction, and continually monitor custom strategies.

IFPAM WILL TRADE AND REBALANCE YOUR ACCOUNTS AND HANDLE OPERATIONAL TASKS SUCH AS INVESTING CONTRIBUTIONS AND FREEING UP CASH FOR WITHDRAWALS

Eliminates the need to learn new trading software and stop other tasks to execute trade orders.

ACCESS INVESTMENT RESEARCH

Eliminates the need to meet with wholesalers, perform extensive due diligence, and write trade rationales.

<u>MODEL PORTFOLIO OFFERINGS</u>

BROAD MODEL STRATEGIES

PASSIVE

Seeks to provide a low-cost, tax-efficient portfolio with minimal tracking error to its designated benchmark.

STRATEGIC

Built for long-term investors who desire an asset allocation model that is always fully invested.

TACTICAL

Actively managed and designed to incorporate IFPAM's best ideas. The portfolios are traded more frequently than the strategic models and can go to cash when market conditions warrant.

QUANTITATIVE

Asset allocation decisions are driven entirely by pre-defined rules that are algorithmic in nature. The models are designed to provide a level of risk management and can hold elevated cash.

FOCUSED STOCK / INDIVIDUAL EQUITY

Built for investors who want to gain exposure to domestic companies through individual stocks. These models are designed to capture certain market factors, such as quality, minimum volatility, and momentum.

INCOME ORIENTED

Designed to provide investors with current income, either through interest payments or dividends.

THIRD PARTY MODELS

Such 3rd Party models are designed to provide investors with access to 3rd party money managers and their model portfolios. IFPAM currently has relationships with Dimensional Fund Advisors ("DFA") and Capital Group/American Funds.

SPECIFIC MODELS

<u>ETP Passive – Aggressive Growth</u>

Seeks to provide a low-cost, tax-efficient portfolio with minimal tracking error to its designated benchmark. This is the aggressive growth version of the model.

<u>ETP Passive – Growth</u>

Seeks to provide a low-cost, tax-efficient portfolio with minimal tracking error to its designated benchmark. This is the growth version of the model.

<u>ETP Passive – Growth with Income</u>

Seeks to provide a low-cost, tax-efficient portfolio with minimal tracking error to its designated benchmark. This is the growth with income version of the model.

ETP Passive – Income with Moderate Growth

Seeks to provide a low-cost, tax-efficient portfolio with minimal tracking error to its designated benchmark. This is the income with moderate growth version of the model.

ETP Passive – Income with Capital Preservation

Seeks to provide a low-cost, tax-efficient portfolio with minimal tracking error to its designated benchmark. This is the income with capital preservation version of the model.

MF Strategic – Aggressive Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the aggressive growth version of the model.

MF Strategic – Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth version of the model.

MF Strategic – Growth with Income

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth with income version of the model.

MF Strategic – Income with Moderate Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with moderate growth version of the model.

MF Strategic – Income with Capital Preservation

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with capital preservation version of the model.

ETP Strategic – Aggressive Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the aggressive growth version of the model.

ETP Strategic – Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth version of the model.

ETP Strategic – Growth with Income

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth with income version of the model.

ETP Strategic – Income with Moderate Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with moderate growth version of the model.

ETP Strategic – Income with Capital Preservation

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with capital preservation version of the model.

Alpha & Beta (Hybrid) Strategic – Aggressive Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the aggressive growth version of the model.

Alpha & Beta (Hybrid) Strategic – Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth version of the model.

Alpha & Beta (Hybrid) Strategic – Growth with Income

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth with income version of the model.

Alpha & Beta (Hybrid) Strategic – Income with Moderate Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with moderate growth version of the model.

Alpha & Beta (Hybrid) Strategic – Income with Capital Preservation

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with capital preservation version of the model.

Socially Responsible Investing (SRI) Strategic – Aggressive Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the aggressive growth version of the model.

Socially Responsible Investing (SRI) Strategic – Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth version of the model.

Socially Responsible Investing (SRI) Strategic – Growth with Income

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth with income version of the model.

Socially Responsible Investing (SRI) Strategic – Income with Moderate Growth

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with moderate growth version of the model.

Socially Responsible Investing (SRI) Strategic – Income with Capital Preservation

Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with capital preservation version of the model.

Wealth Accumulation Strategic – Aggressive Growth

Seeks to provide a well-diversified, cost-effective solution for clients that are in the accumulation phase of their investing life cycle. Built for long-term investors who desire an asset allocation model that is always fully invested. This is the aggressive growth version of the model.

Wealth Accumulation Strategic – Growth

Seeks to provide a well-diversified, cost-effective solution for clients that are in the accumulation phase of their investing life cycle. Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth version of the model.

Wealth Accumulation Strategic – Growth with Income

Seeks to provide a well-diversified, cost-effective solution for clients that are in the accumulation phase of their investing life cycle. Built for long-term investors who desire an asset allocation model that is always fully invested. This is the growth with income version of the model.

Wealth Accumulation Strategic – Income with Moderate Growth

Seeks to provide a well-diversified, cost-effective solution for clients that are in the accumulation phase of their investing life cycle. Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with moderate growth version of the model.

Wealth Accumulation Strategic – Income with Capital Preservation

Seeks to provide a well-diversified, cost-effective solution for clients that are in the accumulation phase of their investing life cycle. Built for long-term investors who desire an asset allocation model that is always fully invested. This is the income with capital preservation version of the model.

ETP Tactical – Growth with Income

Actively managed and designed to incorporate IFPAM's best ideas. The portfolios are traded more frequently than the strategic models and can go to cash when market conditions warrant.

Risk Managed Quant Blend – Aggressive Growth

Seeks to blend four of IFPAM's investment strategies to create a core portfolio that seeks to add a quantitative risk management overlay. The underlying IFPAM strategies are subject to change, but currently include IFPAM's ETP Passive – Aggressive Growth strategy, IFPAM's Protective Asset Allocation Strategy, IFPAM's Vigilant Asset Allocation strategy and IFPAM's Tactical Bond Strategy. This is the aggressive growth version of the model.

Risk Managed Quant Blend – Growth

Seeks to blend four of IFPAM's investment strategies to create a core portfolio that seeks to add a quantitative risk management overlay. The underlying IFPAM strategies are subject to change, but currently include IFPAM's ETP Passive – Aggressive Growth strategy, IFPAM's Protective Asset Allocation Strategy, IFPAM's Vigilant Asset Allocation strategy and IFPAM's Tactical Bond Strategy. This is the growth version of the model.

Risk Managed Quant Blend – Growth with Income

Seeks to blend four of IFPAM's investment strategies to create a core portfolio that seeks to add a quantitative risk management overlay. The underlying IFPAM strategies are subject to change, but currently include IFPAM's ETP Passive – Aggressive Growth strategy, IFPAM's Protective Asset Allocation Strategy, IFPAM's Vigilant Asset Allocation strategy and IFPAM's Tactical Bond Strategy. This is the growth with income version of the model.

Risk Managed Quant Blend – Income with Moderate Growth

Seeks to blend four of IFPAM's investment strategies to create a core portfolio that seeks to add a quantitative risk management overlay. The underlying IFPAM strategies are subject to change, but currently include IFPAM's ETP Passive – Aggressive Growth strategy, IFPAM's Protective Asset Allocation Strategy, IFPAM's Vigilant Asset Allocation strategy and IFPAM's Tactical Bond Strategy. This is the income with moderate growth version of the model.

Risk Managed Quant Blend – Income with Capital Preservation

Seeks to blend four of IFPAM's investment strategies to create a core portfolio that seeks to add a quantitative risk management overlay. The underlying IFPAM strategies are subject to change, but currently include IFPAM's ETP Passive – Aggressive Growth strategy, IFPAM's Protective Asset Allocation Strategy, IFPAM's Vigilant Asset Allocation strategy and IFPAM's Tactical Bond Strategy. This is the income with capital preservation version of the model.

Diversified Income - ETP Taxable

The strategy is best suited for clients whose focus is on generating income. The strategy seeks to invest in exchange traded products that are distributing current income. The goal of the strategy is to provide higher levels of income than IFPAM's investment objective benchmark. The strategy is only offered in one investment objective, although IFP offers both a taxable and a non-taxable version, depending on the tax status of the account. This is the taxable version of the model, intended for use with taxable/non-qualified accounts.

Diversified Income - ETP Non-Taxable

The strategy is best suited for clients whose focus is on generating income. The strategy seeks to invest in exchange traded products that are distributing current income. The goal of the strategy is to provide higher levels of income than IFPAM's investment objective benchmark. The strategy is only offered in one investment objective, although IFP offers both a taxable and a non-taxable version, depending on the tax status of the account. This is the taxable version of the model, intended for use with non-taxable/qualified accounts.

Diversified Income – Mutual Fund Taxable

The strategy is best suited for clients whose focus is on generating income. The strategy seeks to invest in mutual funds that are distributing current income. The goal of the strategy is to provide higher levels of income than IFPAM's investment objective benchmark. The strategy is only offered in one investment objective, although IFP offers both a taxable and a non-taxable version, depending on the tax status of the account. This is the taxable version of the model, intended for use with taxable/non-qualified accounts.

Diversified Income – Mutual Fund Non-Taxable

The strategy is best suited for clients whose focus is on generating income. The strategy seeks to invest in mutual funds that are distributing current income. The goal of the strategy is to provide higher levels of income than IFPAM's investment objective benchmark. The strategy is only offered in one investment objective, although IFP offers both a taxable and a non-taxable version, depending on the tax status of the account. This is the taxable version of the model, intended for use with non-taxable/qualified accounts.

DFA Dimension 1 – Aggressive Growth DFA Dimension 1

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFP Asset Management constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The model benefits from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the more conservative models, as it has relatively lower exposure to small cap, value, and international securities. This is the aggressive growth version of the model.

DFA Dimension 1 – Growth DFA Dimension 1

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The model benefits from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the more conservative models, as it has relatively lower exposure to small cap, value and international securities. This is the growth version of the model.

DFA Dimension 1 – Growth with Income DFA Dimension 1

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The model benefits from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the more conservative models, as it has relatively low exposure to small cap, value and international securities. This is the growth with income version of the model.

DFA Dimension 1 – Income with Moderate Growth DFA Dimension 1

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the more conservative models, as it has a relatively low exposure to small cap, value, and international securities. This is the income with moderate growth version of the model.

DFA Dimension 1 – Income with Capital Preservation DFA Dimension 1

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the more conservative models, as it has relatively low exposure to small cap, value and international securities. This is the income with capital preservation version of the model.

DFA Dimension 2 – Aggressive Growth DFA Dimension 2

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFP Asset Management. Relative to the other Dimension models offered, it is one of the most aggressive models, as it provides the largest exposure to small cap and international securities. This is the aggressive growth version of the model.

DFA Dimension 2 – Growth DFA Dimension 2

The Dimension models were developed to provide clients of IFP with an exclusive opportunity to access the Dimensional investment style. IFP Asset Management constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the most aggressive models, as it provides the largest exposure to small cap, value and international securities. This is the growth version of the model.

<u>DFA Dimension 2 – Growth with Income DFA Dimension 2</u>

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<u>DFA Dimension 2 – Income with Moderate Growth DFA Dimension 2</u>

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFP Asset Management. Relative to the other Dimension models offered, it is one of the most aggressive models, as it provides the largest exposure to small cap, value and international securities. This is the income with moderate growth version of the model.

<u>DFA Dimension 2 – Income with Capital Preservation DFA Dimension 2</u>

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to the other Dimension models offered, it is one of the most aggressive of the Dimension models, as it provides the largest exposure to small cap, value and international securities. This is the income with capital preservation version of the model.

<u>DFA Dimension 3 – Aggressive Growth DFA Dimension 3</u>

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to Dimension 1, this model is relatively more volatile given its greater allocation to small cap, value and international securities. This model is relatively less volatile than Dimension Model 2. This is the aggressive growth version of the model.

<u>DFA Dimension 3 – Growth DFA Dimension 3</u>

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to Dimension 1, this model is more relatively volatile given its greater allocation to small cap, value and international securities. This model is relatively less volatile than Dimension Model 2. This is the growth version of the model.

<u>DFA Dimension 3 – Growth with Income DFA Dimension 3</u>

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DFA Dimension 3 – Income with Moderate Growth DFA Dimension 3

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. Relative to Dimension 1, this model is relatively more volatile given its greater allocation to small cap, value and international securities. This model is relatively less volatile than Dimension Model 2. This is the income with moderate growth version of the model.

DFA Dimension 3 – Income with Capital Preservation DFA Dimension 3

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFP Asset Management. Relative to Dimension 1, this model is relatively more volatile given its greater allocation to small cap, value and international securities. This model is relatively less volatile than Dimension Model 2. This is the income with capital preservation version of the model.

DFA Tax Aware – Aggressive Growth DFA Tax-Aware

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers tax-planning considerations. This is the aggressive growth version of the model.

DFA Tax Aware – Growth DFA Tax-Aware

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers tax-planning considerations. This model is less volatile than Dimension Model 2. This is the growth version of the model.

DFA Tax Aware – Growth with Income DFA Tax-Aware

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers tax-planning considerations. This is the growth with income version of the model.

DFA Tax Aware – Income with Moderate Growth DFA Tax-Aware

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers tax-planning considerations. This is the income with moderate growth version of the model.

DFA Tax Aware – Income with Capital Preservation DFA Tax-Aware

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFP Asset Management. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers tax-planning considerations. This is the income with capital preservation version of the model.

DFA Sustainable – Aggressive Growth DFA Sustainable

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers socially responsible considerations. This is the aggressive growth version of the model.

DFA Sustainable – Growth DFA Sustainable

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers socially responsible considerations. This model is relatively less volatile than Dimension Model 2. This is the growth version of the model.

DFA Sustainable – Growth with Income DFA Sustainable

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers socially responsible considerations. This is the growth with income version of the model.

DFA Sustainable – Income with Moderate Growth DFA Sustainable

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers socially responsible considerations. This is the income with moderate growth version of the model.

DFA Sustainable – Income with Capital Preservation DFA Sustainable

The Dimension models were developed to provide clients of IFP with an opportunity to access the Dimensional investment style. IFPAM constructed the Dimension models based on the Dimensional asset allocation philosophy using Dimensional Funds. These portfolios are strategically managed by IFPAM. The models benefit from an ability to utilize both the insight and track record of Dimensional and the portfolio construction experience of IFPAM. This strategy offers a risk profile similar to Dimension Model 2; however, the main difference is that this model offers socially responsible considerations. This is the income with capital preservation version of the model.

First Trust Strategic Risk Models - Aggressive Growth

The First Trust Strategic Risk Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are aimed at total return while diversifying the risk exposure of various asset classes over the long-term and are designed to provide IARs with a foundation to build scalable asset allocation solutions for their clients. This is the aggressive growth version of the model.

First Trust Strategic Risk Models - Growth

The First Trust Strategic Risk Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are aimed at total return while diversifying the risk exposure of various asset classes over the long-term and are designed to provide IARs with a foundation to build scalable asset allocation solutions for their clients. This is the growth version of the model.

First Trust Strategic Risk Models - Growth with Income

The First Trust Strategic Risk Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are aimed at total return while diversifying the risk exposure of various asset classes over the long-term and are designed to provide IARs with a foundation to build scalable asset allocation solutions for their clients. This is the growth with income version of the model.

First Trust Strategic Risk Models – Income with Moderate Growth

The First Trust Strategic Risk Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are aimed at total return while diversifying the risk exposure of various asset classes over the long-term and are designed to provide IARs with a foundation to build scalable asset allocation solutions for their clients. This is the income with moderate growth version of the model.

First Trust Strategic Risk Models – Income with Capital Preservation

The First Trust Strategic Risk Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are aimed at total return while diversifying the risk exposure of various asset classes over the long-term and are designed to provide IARs with a foundation to build scalable asset allocation solutions for their clients. This is the income with capital preservation version of the model.

First Trust Strategic Focus Models – All Equity Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the “all equity” version of the model.

First Trust Strategic Focus Models – Alternatives Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the alternatives version of the model.

First Trust Strategic Focus Models – Core Plus Fixed Income Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the core-plus fixed income version of the model.

First Trust Strategic Focus Models – Defensive Equity Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the defensive equity version of the model.

First Trust Strategic Focus Models – Diversified Low Duration Fixed Income Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the diversified low duration fixed income version of the model.

First Trust Strategic Focus Models – Domestic Equity Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the domestic equity version of the model.

First Trust Strategic Focus Models – Equity Income Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the equity income version of the model.

First Trust Strategic Focus Models – High Income Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the high-income version of the model.

First Trust Strategic Focus Models – High Income Municipal Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the high-income municipal version of the model.

First Trust Strategic Focus Models – International Equity Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and were created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the international equity version of the model.

First Trust Strategic Focus Models – Limited Duration Municipal Model

The First Trust Strategic Focus Model Portfolios consist of ETFs and are created by the First Trust Advisors Model Investment Committee. These models are designed to provide IARs with core equity, core fixed income and core alternatives foundations to build scalable asset allocation solutions for their clients. This is the limited duration municipal version of the model.

Pure American Funds – Conservative Growth & Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group (also known as American Funds). The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model seeks primarily to provide high current income, with a secondary goal of long-term growth of capital, through dividend-paying equities and fixed income securities.

Pure American Funds – Conservative Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model seeks current income and preservation of capital primarily through a diversified portfolio of quality fixed income securities and dividend-paying equities

Pure American Funds – Global Growth Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles, all managed strategically. This version of the model seeks long-term growth of capital through exposure to global companies with strong growth potential.

Pure American Funds – Growth Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model seeks long-term growth of capital through exposure to companies primarily in the U.S. with strong growth potential.

Pure American Funds – Growth with Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model seeks long-term growth of capital through exposure to equities, with a secondary goal of current income via dividend-paying equities and fixed income securities.

Pure American Funds – Moderate Growth & Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model seeks a combination of long-term growth of capital and income as well as current income primarily through a balanced exposure to growth- and income-oriented equities and fixed income securities.

Pure American Funds – Preservation Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks preservation of capital, with a secondary goal of current income, through a diversified portfolio of high-quality fixed income securities.

Pure American Funds – Retirement Income – Conservative Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks current income, long-term growth of capital and conservation of capital, with an emphasis on income and conservation of capital to support sustained, inflation-adjusted withdrawals.

Pure American Funds – Retirement Income – Enhanced Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks current income, long-term growth of capital and conservation of capital, with an emphasis on income and growth of capital to support sustained, inflation-adjusted withdrawals.

Pure American Funds – Retirement Income – Moderate Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks current income, long-term growth of capital and conservation of capital, to support sustained, inflation-adjusted withdrawals.

Pure American Funds – Tax Aware Conservative Growth & Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks primarily to provide high current income and secondarily long-term growth of capital through dividend-paying equities and tax-exempt fixed income securities.

Pure American Funds – Tax Aware Conservative Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks current income and preservation of capital primarily through a diversified portfolio of quality tax exempt fixed income securities and dividend-paying equities.

Pure American Funds – Tax Aware Growth & Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks long-term growth of capital through exposure to equities with a secondary objective of current income through dividend-paying equities and tax-exempt fixed income securities.

Pure American Funds – Tax Aware Moderate Growth & Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks a combination of long-term growth of capital and income and current income primarily through a balanced exposure to growth- and income-oriented equities, and tax-exempt fixed income securities.

Pure American Funds – Tax Aware Moderate Income Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks current income and long-term growth of capital, with a secondary objective of capital conservation, primarily through exposure to dividend-paying equities and generally higher-quality tax-exempt fixed income securities.

Pure American Funds – Tax-Exempt Preservation Model

The Pure American Funds Portfolios consist of mutual funds from the Capital Group. The allocations for the models are created by Capital Group/American Funds. These models are designed to offer investors with a wide variety of different investment styles that are managed strategically. This version of the model primarily seeks preservation of capital primarily and current income secondarily through a diversified portfolio of high-quality tax-exempt fixed income securities.

The Protective Asset Allocation Strategy

The Protective Asset Allocation Strategy is a quantitative, rules-based, momentum strategy that moves to cash quickly when asset classes begin demonstrating negative price momentum. The strategy considers momentum to choose between a global universe of 12 “Risk Assets,” holding up to 6 at any given time (model can hold 7 assets if the crash protection asset is short-term treasuries). Each of the 12 risk assets are first analyzed by looking at their absolute momentum, e.g., return relative to the risk-free rate, and then by comparing the asset's current price to its 13-month, month-end moving average.

The model considers the ratio of positive momentum asset classes to the entire 12 Risk Asset universe. Depending on the ratio of positive momentum assets to the universe, the model will deploy a proportionate amount to the positive momentum risk assets and cash. This is the most conservative of our quantitative strategies. The model is traded on the first trading day of each calendar month.

The Robust Asset Allocation Strategy

The Robust Asset Allocation Strategy divides the portfolio among 7 global asset classes: U.S. Momentum, U.S. Large Cap Value, International Equities, International Value, U.S. Real Estate, Commodities, and Intermediate Term Treasuries. The products used in each asset class causes the portfolio to have a slight tilt towards value and momentum than our other quantitative strategies.

The Robust Asset Allocation model allocates positions by first analyzing each asset class’ 12-month return compared to the risk-free rate and also its price relative to its 12-month moving average. If the asset class ‘price is above its 12-month moving average and also its 12-month return is positive, the portfolio will take a full position in the asset class, and if only one of the conditions is true, the portfolio will take a half position in the asset class, and if neither condition is true, that portion of the portfolio is left in cash.

When fully allocated (e.g., both conditions are true for each asset class), the model will consist of 20% US Momentum, 20% US Large Cap Value, 20% International Equities, 20% International Value Equities, 5% US Real Estate, 5% Commodities, and 10% Int-Term U.S. Treasuries. The model is traded on the first trading day of each calendar month.

The Elastic Asset Allocation Strategy

The Elastic Asset Allocation Strategy considers momentum measured over multiple time frames, as well as correlation between assets, to allocate across both a global universe of risk assets and cash. The assets traded in this strategy include the U.S. equities (“SPLG”), the NASDAQ 100 (“QQQ”), international equities (“SPDW”), emerging markets (“SPEM”), Japan Equities (“FLJP”), intermediate term U.S. Treasuries (“IEF”), and high yield bonds (“JNK”). The model’s positions are weighted based on the geometrical weighted average of the historical returns, volatilities, and correlations. The model is flexible, or “elastic” in the sense that positions don’t have pre-defined weights, but are instead weighted based on their cardinal ranking of the above factors. The model is designed for tactical asset allocation and is traded on the first trading day of each calendar month.

The Defensive Adaptive Asset Allocation Strategy

The Defensive Adaptive Asset Allocation Strategy is a "meta" model of sorts, combining successful elements from multiple other quantitative strategies:

- Vigilant Asset Allocation: The strategy measures momentum across multiple timeframes from 1 to 12 months, with more recent momentum given more weight.
- Dual Momentum: Each asset traded must exhibit both positive momentum and stronger momentum than competing assets.
- Adaptive Asset Allocation: Minimum variance optimization with a "weighted" covariance matrix is used to determine how much of the portfolio to allocate to each asset.
- Defensive Asset Allocation: The strategy uses the same "canary universe" concept to know when to "turn off" the strategy and move to defensive assets.

Assets traded in the model include US Equities (“SPLG”), Europe Equities (“SPDW”), Japan Equities (“FLJP”), Emerging Market Equities (“SPEM”), US REITS (“RWR”), International REITS (“RWX”), Intermediate-Term Treasuries (“IEF”), Long-Term Treasuries (“SPTL”), Commodities (“PDBC”), and Gold (“SGOL”).

The portfolio is traded on the first trading day of the month. This is one of the more actively traded quantitative strategies.

The Adaptive Asset Allocation Strategy

The Adaptive Asset Allocation Strategy combines momentum with a minimum variance portfolio to trade a diverse array of global asset classes.

The strategy rules are as follows:

- At the close on the last trading day of the month, calculate the 6-month (approximately 126 trading days) return for each of the following 10 asset classes: US equities (represented by SPLG), European equities (“SPDW”), Japanese equities (“FLJP”), emerging market equities (“SPEM”), US REITs (“RWR”), international REITs (“RWX”), interim US Treasuries (“IEF”), long-term US Treasuries (“SPTL”), commodities (“PDBC”) and gold (“SGOL”).
- Go long at the close the five assets (e.g., half of the portfolio) with the highest 6-month return. Weight the five assets according to minimum variance optimization, using a “weighted” covariance matrix calculated based on 126-day correlation and 20-day volatility.
- Hold positions until the first trading day of the following month, at which point the portfolio is rebalanced based on the new signals.

The Vigilant Asset Allocation Strategy

The Vigilant Asset Allocation Strategy is an aggressive momentum strategy that allocates 100% of the portfolio each month to a single asset from a small basket of either offensive or defensive assets. The strategy's approach to measuring momentum is heavily biased towards very recent months, with an asset class’ one month momentum determining 40% of the asset class’ momentum score, while the twelve-month momentum only determines 2% of the score. This makes the Vigilant Asset Allocation strategy quicker to respond to market changes, but can also lead to high portfolio turnover. The strategy also makes use of a concept called "breadth momentum", in which the allocation to defensive assets is determined by the entire universe of risk assets, as opposed to the particular asset class. Put another way, the strategy uses market breadth to determine how much of the portfolio to allocate defensively.

If all four of the offensive assets exhibit positive momentum scores, the strategy will allocate 100% of the portfolio to the offensive asset with the highest momentum score. If any of the four offensive assets exhibit negative momentum scores, the strategy will allocate 100% of the portfolio to the defensive asset with the highest score (regardless of whether the score is > 0).

The assets traded in this strategy include Offensive and Defensive positions. The Offensive positions consist of U.S. equities ("SPLG"), international equities ("SPDW"), emerging markets ("SPEM"), and US aggregate bonds ("SPAB"). The Defensive positions consist of US corporate bonds (SPIB), intermediate term U.S. Treasuries ("IEF"), and cash.

The model is traded on the first trading day of each calendar month.

<u>The Tactical Bond Strategy</u>

The Tactical Bond Strategy trades a broad basket of bond assets based on "dual momentum". The strategy trades between the following asset classes: intermediate-term US Treasuries, long-term US Treasuries, Treasury Inflation-Protected Securities ("TIPS"), US Corporate Bonds, US High Yield Bonds, International Aggregate Bonds, emerging market bonds, and cash.

The strategy rules are as follows:

- At the close on the last trading day of the month, calculate the 6-month return for each of the eligible asset classes.
- Select the 3 assets with the highest 6-month return. For each, if the return is both positive and greater than the 6-month return of BIL (3-month US Treasuries ETF), allocate 1/3 of the portfolio on the first trading day of the next month, otherwise allocate that portion of the portfolio to cash.

The strategy is built for investors who want fixed income exposure, but also want a safety valve in place if we enter a new regime of rising interest rates.

The model is traded on the first trading day of each calendar month.

IFPAM accounts are managed on a discretionary basis. IFP does not pool your assets with those of other customers. IFP provides continuous and regular supervisory services over what are know as separately managed account. Among other things, the advice and management of your account are tailored to your individual and specific needs and objectives. Also, you retain the right to add or withdraw securities or cash, pledge securities, and vote securities. You will receive periodic statements directly from the account custodian.

<u>The Sector Rotation Strategy</u>

The Sector Rotation Strategy is a momentum strategy that rotates between the various sectors within the U.S. economy. The model selects US stock market sectors displaying relative strength, but includes a safety valve that moves the entire portfolio to cash when the broader market is showing weakness.

The rules of the strategy are as follows:

- At the close on the final trading day of the month, calculate the return for each sector over the last 1, 3, 6, 9 and 12 months, and average those results together.
- Go long the top 3 sectors at the open of the next trading day, with 1/3 of the portfolio allocated to each sector, unless the S&P 500 (represented by SPY) closes below its 10-month moving average.

If the S&P 500 closes below its 10-month moving average, move the entire portfolio to cash.

The Acquirer's Multiple Strategy

The Acquirer's Multiple Strategy is a valuation ratio used to find attractive takeover candidates. This metric targets undervalued companies that are generating strong operating earnings relative to their enterprise value. This not only helps find companies that are attractive for takeover, but also has proven to be a valuable predictive tool for future stock returns. In addition to finding companies with low acquirer's multiples, this model further examines how persistent each company's earnings are. Earnings persistence measures how much of a company's earnings are cash-based versus accrual based (recognizing revenue without a cash transaction). This filter removes companies with high amounts of accrual earnings (low earnings persistence).

This model is somewhat contrarian in nature, as it often invests in companies that have fallen out of favor in the public eye, but still are generating ample operating income relative to their enterprise value.

Focused Shareholder Yield Strategy

The Focused Shareholder Yield Strategy invests in companies demonstrating strong Shareholder Yield. Shareholder Yield is measured by summing a company's dividend yield, its share buy-backs (the percentage of shares outstanding that have been repurchased or issued over the last year), and its net debt pay down (the amount of debt the company was able to reduce from its balance sheet). Essentially, the model is looking for companies that have been returning capital to shareholders in predictable manner. The model is not solely focused on obtaining dividend income, so should not be used as a substitute for a dividend or income strategy, but instead should be used for total return. The strategy tends to have a value tilt.

The Focused Shareholder Yield model is designed to be approximately sector neutral to the S&P 500. Each position receives an equal weight in the portfolio. The constituents are changed once per year based on the model's screening criteria.

Focused Minimum Volatility Strategy

The Focused Minimum Volatility Strategy attempts to provide investors with market-like returns with less volatility than the broad market, as measured by the S&P 500. The model aims to smooth out the returns by reducing downside during bear markets, while still participating in up markets, albeit possibly to a lesser extent. By limiting drawdown, the model can help investors avoid emotional reactions to market sell-offs, which can cause them to sell at inopportune times.

The model invests in companies that have previously demonstrated lower than average volatility relative to the broader U.S. equity market.

The Focused Minimum Volatility model is designed to be approximately sector neutral to the S&P 500. The positions are then weighted based on their inverse volatility. The constituents are changed once per year, based on the model's screening criteria.

Focused Quality Strategy

Focused Quality Strategy invests in companies with healthy balance sheets, earnings that are persistent in nature, and strong cash flow relative to liabilities. Companies evaluated typically demonstrate financial strength through high capital and sales profitability, high levels of free cash flow, low levels of debt, and low levels of accruals. Companies included in the model also tend to have a history of earnings stability.

The Focused Quality model is designed to be approximately sector neutral relative to the S&P 500. Each position receives an equal weight in the portfolio. The constituents are changed once per year, based on the model's screening criteria.

Focused Dividend Strategy

Focused Dividend Strategy invests in companies that pay relatively higher levels of dividends. The model screens for companies that not only are paying dividends, but also for those companies that have had a history of consistently paying and/or increasing their dividends. Stocks in the portfolio are also analyzed by their payout ratio and the amount of dividends being paid relative to the amount of earnings a company is generating to ensure that the dividend is sustainable.

The weights of each position in the Focused Dividend model are then equally weighted. The constituents are changed once per year, based on the model's screening criteria.

Focused Momentum Strategy

Focused Momentum model invests in companies that are experiencing positive price momentum. The philosophy behind the strategy is "the trend is your friend". The Focused Momentum model takes advantage of the fact that markets tend to continue to trend in the direction they're going much longer than most people assume possible. Investments that have performed well tend to continue to perform well and investments that have performed poorly tend to continue to perform poorly. However, there is always the risk and the inevitable reality that any trend will reverse, and when it does, clients will lose money. So, the right timing is important.

The Focused Momentum model tends to work best in strong upward trending markets. The strategy tends to lag in choppy, sideways markets. The strategy tends to have relatively high turnover as the constituents are reviewed and modified every month. Due to the relatively higher turnover and potential for realizing gains and losses, this strategy works best in qualified accounts, which means it is often not appropriate for non-qualified accounts.

Focused GARP Strategy

Using Y-charts Growth at a Reasonable Price Strategy, IFP will buy the top 35 stocks on the first trading day of each month and sell anything in the model which is not in the top 35. Growth at a reasonable price (GARP) finds stocks with recent historical growth - in terms of earnings, sales, and assets - that are selling at low prices compared to the earnings and dividends they pay out.

Hedge Fund Tracker Top 10 Strategy

Stocks come from the quarterly 13F filings, point in time, approximately 45 days after the end of month filing date of each quarter, typically by the middle of February, May, August and November. Thus, the model is reconstituted with an approximate 45-day lag after the quarter-end, with positions occasionally rebalanced to equally weight. Hedge funds considered must have AUM greater than $3.5 billion and must have outperformed the S&P 500 Total Return from 2008, and over the last 3 years. The top 10 picks from the group are selected according to a "Combined Percent of Portfolio" method by summing each securities percent of portfolio for each filer. Stocks with the highest combined percentage count are picked first. ETFs, options and short positions are excluded.

Hedge Fund Tracker Top 50 Strategy

Stocks come from the quarterly 13F filings, point in time, approximately 45 days after the end of month filing date of each quarter, typically by the middle of February, May, August and November. Thus, the model is reconstituted with an approximate 45-day lag after the quarter-end, with positions occasionally rebalanced to equally weight. Hedge funds considered must have AUM greater than $3.5 billion and must have outperformed the S&P 500 Total Return from 2008, and over the last 3 years. The top 50 picks from the group are selected according to a "Combined Percent of Portfolio" method by summing each securities percent of portfolio for each filer. Stocks with the highest combined percentage count are picked first. ETFs, options, and short positions are excluded.

WRAP FEE PROGRAM VERSUS PORTFOLIO MANAGEMENT PROGRAM

IARs provide asset management services through both Wrap Fee programs and other management programs. Under IFP's traditional management program, there are two separate types of fees. IFP charges an investment advisory fee for advisory services, and other fees are charged by activity (e.g., a ticket fee), usage, service for each transaction (e.g., buy/sell/exchange) or usage or service by IFP, its custodian and/or our affiliated introducing broker-dealer, IFP Securities, for accounts held at the qualified custodian. Under a Wrap Fee program, advisory services and transaction services are provided for one fee to the client. From a management perspective, there is not a fundamental difference in the way an IFP IAR manages Wrap Fee accounts versus traditional management accounts. However, in a Wrap Program, there is an incentive to trade less. Otherwise, the significant difference is the way in which transaction services are paid. For Wrap Fee program, there is a separate disclosure document that should be provided to you, which is referred to as the Wrap Fee Brochure, and the purpose of the brochure is, among other things, to alert you about the features of the service, conflicts-of-interest and the fact that because the Wrap Fee "bundles" all services and transactions into 1 cost, it could quite possibly result in higher overall fees assuming a certain level of transactions and other services that you may want or experience in your account. The maximum fee for Wrap accounts is 2.0%, which coincides with IFP's maximum fee, but notably, a non-Wrap fee arrangement is more likely to be less than 2.0%, on average, because transaction costs and other service costs are paid in addition to the investment advisory fee. You should discuss with your IAR whether a Wrap Fee program would be better or worse for you considering the level of transactions and other service needs you have. See our Wrap Fee Brochure for a description of services, fees and conflicts-of-interest related to our Wrap Fee business.

USE OF THIRD-PARTY ASSET MANAGERS

Some IARs will utilize the services of TPAMs to assist in managing your investments. The nature of the advisory and management services are determined between the client and the 3rd party investment adviser, and their services should be explained in their Form ADV 2A, and their Client Relationship Summary ("CRS").

Your IAR can assist you with selecting and monitoring unaffiliated TPAMs offering asset management and other investment advisory services. Such arrangements with TPAMs are structured as either solicitor arrangements, whereby IFP would solicit clients to the TPAMs in exchange for a fee, without any authority to provide ongoing advice or account management, or as co-advisory arrangements, wherein both firms would have authority to provide ongoing advice and/or account management services in exchange for a fee split as negotiated by the respective firms. In situations where IFP/IAR are serving as co-advisors, your IAR is responsible for the initial and ongoing review and is also responsible for maintaining your current information. Generally, such a referral to such a third-party must based upon a fiduciary/"Best Interest" determination, predicated upon reasonable due diligence, which supports the idea that the use of a third party would be in the best interest of you, the client. That being said, if IFP is not serving as a co-advisor, and is merely a solicitor, its scope of services and responsibility is more limited. In co-advisory arrangements, your IAR should assist you with identifying your risk tolerance, investment objectives, implementation strategies, etc. He or she will then recommend asset managers geared toward your stated investment objectives and risk tolerance. You will enter into an agreement directly with the TPAM.

Your IAR is available to answer questions you may have regarding your account and act as the communication conduit between you and the TPAM. Your IAR will be available to review the account(s) with you to determine if the TPAM is continuing to meet your investment objectives. Generally, TPAMs will exercise discretionary authority to determine the securities to be purchased and sold for you. In these situations, neither IFP, nor your IAR, has discretionary trading authority with respect to your account with the TPAMs(s) and are not responsible for investment selection or trade implementation in your accounts.

PENSION PLAN ADVISORY AND CONSULTING SERVICES

IFP, through its affiliated IARs, provides consulting and advisory services to both ERISA and Non-ERISA employer-sponsored retirement plans, including, but not limited to, 401(k), 457(b), 457(f), 403(b), Simple IRA, SEP IRA, nonqualified, deferred compensation, pension and profit-sharing plans (collectively, “Plans” or individually, “Plan”) on both a one-time and/or ongoing basis.

IFP offers a suite of detailed engagement agreements which are customized for each client relationship and executed by the Plan’s designated fiduciary upon conclusion of a careful review, which, at times, includes the client’s independent legal counsel. Through its agreements, IFP is engaged to provide investment advisory services on either a “non-discretionary” basis (serving as a “fiduciary” as defined by §3(21)(A)(ii) of the Employee Retirement Income Security Act of 1974 (“ERISA”)); or on a “discretionary” basis and thus will serve as an “Investment Manager” as defined by §3(38) of ERISA. Certain other additional services available from IFP would be considered non-fiduciary by definition and function and are explicitly detailed within the Plan’s executed agreement.

For non-discretionary services, IFP and its IARs will act in a solely advisory capacity and will not have or exercise any discretionary authority or control relative to the management or investment of the assets of the respective Plan.

For discretionary services, IFP and its IARs will be designated as the Investment Manager to the Plan and assume responsibility for the investment selection and asset management for the Plan’s master menu made available to the Plan participants from which to choose. In all cases, IFP will not serve as the “named fiduciary” of the Plan.

Our agreements offer our clients the opportunity to select one or more of the following services in various engagement categories:

ERISA 3(21) Investment Adviser Fiduciary Services (Non-Discretionary):

- Development of an Investment Policy Statement (“IPS”);
- Recommendations for the selection and monitoring of the Plan’s Designated Investment Alternatives (“DIAs”) that meet the standards set forth within the IPS or as established by other stated goals, objectives and restrictions communicated to IFP by the Plan’s fiduciaries that also satisfy ERISA’s §404(c) requirement that participant-directed retirement plans offer a “broad range” of investment options;
- Recommendations for selecting and monitoring the Plan’s Qualified Default Investment Alternatives (“QDIAs”);
- Recommendations for and monitoring of Third-Party Investment Managers, if utilized;
- Investment performance measurement, analysis and reporting;
- Attendance and active participation at Plan Oversight Committee meetings; and
- Individualized investment advice options for Plan Participants;

ERISA 3(38) Investment Manager Fiduciary Services (Discretionary):

- Development of an Investment Policy Statement (“IPS”);
- Selection and monitoring of the Plan’s DIAs;
- Selecting and monitoring of the Plan’s QDIAs;
- Investment performance measurement, analysis and reporting; and
- Attendance and active participation at Plan Oversight Committee meetings.

ERISA Non-Fiduciary Services:

- Consulting services to assist the Plan Sponsor with plan design (Settlor) decisions;
- Provide the Plan’s Oversight Committee with fiduciary education and “best practices” awareness as well as advice on the development of a Committee Oversight Charter, if so desired;
- Assistance with selecting and monitoring non-fiduciary vendors (e.g., TPA, Recordkeeper, etc.); and

- Delivering or coordinating individual and/or group investment and plan provision education, enrollment support and general retirement planning guidance.

From time to time with the Plan Sponsor's permission, IARs can make the Plan or Plan participants aware of and offer services to them available from the IAR that the participant would contract for separate and apart from the retirement plan advisory and consulting services described above specific to Plan assets. In offering or delivering any such additional services, IAR is not providing the services while acting as a fiduciary under ERISA with respect to such offering of services applicability to plan assets. If any such separate services are offered to participants, they will make an independent assessment of the need for or merits of such services without reliance on the advice, judgment or influence of IFP or its IAR.

IFP intends to fully adhere to the guidelines and mandates set forth within the DOL's Prohibited Transaction Exemption (PTE) 2020-02 which became effective February 16th, 2020 specific to rollovers from qualified plans. As such, IFP will require any participant considering a rollover to complete IFP's Employer Plan Distribution disclosure and acknowledgment document, which details the rationale for the rollover recommendation and discloses important information and considerations in connection with the rollover decision that are acceptable to the client. IFP has a form designed to gather data and serve as a basis to evaluate the appropriateness of any such rollover recommendations.

RETIREMENT PLAN INVESTMENTS DISCLOSURE AND FEES

Fees for retirement plan services are negotiated prior to the signing of the appropriate IFP Retirement Plan Agreement and includes the negotiated fee to be compliant with ERISA §408(b)(2) mandates. This disclosure is required of all vendors providing services to a retirement plan or its participants and must disclose all direct and indirect compensation they will receive in exchange for the services they provide to a retirement plan. IFP's agreements with its Plan Sponsor clients disclose the services it will provide and the fee it will charge for those services and serves as its required ERISA §408(b)(2) disclosure. See Item 5[5] below for a description of fees such services, but they generally do not exceed 2% of the Plan assets when AUM-based, or $250,000 for the large-"mega" Plan market and $50,000 for the micro-small Plan market (e.g., <$10 million) when flat fee-based.

TAX EXEMPT ORGANIZATIONS

Some IARs of IFP work with tax exempt programs and provides services to employees of public-school systems and tax-exempt organizations that qualify under Section 501(c)(3) of the Internal Revenue Code. Services are usually provided through the organization's retirement accounts held in an Optional Retirement Plan ("ORP"), also known as a 401(a), 403(b) and 457 accounts. IARs primarily use TIAA or Fidelity to provide these services. Both programs apply a maximum fee allowed to be charged of 2.0% of AUM.

COLLECTIVE INVESTMENT TRUST ("CIT") SUB-ADVISORY SERVICES

Wilmington Trust ("WT") selected IFP as the replacement investment sub-advisor to five CITs they established and marketed to ERISA-qualified employer sponsored retirement plans as Designated Investment Alternatives ("DIAs"). IFP's sub-advisory duties are that of a fiduciary as defined under ERISA §3(21) and IRC §4975(e)(3) with respect to the CITs and to those assets of the participating plans invested in these specific sub-advised CITs. IFP is solely engaged to advise WT, as the Trustee of the CITs, on recommended investment holdings and asset allocations that achieve the stated investment objective of each CIT. IFP does not have custody of or execute trades for any of the five CITs. Further, WT retains final approval authority for accepting or executing any recommendation made by IFP and WT also retains proxy voting responsibility. IFP is paid six basis points for its services.

[5] Item 5, Fees and Compensation, "*Retirement Plan Investment Advisory Fees.*"

IFP does not intend to offer these specific CITs to its retirement plan clients, but it was determined they were existing holdings within six plans already advised by an IFP IAR with the positions having been voluntarily added before IFP became the Sub-Adviser. These six plans have been notified of the potential conflict of interest.

IRA ROLLOVER/TRANSFER CONSIDERATIONS

As part of our investment advisory services, IARs can make recommendations to qualified plan participants and IRA owners regarding the rollover or transfer of their employer sponsored retirement plan account or IRA assets. In the case where an IAR recommends a retirement plan rollover or transfer into an IFP advisory account program, the IAR will earn a portion of the advisory fee. This presents a conflict of interest because IARs may have an economic incentive to recommend a rollover of retirement plan assets into an IFP advisory program account.

Plan participants are under no obligation to rollover their retirement plan assets to an IRA with IFP or a 401(k) advised by IFP's IAR and should carefully consider all relevant factors, such as penalty-free withdrawals, whether loans are permitted, legal protections, required minimum distributions, fees and expenses, service levels, available investment options, employer stock considerations, Federal and State taxes and other competitive alternatives.

In these rollover/transfer situations, IFP intends to fully adhere to the guidelines and mandates set forth within the DOL's Prohibited Transaction Exemption (PTE) 2020-02 that became effective February 16th, 2021 specific to rollovers/transfers to/from qualified plans or between IRAs. We have instituted written policies, procedures and documentation designed to achieve compliance with the impartial conduct standards, mitigate conflicts of interest and does not create incentives that place our interests, or that of our IARs/RRs, ahead of those of the qualified plan participant or IRA account holder involved.

By complying with impartial conduct standards, we will ensure:

- The advice to execute the rollover is in the best interest of the participant at the time it is provided;
- We will only receive reasonable compensation and
- No statements are made to the participant that are materially misleading.

We will provide certain disclosures in advance, including:

- An acknowledgment of our status as a fiduciary;
- A description or the services to be provided;
- A description of any material conflicts of interest and
- Documentation of the specific reason(s) for the rollover recommendation and why it is in the best interest of the participant/IRA owner.

IFP will also require any participant considering a rollover or transfer to complete IFP's Qualified Plan/IRA Rollover/Transfer Recommendation and Acknowledgement Form, which details the rationale for the rollover recommendation and discloses important information and considerations in connection with the rollover decision that are deemed acceptable to the client as evidenced by their acknowledgement signature.

In the event a commissionable annuity product is included in the recommendation, we will also adhere to the requirements of the DOL's PTE 84-24 by incorporating and executing additional documentation in line with this guidance, including another client acknowledgement signature.

ACCOUNT TRANSFERS FROM ANOTHER FIRM TO IFP

When IFP hires or associates with an IAR or registered representative ("RR") of IFP's affiliated broker/dealer, you are not obligated to transfer your other investments and assets to IFP in order to retain a relationship with your IAR or RR. Any recommendation made by our IARs must be in your best interest, and you should consider the relative fees, platform services, investment options, tax effects, proprietary or company securities held through the other firm, etc. IFP encourages you to ask your IAR why any recommended account or investment transfer is in your best interest.

LIMITS ADVICE TO CERTAIN TYPES OF SERVICES AND LIMITED SCOPE OF OUR INVOLVEMENT AS A FIRM

With some exceptions, IFP IARs are available to offer advice on most types of investments owned by client and, at the specific request of a client, will explore investment options not currently owned by a client. However, from the perspective of not being registered to engage in certain business lines, IARs are not permitted to provide advice on futures or commodity contracts. From a business policy perspective, IFP also elects to refrain from knowingly accepting investments in certain industries not covered by its Errors & Omissions insurance policy, including cryptocurrencies, leveraged/inverse ETFs and marijuana-based business securities. If you happen to have such securities in your account, you will be asked to either sell the positions or transfer them to another firm. We also require that TPAMs used by IARs be approved by IFP.

Some IARs limit advice to specified product types such mutual funds, whereas others will provide advice on a full range of securities. If an IAR is dually registered as an RR of IFP Securities, IAR will be restricted from providing advice based if the registration types held by the RR is known as a limited registration (e.g., a Series 6 versus 7, which only qualifies to RR to sell mutual funds and insurance securities, assuming in the latter case, the RR is also insurance licensed and appointed by the respective insurance company). For example, if an IAR does not hold a Series 7 license with IFP Securities, but rather and holds only the Series 6 registration, the IAR will be restricted to providing advice on only investment company products such as mutual funds and variable annuity contracts.

Some IARs develop models or strategies that are generally applied across all clients while other IARs will develop truly individualized portfolios for each client. You will not be necessarily treated the same as other clients, which in a sense is a limitation of services, and could exist due to the way that IAR or IFP manages accounts due to business reasons.

In addition, many of our IARs also act as insurance agents independent from our firm. To the extent your IAR provides fixed insurance products or services to you (other than fixed indexed annuities)[6], he or she does so outside of IFP's supervision. Some of our IARs are also involved in other business activities, such as accounting, legal, tax, and other non-investment services, which are outside the scope of IFP's services, and therefore IFP is not responsible for such non-investment services that may be offered by our IARs, although such activities are subject to preclearance procedures of IFP and some level of supervisory oversight. Some of our IARs are licensed as independent insurance agents through various insurance companies; they solicit, offer and sell fixed and/or property and casualty insurance products where they are duly registered to conduct business.

BUSINESS CONTINUITY PLAN

IFP has established a Business Continuity Plan ("BCP"). The BCP describes how IFP would respond to significant business disruptions and provide you with alternative contact information and access in the event of a significant business disruption. It is also available upon written request. It is also available on our Web Site at https://ifpartners.com/business-continuity-plan/.

[6] Any insurance securities (variable annuities, variable insurance and other insurance products which are subject to a prospectus filed with the SEC), that fall within the scope of IFP's supervision.

PRIVACY POLICY

IFP has established a Privacy Policy, which essentially stipulates that IFP will not share information with unaffiliated 3rd parties not essential to service your investment account in the manner you elect. IFP will not sell you information do marketing organizations. You may find a copy of our privacy policy statement in our Web Site at https://ifpartners.com/disclosures/ - https://ifpartners.com/wp-content/uploads/2021/04/Privacy-Policy-and-Opt-Out-Form-41221.pdf.

ASSETS UNDER MANAGEMENT

As of December 31, 2021, IFP had assets under management of $ 10,518,811,681.

Assets Under Management/Advisement		# of Accounts
Discretionary	4,542,450,201	21,431
Non-Discretionary	5,976,361,666	25,075
Total	10,518,811,867	46,506

ITEM 5. FEES AND COMPENSATION

In addition to the information provided in the Advisory Business section, this section provides details regarding our services along with descriptions of each service's fees and compensation arrangements.

DESCRIPTION OF FEES AND COMPENSATION

ASSETS-BASED ("AUM") FEES	
HOW ESTABLISHED	NEGOTIATED
RECOMMENDED MAXIMUM	1.5%
ABSOLUTE MAXIMUM WITHOUT TPAM	2.0%[7]
ABSOLUTE MAXIMUM WITH TPAM	2.5%

For accounts opened as of the effective date of this Brochure, and thereafter, the maximum assets under management fee is 2.0% when IFP or its IARs manage the account. Also, such fees will be determined by the respective IAR, as contemplated In the contract you sign with the IAR, and such amounts may be a fixed percentage for the balance of the assets in the account, or may be tiered as the value of the account changes, subject to a methodology disclosed in your contract with IFP.

IFP IARs negotiate your fee, and you and your IAR must agree upon the fee contractually, and IFP limits any assets under management fee for new contracts to 2.0% per annum. You should be aware that other investment advisers will charge lower fees for similar investment advisory services. You could also invest on your own in a security or a portfolio of securities directly without being charged for investment advisory services. Also, you should be aware that investment advisory program fees charged can be higher or lower than if you elected to execute transactions on a commission basis for each transaction in a commission-based brokerage account.

[7] This maximum is 2% if IFP and its IAR are serving as a discretionary investment manager or non-discretionary investment adviser without a TPAM. If a TPAM is utilized, the maximum fee is 2.5%, in which case the maximum fee for IFP/IAR is still 2%, but an additional fee of .5% would be permitted. If TPAMs are utilized and IFP's/IAR's fee is less than 2%, then the TPAM fee may exceed .5%, but in all circumstances, may not exceed 1%, subject to the maximum fee of 2.5% for such joint investment advisory services. Also, for any fees in excess of 1.5% should elicit a conversation between the client and the IAR about why a fee level exceeding 1.5% is warranted. This is the present policy, but is not intended to mandate that any prior agreements between IFP/IAR and the client must be renegotiated, and IFP may handle such situations on a case-by-case basis.

You should be aware that investment advisory program fees charged can be higher or lower than if you elected to execute transactions on a commission basis for each transaction in a commission-based brokerage account.

Fee Billing Overview & Methodology

IFP is generally compensated by fees calculated as a percentage of assets under management ("AUM fees") and may also on occasion be compensated through fixed-fee arrangements. Fees that are calculated as a percentage of AUM are generally charged quarterly or monthly, in advance or arrears, depending upon the agreement with you, the client, based upon the average daily balance of the AUM, including on money market and other cash equivalent assets, during the relevant billing period[8]. When accounts are billed quarterly, they are billed primarily in the months of January, April, July, and October. IFP historically allowed for 3 quarterly billing cycles, consisting of (i) January, April, July, and October, (ii) February, May, August and November, and (iii) March, June, September and December. Starting in October of 2019, IFP updated its advisory account information form to allow for only one quarterly cycle going forward for investors who opt for quarterly billing: January, April, July and October. Accounts previously placed on the alternative quarterly cycles may remain on those cycles.

For all billing cycles, if an account is billed in advance, it is billed at the beginning of the cycle based on the account balance as of close of business of the last day of the previous period. At the end of that billing cycle, a "true-up" adjustment is calculated and processed based on the average daily balance of that cycle. If an account is billed in arrears, it is billed based on the average daily account balance during the billing cycle.

The qualified custodians[9] of IFP generally will debit the fees on a periodic basis from the account as disclosed in your investment advisory agreement.[10] IFP generally uses average daily balance, in advance or in arrears, at the election of the client.[11] If the client leaves before the end of the quarter when a fee was invoiced in advance of the quarter, a *pro rata* refund will be issued, if such difference in fees would be $25 or greater.

IFP may in its sole discretion change the actual fee charged upon thirty days' written notice to the Client. Clients may accept the change or close the account.

Investment Management & Associated Other Fees Considerations when the IAR serves as Portfolio Manager

Fees, fee structure, and experience will vary by IAR. Nevertheless, IFP's maximum fee is 2.0% of asset under advisement/management that are managed/advised by the IAR. Furthermore, IARs determine advisory fees differently. For example, some IARs will household all or a subset of your managed accounts together to determine a fee breakpoint (tiered fee schedules) or charge a fee based on each account size. Additionally, some IARs have a flat fee assigned to the account regardless of account value. There are advantages and disadvantages to all fee structures, but each IAR sets their own variances within IFP's maximum fee structure. This causes some clients to be treated in more favorably than other clients when you do not receive tiered, household fee, or do not negotiate lower pricing with your IAR vis-à-vis cheaper fees available with other clients or investment advisers, including other IARs within IFP.

The exact fee is negotiated on a client-by-client, or account-by-account basis. These fees are disclosed to you in the investment advisory agreement that you sign in advance of services being provided. IARs have an incentive in the fee charged to you as they receive a percentage of the fee with the remaining amount of the fee retained by IFP. Since IFP provides investment advisory service through independent contractors/agents, IFP, relative to other firms and its industry peers, pays a high percentage of the total fees collected from you to the IAR, which means any conflicts

[8] Uninvested cash balances should generally not be subject to AUM fees, unless there is material portion of such balance that is relatively short-term or the IAR can demonstrate active management of the entire portfolio strategy, of which a certain and varying level of cash balances are being regularly reviewed and reassessed.

[9] For example, our Qualified Custodians include Schwab/TD Ameritrade, Pershing Advisor Services and Fidelity.

[10] For Pension Plan business, the fee methodology differs for reasons explained elsewhere herein.

[11] IFP will generally calculate such fees itself, either by the Home Office, or, in some cases in the IAR's Office, subject to submitting the supporting material for such calculations to the IFP Home Office Compensation Team. However, in the case of fee-based annuities, pursuant to operational conventions that exist with various insurance companies that provide fee-based annuities for the Investment Adviser Industry, the respective insurance companies conduct the fee calculations, and furnish such calculation to the Registered Investment Advisers such as IFP. Such insurance companies would automatically deduct the fee from the account and pay IFP its investment advisory compensation.

regarding the fees paid to the IAR is relatively more pronounced since the IARs are paid up to 95% of all fees assessed to you. A change in your fee will be documented on the appropriate form when being increased. When your fee is decreased, a verbal authorization can be accepted.

In exchange for such fees, IARs provide investment advisory and management services, defined as giving continuous and regular supervisory (investment advice/management) services to a client and making investments based on a client's individual needs through securities accounts. In this program, IARs are responsible for determining investment recommendations and implementing any such recommendations by effectuating transactions and/or retaining allocations as previously established ("implicit hold recommendations"). If the IAR determines that upon review of the client portfolio, according to whatever periodic review timetable was established between the IAR and you, the client, the IARs should document the basis for retaining the present allocation, as well as the basis for effectuating any material changes to the portfolio. IARs will manage your accounts in accordance with your individual needs, objectives and risk tolerance.

IFP will share its portion of the Wrap Fee it receives with the IFP IAR for the Client's account ("Fee Split"). The payment by IFP of compensation to IAR will not affect the amount of the Fee charged to Client's account. The amount of such compensation may be greater than what the IFP IAR would receive if the Client purchased separately IFP's brokerage or other services as such services. Such personnel may, therefore, have a financial incentive to recommend these products over other products, programs, or services.

You could also invest on your own in a security or a portfolio of securities directly without being charged for investment advisory services, but by electing to utilize an IAR, you are acknowledging that you find value in paying for such services.

Insurance Company Billing for Fee-Based Annuities

Some Insurance companies provide for customers to pay for investment management fees with a distribution from their nonqualified deferred annuities provided the distributions adhere to certain conditions.[12]

You will also choose, in conjunction with your IAR, whether to pay a ticket charge per trade executed or an asset-based fee for trade execution, and vary by custodian.[13] Fees for trade execution are separate from the advisory fees.[14] The amount of trades placed in the account is a factor that has a bearing upon the relative cost of the program. If there are only a few trades placed in the account over a period, it is likely that paying for advisory services and trade execution separately would be less expensive than a bundled/wrapped advisory fee. On the other hand, if there are a large amount

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[12] Payment of fees from an eligible nonqualified deferred annuity:

In PLR 2019-101342, the Internal Revenue Service (IRS) has indicated that distributions to pay for investment management fees from nonqualified deferred annuities that meet certain criteria will not be considered taxable. Those criteria include:

- The annuity contract is designed for owners who will receive ongoing investment advice from an investment adviser who is appropriately licensed and in the business of providing investment advice.
- The annuity contract owner will authorize investment advisory fees to be paid periodically to the adviser from the annuity contract's cash value.
- The fees will be determined based on an arms-length transaction between the owner and adviser.
- The fees cannot exceed an amount equal to an annual rate of 1.5% of the annuity contract's cash value determined at the time and in the manner provided by the fee authorization but in all events based on such cash value during the period to which the fees relate.
- The fees will compensate the adviser only for the investment advice that the adviser provides to the owner with respect to the annuity contract and not for any other services or accounts, nor reduce fees for other services or accounts.
- While the fee agreement is in place the annuity contract will be solely liable for the payment of the fees directly to the adviser.
- The owner may not pay the fees to the adviser from other accounts or assets nor can they direct the payment of the fees for any other purpose or to any other person.
- The adviser will not receive a commission for the sale of the annuity contract.

Essentially, if the annuity and the attendant investment advisory fee agreement meet the above criteria, the payment of the investment advisory fees will be considered an expense of the contract and not a distribution to the owner. Thus, the payment from the cash value of the annuity will not be treated as a taxable distribution. Otherwise, it will be considered a taxable distribution and the customer will receive a 1099 to such amount considered income.

[13] PAS, for example, charges a ticket fee of $4.95 per trade for trades in scope of their ticket fees.

[14] *Ibid*.

of trades placed in the account over a period, it is possible that paying for advisory services and trade execution separately could be more expensive. Assessing your needs, future trading activity, time horizon and fee methodology impact which approach is in your best interest. Some IARs will absorb the costs of trade execution for you. This creates a conflict as it could incentivize an IAR to trade less frequently. Also, when an IAR pays for trade execution IAR has the availability to purchase and sell investments with low or no ticket charges associated with them, it may impact which products to purchase since not all products have a transaction/clearing cost. This creates a conflict as IAR will receive a larger portion of the advisory fee than if you paid for the trade execution.

Product Fees

Investments in mutual funds and ETFs are subject to various other fees that are paid by those portfolios, but ultimately are borne by shareholders through lower returns than would likely be realized without those fees. These expenses may include investment advisory, administrative, distribution, transfer agent, custodial, legal, audit, and other customary fees related to investments in mutual funds. In addition, mutual funds' portfolio managers and IFP's custodians that conduct the order routing result in spreads being paid to market makers as markups or markdowns of the price of the security purchased. Additional information and product descriptions can be found in the prospectus for the applicable product.

IARs have the availability to utilize mutual funds that offer various shares, including those within the same mutual fund. Varying share classes include, but are not limited to, shares designated as Class "A" Shares, Class "B" Shares, Class "C" Shares, "Advisor Share Class (e.g., "F2" Shares), Class "R" Shares and Class "I" Shares. Generally, I Shares are reserved for institutional investors and therefore are not always available for your account. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for you to own Class A Shares than Class I Shares (or other share classes). Generally, you do pay a sales load for Class A Share mutual fund transactions (paid from a reduction from your initial investment amount, unless it is "load-waived"), and generally pay transaction charges for Class I Share mutual fund transactions. You can avoid or lower the transaction charge by purchasing a Class A Share mutual fund in a non-retirement account by increasing your purchase amount to take advantage of "Break Points")[15], however the share class can be more expensive to you over time because of the ongoing 12b-1 fee. You pay a higher transaction charge for a Class I Share; however, the share class can be less expensive to you over time. You should discuss and understand these additional indirect expenses borne as a result of the mutual fund fees. Also, when possible, you should not be in a share class designed for brokerage accounts, but should be in Adviser share classes, although in certain cases, large transactions in brokerage share classes can be less expensive consider in the internal expense ratios.

You should consider the value of these investment advisory services when making such comparisons. The combination of custodial, investment advisory and brokerage services provided may not be available separately or would require maintaining multiple accounts, documentation, and fees. You should also consider the amount of anticipated volume of trading activity when selecting among the investment advisory programs and assessing the overall cost. Investment advisory programs typically take into consideration certain volume of trading activity and therefore, under particular circumstances, prolonged periods of inactivity or asset allocations with significant fixed income or cash allocations sometimes result in higher investment advisory fees being paid over various periods of time than if the client had been charged a commission separately for each transaction. Also, if your IAR is not actively managing certain assets (e.g., money market balances or "cash equivalents", and such balances generally remain the same, relatively stable in amount and/or "uninvested" in the market, you should request your IAR exclude them from billing, so that only actively advised/managed investments/assets are subject to investment advisory fee billing.

[15] See the applicable mutual fund prospectus for a schedule of such fee reductions/eliminations, otherwise known as the Break Point schedule. Also, generally, commission-based securities, including mutual fund classes with "Sales Loads," are not permitted or appropriate in an investment advisory accounts, unless the load is waived and an adviser-class share is otherwise unavailable, and/or a load-waived share is cheaper and just as effective as a comparable adviser-class share. Generally, adviser-class shares should be used. However, any exceptions to this policy must be documented by the IAR and IFP designated principals in terms of why such an approach is the best interest of the client. For example, in some cases, large transactions in A Shares, e.g., that result in no load being charged (top breakpoint bracket for may be cheaper than adviser-class shares when one analyzes the mutual fund's internal management fees. In that case, the IAR could "make the case" that such shares are in the best interest of the client, and such client/fund-specific comparison must be analyzed by the IAR on a case-by-case basis, and such analysis should be provided to the IFP New Accounts Supervisors and the Transaction Supervisors. For non-discretionary investment advice, you are encouraged to always ask your IAR for a written justification about why a particular portfolio strategy and investment recommendation is in your best interest.

Other Fees imposed by 3rd Parties

Product Providers

You will incur other charges imposed by third parties besides IFP in connection with investments made through the account, including but not limited to confirmation fees, mutual fund 12b-1 fees, sub-accounting fees, contingent deferred sales charges, variable annuity fees and surrender charges, short-term redemption fees, qualified retirement plan fees and account maintenance fees. Commissions are commonly charged by dealer managers so that when, e.g., IFP sells a private placement which is structured for the investment advisory platform in the sense that IFP would not charge a commission, and would only charge an AUM fee, a broker/dealer manager for the issuer of the private placement would typically charge a commission. Also, with respect to other securities products that are structured for investment advisers in the sense that a commission would not be payable to IFP (e.g., fee-based variable annuities), there will be internal expenses of the product that are charged by the insurance company, and those expenses will be higher than product that pay a commission. The tradeoff is he presence or absence of a commission, and the time horizon is relevant in evaluating whether higher internal fees are in the best interest of the client.

A description of these fees and expenses are available in each investment company security's prospectus. You should be aware that mutual funds generally charge a management fee for your services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for your services. These fees are in addition to the fees paid by you to IFP. Fund companies also charge each fund shareholder an investment management fee that is disclosed in the fund prospectus. Performance figures quoted by mutual fund companies in various publications are after your fees have been deducted. Neither IFP, nor IAR, will receive a portion of the 12b-1 fee generated by mutual fund investments. Not all mutual funds pay a 12b-1 fee, please refer to your funds' prospectus for fund specific information as it relates to your account. Any 12b-1 fee for mutual funds generated from account assets will be credited back to your advisory account, except in the case of money market mutual funds where the custodian has structured those products to pay IFP. You will see the credits on your account statements. Income tax liabilities may result from the sale of individual securities within your account, unless the account is otherwise tax sheltered or tax deferred. Income tax liabilities directly reduce investment returns. You are responsible for all tax liabilities arising from the sale of individual securities within your account. You should consult your tax advisor as IFP cannot offer tax advice.

3rd Party Asset Managers/TPAMs

The management fees, methods of calculation, and manner in which the fee is billed/collected varies for each TPAM and are described in the TPAM's Form ADV 2A Brochure. When referring you to a TPAM, a portion of your total fee is paid to IFP and varies pursuant to the agreement between IFP and the TPAM. Various asset managers will negotiate the fees charged for management services with you (which are disclosed in the service agreement executed between Client and the TPAM.

IFP's portion of the fee received is disclosed and is negotiable as well, depending on the agreement between IFP and the TPAM. Client should be aware that although this fee does not appear to be a direct cost to Client, the TPAM takes this fee into consideration when determining the amount of fee that they charge to you, the client.

In some cases, this compensation will be more or less than if the client paid separately for the TPAM's investment advice, brokerage and other services, and will vary depending on the investment advisory program or services offered by the TPAM. If you engage a TPAM, you should read a copy of their ADV 2A Brochure and, if applicable, the Wrap Fee Brochure of the TPAM and IFP for a description of the business services, fees, conflicts-of-interests, etc. The same concepts explained above about Wrap Fee programs apply to TPAMs because any TPAM may price their services as a bundled fee, and, if they do, you should not experience trading and account costs by them or by broker/dealers they use. If you do in situations where they or IFP charge you a Wrap Fee, please notify IFP. If an IAR recommends a Wrap Fee program, they are responsible for ensuring that you do not incur additional trading costs by IFP, its custodian or the broker/dealers used by its qualified custodians or by the TPAMs. TPAM should not incur trading costs within IFP's Qualified Custodians, or by trading away from IFP's Qualified Custodians and their associated broker/dealers.

All fees are calculated and charged by the TPAM, which is responsible for paying IFP's portion of the fee to IFP. TPAMs generally have account minimum requirements that will vary from manager-to-manager. A description of material aspects of the TPAM's services, fee schedules and account minimums will be disclosed in the TPAM's Form ADV 2A and their Wrap Fee Brochure, which must be provided to you at the time you establish a Client relationship for services and the account to be established. Client reports will depend upon the TPAM.

Special Fees for Certain Facilities with Pershing

If using Pershing as the clearing firm, you should understand that IFP Securities serves as the introducing broker-dealer for all accounts through Pershing's platform and IFP clears securities transactions on a fully-disclosed basis to Pershing as a necessary 3rd party service provider. A conflict of interest exists because other broker-dealers and custodians charge fees that could be more or less than using Pershing through IFP.

Pershing also provides Non-Purpose Loans ("NPL"), which has a Debit Interest Schedule. Pershing will base its NPL financial to IFP Securities' clients at the prevailing rates, which IFP Securities may mark-up the rate charged to investors. All interest charged to investors in excess of the base financing rate to IFP Securities will be credited to IFP Securities. Interest charged on any credit extended in a Loan Advance account may not exceed a rate equal to 3% above the Prime Rate as published in the Wall Street Journal or as further limited by agreements signed by the investor.

Pershing also provides a Fully Paid Lending Service ("FPLS"), which provides high net-worth investors with fully paid positions in their cash accounts the ability to loan those securities to Pershing to generate an additional income stream in their portfolio. A separate Securities Lending Agreement would be required.

Program Participation Rates	% of Net Income in Portfolio
Investor	70%
IFP Securities	5%
Pershing	25%

The investment strategy and the amount of work involved generally impact the fee level. Various investment strategies are provided through this service; however, a specific investment strategy is determined to focus on your specific goals and objectives. Investment strategies and philosophies used vary based on the IARs providing advice. Moreover, models and strategies used by one IAR are different than strategies used by other IARs. Some IARs limit your advice to mutual funds while others will provide advice on a full range of securities. Various asset types are available and include, but are not limited to, no-load mutual funds, load-waived mutual funds, equities, fixed income securities, options, variable annuity and their subaccounts, cash and cash equivalents. Alternative investments including, but not limited to, Real Estate Investment Trusts and limited partnerships are held within the account as a convenience to the customer, or they are purchased at Net Asset Value and included within the managed portfolio and billed at a fee. Some IARs develop models or strategies that are generally applied across their clients while other IARs will develop truly individualized portfolios for each client.

IFP Securities is eligible to receive compensation ($5 per account) for Health Savings Accounts ("HSAs") opened by either IPF Securities or IPF Advisors, which are custodied with Pershing, LLC. This fee will start to accrue and be paid once the number of HSA accounts opened at Pershing reaches 500 accounts. Thereafter, IFP will receive such fees. Although your FP does not share in this fee arrangement between IFP and Pershing, this presents a conflict of interest as IFP Securities and IFP Advisors receive an incentive based upon the number of accounts opened with Pershing, which could impact the recommendation to open an HSA account. Also, it could impact the likelihood, when opening an HSA account, to use Pershing rather than another custodian.

Financial Planning and Consulting Fees

Fee arrangements are documented on the Financial Planning and Consultancy Agreement and include one or more of the following:

Hourly Fees: Some IARs charge an hourly fee for financial planning and consultancy services. The amount of the hourly fee is set by each IAR and is described in the Financial Planning and Consultancy Agreement signed by you. The maximum hourly fee is $500 per hour.

Flat Fees: Some IARs charge a fixed fee for specific financial planning and consultancy services. The total financial planning fee will be determined based upon the nature and complexity of the financial planning services provided to you. Fees charged for financial planning services on a fixed basis generally range from as little as $1,000 to as much as $25,000[16]

Ongoing Fees: These are monthly planning or Subscription Fees; In the case of ongoing monthly planning fees, the fees are charged in arrears and the agreement can be cancelled at any time.

Some IARs will collect a portion of the fee upfront with the remaining portion due upon the delivery of the financial plan to you. However, financial planning fee payments will not exceed $1,200 in advance for development of a financial plan that will not be completed within six months. You can authorize fee payment from either an IFP brokerage account, an IFP managed account or from your checking or savings account to pay for financial planning services. The IFP brokerage account or the IFP management account used for debiting generally must be a non-qualified account on a platform approved for fee-debiting. You can also choose to pay the financial planning fee by debit or credit card. You also have the option to choose to renew your contract on an annual basis which is represented on the Financial Planning & Consultancy Services Agreement.

Financial planning fees described above do not include the fees you will incur for other professionals (e.g., personal attorney, independent Investment Adviser, or accountant) in connection with the financial planning process.

You should understand that the financial planning fees charged to you are higher or lower than the fees charged by other investment advisers for similar services. You should consider the level and complexity of your personal circumstances, financial situation and the services that will be provided, the scope of the engagement, your gross income, the experience and standard fees charged by your IAR providing the services, and the nature and total dollar asset value of the assets upon which services will be provided.

Retirement Plan Advisory Fees

Fees for retirement plan services are negotiated prior to the signing of the appropriate Retirement Plan Agreement, which includes the negotiated fee. When fees are paid by the Sponsor, fees will be charged as an asset-based fee or as a flat fee. Some advisors will charge a flat minimum fee and then an asset-based fee once the minimum fee is surpassed.

Unlike the general billing approach, Plans are billed differently. When IFP does the AUM billing calculation for retirement Plans, IFP do not use average daily balance as IFP does not have the information or calculation since IFP and its custodians do not have custody the assets in the same manner. Such Plans use their own custodians, TPAs and/or recordkeepers. That is why we are relegated to a balance at a point in time for the foundation of the calculation formula. That being said, when billed as an asset-based fee in advance, fees will be based on the value of the Plan assets at the beginning of the current period. When billed in arrears, fees will be based on the value of Plan assets at the end of the period. When you engage IFP in mid-quarter the advisory fee will be prorated and calculated on the amount of days left in the billing cycle.

IFP's fees vary depending upon plan asset levels, participant service complexities and the number of advisory services agreed upon, but generally do not exceed 2% of plan assets if a percentage formula is used. Flat fees may range from $1,000 annually for the small plan market up to $250,000 in the large plan market, especially if expansive services or

[16] Plans priced at the upper end of this range would be for Ultra High Net Worth individuals or businesses with complex planning needs.

complex and extenuating circumstances exist. It is common for Plan Sponsors to select their investment adviser only after soliciting competitive bids from multiple advisors or service providers to document adherence with ERISA's mandate to Plan fiduciaries, including the fairness and reasonableness of fees.

When fees are calculated and billed to the Plan Sponsor by IFP, fees may be charged as an asset-based fee or as a flat fee. Some advisors will charge a flat minimum fee and then an asset-based fee once the minimum fee is surpassed. Fees can be calculated, billed to and pulled from Plan assets by a Third-Party Administrator ("TPA"), Recordkeeper or a Qualified Custodian based on your instruction. In those cases where fees are paid from Plan assets in which the Sponsor agrees to direct the Recordkeeper to calculate the fee and to pay IFP, the agreement between the Sponsor and Recordkeeper, not IFP, will determine how the fee is calculated, frequency and timing method.

You will incur fees and charges imposed by third parties other than IFP and IAR in connection with services provided by IFP. These third-party fees include, but are not limited to, fund or annuity subaccount management fees, 12b-1 fees and administrative servicing fees, plan recordkeeping and other service provider fees. Further information regarding charges and fees assessed by a mutual fund or annuity are available in the appropriate prospectus. If you engage IFP and IAR to provide ongoing investment recommendations to the Plan regarding the investment options (e.g., mutual funds or collective investment funds) to be made available to Plan participants, you should understand that there generally will be two layers of fees with respect to such assets. The Plan will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. You also will pay IFP the fee as agreed to in the appropriate agreement for the investment advisory or management services. Therefore, Client could generally avoid the second layer of fees by not using the advisory services of IFP and IAR and by making your own decisions regarding the investment. If a Plan makes available a variable annuity as an investment option, there are mortality expenses and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor. If a Plan makes available a pooled guaranteed investment contract ("GIC") fund, there are investment management and administrative fees associated with the pooled GIC fund.

Some IARs of IFP work with employer sponsored retirement plan participants whose Plan offers a feature know as a "Self-Directed Brokerage Account" ("SDBA"). This feature can be branded differently by various custodians (e.g., Schwab's "Personal Choice Retirement Account" ("PCRA")), but the basic functionality is similar. In these situations, a participant directs the retirement Plan's core recordkeeper to move some allowable portion of their account, as set forth by the Plan document or by the recordkeeper, from the core custodian to an offered brokerage account. While the account is still considered a Plan asset, it can access a broader array of investment choices than what is offered by the Plan's core menu. In addition, it allows the participant to engage a personal investment adviser to help them manage the account. Some SDBAs will also facilitate individual account advisory fee calculations extending to the withdrawal and forwarding of the payments to IFP for the benefit of the servicing IAR. In those situations where that fee facilitation is not available, IFP can bill the participant directly or obtain the fee from another non-retirement account the participant may have established at IFP. Fees would follow IFP's normal guidelines for investment advisory services.

Some IARs of IFP work with tax exempt programs and provide services to employees of public-school systems and tax-exempt organizations that qualify under Section 501(c)(3) of the Internal Revenue Code. Services are usually provided through the organization's retirement accounts held in an Optional Retirement Plan (ORP) or a Self-Directed Brokerage Accounts also known as a 401(a), 403(b) and 457 accounts. IARs commonly use TIAA or Fidelity to provide these services. Both programs apply a maximum fee allowed to be charged:

- The maximum allowable fee that can be charged will not exceed 2.00% of assets under management on an annual basis for Fidelity;
- The maximum allowable fee that can be charged will not exceed 2.00% of assets under management on an annual basis for TIAA;

Treatment of Fees Upon Termination

Termination and refund terms and conditions are outlined in your investment advisory agreement with IFP. TPAMs and other program sponsor(s) selected by IFP for you have their own policies for account terminations and refunds.

IFP typically has no control over any contractual provisions imposed by TPAMs in their client contracts.

Should you terminate your relationship with IFP or your IAR prior to the end of the billing period, fee refunds will be determined on a *pro rata* basis using the number of days services are provided during the final period. Fee refunds calculated to be less than $25 generally will not be processed. An advisor is also permitted to waive all of the fees to be charged to you as a benefit to you, in lieu of prorating the fee upon termination.

The Financial Planning and Consultancy Agreement for financial planning services can be terminated at any time by providing written notice to the appropriate parties. Financial planning services will be terminated upon receipt of such notice without penalty. However, you will be charged a *pro-rata* portion for financial planning services rendered up to the date of termination of the Agreement. After receiving notice of termination, IFP will promptly send the *pro-rata* refund of any financial planning fees paid in advance to you.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Performance-based fees are defined as fees based on a share of capital gains or on capital appreciation of the assets held in a client's account. IFP does not charge or accept performance-based fees. It also does not advise private equity funds, hedge funds or liquidity funds or make allocation decisions for such private investment vehicles.

IFP provides investment management services to some accounts on a discretionary basis, and other accounts on a non-discretionary basis. To the extent that the fees differ, FPs have a financial incentive to provide more time to accounts managed on a discretionary basis, and such additional time and energy is naturally expected upon an FP is expected to manage accounts on a discretionary basis.

ITEM 7. TYPES OF CLIENTS

IFP provides investment advisory services to the following types of clients:

- Individuals, including High Net worth Individuals
- Collective Investment Trusts or CITs (as a sub-adviser)
- Pension and Profit-Sharing Plans
- Trust, Estates, or Charitable Organizations
- Corporations, Partnerships and other businesses not listed above

While IFP does not require a minimum account size, we suggest that you invest at least $100,000 in order to open an investment advisory account. For smaller accounts, IFP suggests that either a brokerage account or an account with automated investment tools/Robo advice may be more appropriate, economically efficient and desirable customer experience, particularly when any such investment tools/Robo advice is accompanied by some level of "overlay" advice or management by your IAR.

IFP reserves the right to apply a higher account size in consideration of your ability to open and continue to maintain an account. Some IARs, and programs used by IARs, impose higher account minimums and you should consult with your IAR to determine the required account minimum.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

IARs use a variety of methods to analyze a client's situation as well as economic factors to develop investment advice and recommendations. IARs typically use one or more of the following methods of analysis to formulate investment advice or manage a client's account:

- **CHARTING:** In this type of technical analysis, the IAR reviews charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend will last and when that trend might reverse.

- **FUNDAMENTAL ANALYSIS:** IARs evaluate economic and financial factors to determine if a security is underpriced, overpriced or fairly priced. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

- **TECHNICAL ANALYSIS:** IARs analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in against the overall market to predict the price movement of the security.

- **QUANTITATIVE ANALYSIS:** IARs use mathematical models to obtain more accurate measurements of a company's quantifiable data, such as the value of some share price or earnings per share and predict changes to that data. A risk in using quantitative analysis is that the models used will be based on assumptions that prove to be incorrect.

- **QUALITATIVE ANALYSIS:** IARs subjectively evaluate non-quantifiable factors and attempt to potentially predict changes to share price based on that data.

- **CYCLICAL:** This method of analysis focuses on the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during down turns in the economy and higher demand during upswings. Examples include the automobile, steel and the housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

- **ASSET ALLOCATION:** IARs attempt to identify an appropriate ratio of asset classes that are consistent with the client's investment objectives and risk tolerance.

INVESTMENT STRATEGIES
When implementing investment advice to you, our IARs typically employ the following investment strategies:

- Long-Term Purchases - Securities held at least a year.
- Short-Term Purchases - Securities sold within a year.
- Trading - Securities sold within 30 days.
- Short Sales - Borrowing securities in anticipation of a price decline and returning an equal number of securities at some future time.
- Margin Transactions - Investor pays for part of the purchase and borrows the rest from a brokerage firm; for example, investor buys $5,000 worth of stock in a margin account by paying for $2,500 and borrowing $2,500 from a brokerage firm. You cannot borrow stock from Advisor.

- Option Writing - Including covered options, uncovered options or spreading strategies. Note: options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.
- Strategic/Tactical Asset Allocation - Asset allocation is the combination of several different types of investments; typically, stocks, bonds and cash equivalents among various asset classes so your investments are diversified. The objective of asset allocation is to develop an investment plan that will help investors reach your financial goals, while holding down your risks.
- Strategic Timing - Strategic timing is designed to reduce risks in bear markets (when markets are decreasing in value). This is a trend-following strategy that involves holding total cash positions during bear markets and fully invested positions during bull markets.

RISKS OF LOSS

GENERALLY

Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. However, you should be aware that past performance of any security is not necessarily indicative of future results. Therefore, you should not assume that future performance of a specific investment or investment strategy will be profitable. We do not provide representation or guarantee that your goals will be achieved. Investing in securities involves risk of loss. Further, depending on the different types of investments, there are varying degrees of risk.

There are several factors that impact the type and magnitude of risk, including market risk; product and issuer risk; interest-rate risk; call/redemption risk; reinvestment risk; counterparty credit risk; business risk; currency risk; political risk; legal risk; regulatory risk; solvency risk; etc. You should evaluate what your risk tolerance is in order to develop an investment strategy and/or financial plan that is appropriate in light of your investment objectives, time horizon, liquidity, cash flow needs, etc. The risks specified below are a partial list of risks, but are intended to provide "inquiry notice" for you to discuss all material risks more fully with your IAR.

- **MARKET RISK.** Either the market, or the value of an individual company, goes down, resulting in a decrease in the value of client investments. This is often in reaction to tangible and intangible events and conditions. Political, economic and/or social conditions will trigger market events. This is referred to as systemic risk.
    - MARKET VOLATILITY: Future price movements are inevitable. While we seek to effectively project the long-term value of investments, we may not be able to do so, and prices may change in both a material and negative way.
    - INVESTMENT ACTIVITIIES: The performance of any investment is subject to incorrect and unforeseen, negative changes in value. Several factors may impact value such as economic, political, competitive, technological and other conditions (including acts of terrorism and war). The impacts may be more limited to a particular investment or may have a broader impact. The securities markets may be volatile, which may adversely affect our ability to achieve positive returns.
    - ACCURACY OF PUBLIC INFORMATION: We conduct research and collect information from various public sources, and there is a risk that those public sources may be wrong. We cannot assess the completeness or accuracy of such information.
    - VALUATION OF INVESTMENTS: While we endeavor to assess the proper values of investment, our assumptions and conclusions may be significantly different than the market valuation at any point in time.

- MARKET OR INTEREST RATE RISK: The price of most fixed income securities tends to move in the opposite direction of the change in interest rates. If we sell a fixed income security before the maturity date, because of the inverse correlation between interest rates and price, an increase in interest rates would probably result in a loss of principal.

- INFLATION RISK: Inflation risk results from the variation in the value of cash flows from a security due to inflation, which reduces the purchasing power of the cash flow.

- CURRENCY RISK: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

PRODUCT-SPECIFIC RISKS

GENERALLY

- **LIQUIDITY RISK:** Investments may not be able to be readily converted into cash. This risk is much more pronounced with Alternative Investment such a Privately Placed Securities, Interval Funds, Structured Products, Thinly Traded/OTC securities and other complex securities.

- **EQUITY (STOCK) MARKET RISK:** Common stocks are susceptible to fluctuations and to volatile increases/decreases in value in relation to changes in confidence or market perceptions. Investors holding common stock (or common stock equivalents) of any issuer are generally exposed to greater risk than if they hold preferred stock or debt obligations of the issuer.

- **COMPANY RISK:** There is always a certain level of company or industry specific risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company can perform poorly or that its value can be reduced based on factors specific to it or its industry (e.g., employee strike and unfavorable media attention).

- **OPTIONS RISK**:

  - Options on securities are subject to greater fluctuations in value than investing in the underlying securities. Purchasing and writing put or call options are highly specialized activities and involve greater than ordinary investment risk. Puts and calls are the right to sell or buy a specified amount of an underlying asset at a set price within a set time.

  - Protective Options (Call Writing, Protective Puts, etc.) - Clients should understand they would have a tax obligation at year-end.

FIXED INCOME RISK

- Investing in bonds involves the risk that the issuer will default on the bond and be unable to make payments. In addition, individuals depending on set amounts of periodically paid income face the risk that inflation will erode your spending power. Fixed income investors receive set, regular payments that face the same inflation risk.

INVESTMENT COMPANY, INSURANCE AND OTHER PUBLICLY REGISTERED POOLED FUNDS, GENERALLY

Overall Fund Risk

- Clients need to remember that past performance is no guarantee of future results. All funds carry some level of risk. You may lose some or all of the money you invest, including your principal because the securities held by a fund goes up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

- Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

- While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over a period of time. Generally, the more volatile a fund, the higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of investing in a fund with a volatile history because you will not have enough time to "ride out" any declines in the stock market.

ETF AND MUTUAL FUND RISK

Exchange traded fund ("ETF") and mutual fund investments bear additional expenses based on a *pro rata* share of operating expenses, including potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities held by the ETF or mutual fund. You also incur brokerage costs when purchasing ETFs.

Mutual Funds Risk

Mutual funds can offer the advantages of diversification and professional management. However, as with other investment choices, investing in mutual funds involves risk and fees and taxes that will diminish a fund's returns. Mutual funds also have features that are disadvantageous, such as:

- *Costs despite Negative Returns*: Clients must pay sales charges, annual fees, and other expenses) regardless of how the fund performs. And, depending on the timing of their investment, clients may also have to pay taxes on any capital gains distribution they receive — even if the fund proceeded to perform poorly after they bought shares. Such distribution can occur even if the distribution remains in the accounts, and is not actually physically distributed to the client.
- *Lack of Control:* Investors typically cannot ascertain the exact composition 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 those trades.
- *Price Uncertainty:* with an individual stock, you can obtain real-time (or close to real-time) pricing information with relative ease by checking financial Websites or by calling your IAR. You can also monitor how a stock's price changes from hour to hour. But with a mutual fund, the price you purchase or redeem shares for will typically depend on the fund's net asset value ("NAV"), which is generally an end-of-day price, which the fund might not calculate until many hours after you have placed your order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

The following is a list of some general risks associated with investing in mutual funds:

- *Country Risk*: The possibility that political events (e.g., war, national elections, etc.), financial problems (rising inflation; government default), or natural disasters (an earthquake; a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- *Currency Risk*: The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies (also called exchange-rate risk).
- *Income Risk:* The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- *Industry Risk:* The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- *Inflation Risk:* The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- *Manager Risk:* The possibility that an actively managed mutual fund's Investment Adviser will fail to execute the fund's investment strategy effectively, resulting in the failure of stated objectives.
- *Market Risk:* The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- *Principal Risk*: The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

BOND FUND RISK

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields than the risks associated with money market funds. Risks include:

- *Call Risk*: The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.
- *Credit Risk*: The possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk, however, is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those funds that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- Interest Rate Risk: The risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.
- *Prepayment Risk*: The chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

FIXED INCOME CALL OPTION RISK

Many fixed income securities can be “called” or retired by the issuer. That creates of risk of negatively impacting the projected cash flow, reducing capital appreciation potential and increasing reinvestment risk due to the lower interest rates then being experienced.

STOCK FUND RISK

Although a stock fund's value can rise and fall quickly over the short-term, historically stocks have performed better over the long-term than other types of investments — including corporate bonds, government bonds and treasury securities.

Overall, "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad variety of reasons, such as the overall strength of the economy or demand for particular products or services.

Not all stock funds are the same. For example:

- Growth funds focus on stocks that may not pay a regular dividend, but have the potential for large capital gains.
- Income funds invest in stocks that pay regular dividends.
- Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all — or perhaps a representative sample — of the companies included in an index.
- Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks.

MANAGEMENT RISK

Your investments also vary with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If any particular product's/issuer's portfolio manager is ineffective or sub-optimal, the performance of the instrument/investment will not produce the expected returns and the value of your investments will decrease.

INSURANCE SECURITIES RISKS

The rate of return on variable insurance products is not stable, but varies with the stock, bond and money market subaccounts that you choose as investment options. There is no guarantee that you will earn any return on your investment and there is a risk that you will lose money. Before you consider purchasing a variable product, make sure you fully understand all of its terms. Carefully read the prospectus. Some of the major risks include:

Liquidity and Early Withdrawal Risk: There may be a surrender charges for withdrawals within a specified period, which can be as long as six to eight years (and up to 15 years for Equity Indexes Annuities). Any withdrawals before a client reaches the age of 59 ½ are generally subject to a 10 percent income tax penalty in addition to any gain being taxed as ordinary income.

Sales and Surrender Charges: Asset-based sales charges or surrender charges exist, but normally decline and eventually are eliminated the longer you hold your shares. For example, a surrender charge could start at 7 percent in the first year and decline by 1 percent per year until it reaches zero. That is one reason why variable insurance products are generally not suitable for short-term time horizons.

Fees and Expenses – There are a variety of fees and expenses that can reach 2% and more such as:

- Mortality and expense risk charges;
- Administrative fees;
- Underlying fund expenses; and

- Charges for any special features or riders.

Bonus Credits: Some products offer bonus credits that can add a specified percentage to the amount invested ranging from 1 percent to 5 percent for each premium payment. Bonus credits, however, are usually not free. In order to fund them, insurance companies typically impose high mortality and expense charges and lengthy surrender charge periods.

Guarantees: Insurance companies provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. These guarantees are only as good as the insurance company that offers them.

Market Risk: The possibility exists that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.

Principal Risk: The possibility that an investment will go down in value, or "lose money," from the original or invested amount. This risk may entail a partial or complete loss of principal.

PRIVATE PLACEMENTS AND OTHER ALTERNATIVE INVESTMENTS RISK

These investments have a high degree of risk. It is possible for you to experience total loss or a substantial loss of investment. In the absence of a public market for these securities, there is lack of liquidity and an expected investment time horizon usually in excess of five years. There are no guarantees that you will receive a distribution and payments of distributions will decrease or diminish your interest.

Such products are generally speculative investments, which means they have a very high risk, and should therefore not be a product used by investors who have a more moderate risk tolerance in the same account. However, it is conceivable, if the customer consents and agrees with a different investment objective (via, e.g., a Subscription Agreement) for certain investments than the investment objective generally agreed upon in the Investor Policy Statement or the suitability information contained in the account application, then investments that represent a very small percentage of the overall portfolio could be used in a limited fashion, provided they are only used a non-discretionary basis, and such riskier investments are assigned to a separate account that reflects that investment objective. An application-way subscription in private placements, even if linked to the custodian/Pershing platform for networking purposes, should suffice for purpose of determining separate account status.

Investing in alternative investments are not suitable for all clients, and are intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices;
- Lack of a business plan to results in value creation or that is not implemented as intended, which are considered greater in risk than for established companies;
- Lack of liquidity in that there may be no secondary market for the securities and none is expected to develop;
- Volatility of returns;
- Restrictions on selling/transferring the securities (*no market permitted unless or until registered*);
- Absence of information regarding valuations and pricing;
- Delays in tax reporting; and

- Less regulation and higher fees than mutual funds.

IFP disallows IARs to exercise discretion over private placements. IARs may advise on such investments, but may not engage in transaction without client application/subscription.

STRUCTURED PRODUCTS RISK

- An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. This could cause little or no secondary market for the securities and information regarding independent market pricing for the securities will be limited.

Some of the associated risks include:

- Structured products are complex investments that are not suitable for all investors. Structured products are **unsecured** obligations of the issuer that pay a return based on an underlying asset.
- Structured products are the obligation of the issuer and the ability to provide a return is based on the credit worthiness of the issuer. This means that there is credit risk with the product and it may provide no returns, including **total loss of principal** if the issuer is not able to pay its obligations.
- Any principal protection (whether full or partial) stated in the prospectus is based solely on the **credit worthiness of the issuer and only if held to maturity.**
- Call or "Knock In" risks exists if the product is called away/redeemed.
- Structured products may have limited or no trading on secondary markets. This means the position may have to be held until maturity. If there is a market for the structured product it is likely the product would have to be sold for lower than the principal amount invested.
- The underlying asset or index may be proprietary to the issuer. This adds a layer of complexity as you must understand how the index works to understand how returns will be calculated.
- Tax treatment on certain structured products may not be the same as more traditional investments. You may have to pay income tax on increases even if no payment is received, this is typically referred to as "phantom income". Please consult with your personal tax advisor regarding taxation of structured products.
- Certain structured products provide FDIC insurance. This FDIC insurance is only applicable to the principal amount invested and not to any gains or income payments. This insurance is available up to the applicable federal amount. It does not protect against negative performance of the asset. It will only apply in the case of insolvency according to the process and procedures of the Federal Deposit Insurance Corporation. More information can be found on https://www.fdic.gov/.
- Certain structured products will have a call feature, allowing the issuer to "call" the investment back from the investor. The terms of any call feature should be fully understood and can be found in the prospectus.
- Early termination provisions can be found in the prospectus if they apply. These features allow the issuer to end the investment early under specified circumstances. This usually will lead to a lower payout than what would be received at maturity or in the case of a call provision.

INTERVAL FUNDS

There are special risks associated with interval funds, including:

- Shares of the Interval Fund are unlikely to be listed on a public exchange;
- No secondary market is expected to develop for the Interval Fund's shares;
- Liquidity for the Interval Fund's shares will be provided only through periodic offers by the Interval Fund (e.g., quarterly repurchase offers);

- There is no guarantee that an investor will be able to sell all the shares that the investor desires to sell in the repurchase offer;
- An investor should consider an investment in the Interval Fund to be of limited liquidity;
- Investing in the Interval Fund's shares may be speculative and involves a high degree of risk; and
- As with all securities, an investor should carefully read the Prospectus prior to investing, which, in the case of Interval Funds, may include particular and significant risks related to leverage.

INVESTMENTS IN NON-US SECURITIES

From time to time, we may invest and trade a portion of its assets into non-U.S. securities and other assets, which will give rise to risks relating to political, social, legal, currency, regulatory and economic developments abroad. Different laws, regulations and market practices may also increase the risk.

MISCELLANEOUS RISKS

There are too many risks to enumerate specifically. Thus, the foregoing risks do not purport to be a complete compendium of the risks of any particular investment; they are general risks that should guide your initial evaluation of any prospective investment. You are encouraged to read the prospectus and offering documents, as applicable, for any prospective and current investment, and discuss them with your IAR vis-à-vis your investment objectives, risk tolerance, liquidity needs, investment time horizon, risk/reward preferences, capital reserves, etc.

ITEM 9. DISCIPLINARY INFORMATION

IFP is required to disclose disciplinary actions against the firm. The detailed information for the actions below can also be found on IFP's Form ADV Part 1 on the SEC's website at www.sec.gov.

IFP discloses the following disciplinary information:

1. On January 13, of 2012, IFP agreed to and signed a Stipulation and Consent Order with the State of Florida Office of Financial Regulation that IFP and two of its IARs engaged in investment advisory business in the state of Florida without being properly registered. IFP paid a $20,000 fine and also paid $10,000 fines on behalf of each IAR.

2. On October 7, 2013, IFP agreed to and paid an Administrative Penalty in the amount of $2,500 to the State of California, Department of Business Oversight for failing to properly register an IAR in the State of California.

3. On December 3, 2013, IFP agreed to and signed a Cease-and-Desist Order with the State of Oregon, Department of Consumer and Business Services, Division of Finance and Corporate Securities for failing to properly license an IAR who had a place of business in the state of Oregon. IFP paid a $3,600 fine.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AFFILIATION WITH IFP SECURITIES

IFP is under common ownership with a registered broker-dealer, IFP Securities, LLC. IFP Securities, LLC and IFP Advisors, LLC are owned by IFP Group, LLC. In other words, IFP's direct, majority owner is IFP Group, LLC, and indirect owner, through IFP Group, is WKW Enterprises.

IAR's acting in their separate capacities as Registered Representatives of IFP Securities, LLC. sell, for commissions, general securities products including but not limited to stocks, bonds, mutual funds, exchange-traded funds, alternative investments, variable annuity and variable life products to you. As such, IARs have the availability to suggest that you implement investment advice by purchasing securities products through a commission-based IFP account in addition to an advisory account. Such dual compensation is against IFP policy. Nevertheless, in the event that you elect to purchase commission-based products through IFP Securities, LLC., IFP and your IAR, in the capacity as IFP Registered Representatives, will receive the normal and customary commission compensation in connection with the specific product purchased. This presents a conflict of interest, as it gives your IAR an incentive to recommend investment products on the compensation received, rather than on your needs. You are free to implement investment advice through any broker-dealer or product sponsor you select. However, you should understand that, due to certain regulatory constraints, your IAR must place all purchases and sales of securities products in commission-based brokerage accounts through IFP Securities, LLC or other IFP approved institutions (qualified custodians/clearing firms). That being said, IFP strives to ensure that such brokerage accounts for investment advisory clients do not have commission-based products in them. If your account is charged an AUM fee, IFP policy requires IARs ensure that a commission is not also charged, which means any products that might otherwise have an imbedded commission should be structured as an adviser-class product, and equities and other listed products should only be assessed a transaction ("ticket", unless a Wrap Fee structure applies) fee.[17]

For accounts managed by IFP and held and custodied at Pershing, our affiliated broker-dealer, IFP Securities, LLC, will act as the introducing broker for transactions in these accounts and will be paid a ticket charge for each transaction out of your non-wrap accounts. IFP Securities, LLC essentially pays a portion of each ticket charge to the clearing firm, Pershing, and keeps the remaining portion of the ticket charge paid by you. Although this retained revenue from the ticket charge is not retained by your IAR servicing your account, this is a conflict of interest for IFP because of the additional compensation.

AFFILIATION WITH IFP INSURANCE GROUP

IFP is under common ownership with IFP Insurance Group, LLC (IFP Insurance Group), a licensed insurance agency. IFP and IFP Insurance Group are owned by IFP Group, LLC. Some IAR's are licensed life insurance agents with IFP Insurance Group and sell insurance products to you. Therefore, your IAR, in the capacity as a licensed life agent, is able to implement insurance recommendations for you when electing to receive this service. In this event, IARs, in their separate capacities as licensed insurance agents, will receive separate and typical commission compensation for insurance and/or annuity sales.[18] This presents a conflict of interest, as it gives your IAR an incentive to recommend investment products on the compensation received, rather than on your needs.

UNAFFILIATED INVESTMENT ADVISERS

IFP allows IARs to recommend and select unaffiliated Investment Advisers for you typically referred to as TPAMs. Whenever another Investment Adviser is selected to manage all or a portion of the client's assets, the outside Investment

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[17] A possible "aging" analysis may occur for securities assets originally purchased when the account was not under an investment advisory arrangement, as otherwise described herein, which would be, in any case, subject to a Regulation Best Interest analysis.

[18] For variable insurance/annuity products, the general policy prohibition against dual compensation applies.

Adviser will be paid a portion of the fees the Client is charged. The TPAM are generally responsible for billing such fees. In those cases, IFP and IAR will also receive a portion of the fees you are charged. While IARs endeavor at all times to put your interests first as a part of IFP's fiduciary duty, you should be aware that the receipt of commissions and additional compensation itself creates a conflict of interest and can affect the judgment of IAR when making recommendations. There is also an incentive and conflict of interest for IFP/IARs to refer clients to TPAMs that charge more than other TPAMs. Nevertheless, as noted elsewhere in this Brochure, it is the general policy of IFP to not charge both a commission and an investment advisory fee on the same account, covering the same period of time. It is also against IFP policy to allow TPAMs to set up a Wrap account and then to incur trading costs by trading away from the asset-based pricing accounts established with IFP's Qualified Custodians.

OTHER OUTSIDE BUSINESS ACTIVITIES

Certain IARs have other business activities and offer other professional services, such as tax preparation, accounting, legal, real estate, employee benefits consulting, business advisory services (e.g., succession and exit planning) or have other businesses, that are outside business activities from your registration as an IAR of IFP. Aside from conducting an initial conflicts-of-interest check, such services are outside the scope of IFP's business, and the IARs with such outside business activities are fully responsible for them since they are not activities provided by IFP. IARs engaging in these other outside business activities do so independently of their registration with IFP.

ITEM 11. CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CODE OF ETHICS

An investment adviser is considered a fiduciary as defined under the Investment Advisers Act of 1940, as amended. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act in the best interest of each of our clients. IFP, its employees, and its IARs have a fiduciary duty to all advisory clients. To assist our employees and IARs in meeting these obligations, IFP has adopted standards of business conduct that are outlined in our Code of Ethics. IFP requires its supervised persons to conduct business with integrity and to comply with federal and state securities laws. IFP has established a Code of Ethics which IARs and those people defined as Access Persons will read and then execute an acknowledgement stating that they understand and agree to comply with IFP's Code of Ethics. The Code of Ethics addresses matters such as the prohibition against trading on the basis is non-public information, Conflicts of Interest, Personal Securities transactions, etc.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

IARs have the availability to recommend to investment current or prospective clients the purchase or sale of securities in which IFP, its affiliates, the IAR and/or other clients also have a position or interest.

Because the Code of Ethics in some circumstances would permit Employees, IARs and affiliated accounts to invest in the same securities as you, there is a possibility that employees, IARs or affiliated accounts might benefit from market activity in their accounts with a security also held by you.[19] Therefore, a conflict of interest exits when IFP and its IARs purchase

[19] IFP's has a Restricted Period applicable to its IARs. Accordingly, the current general policy prohibits any IAR (and other individuals in scope such a spouses, children and financial dependents) from trading during the period of 3 days prior to a client order, and through the period of 3 days after the respective client order. As some background for the Restricted Period is the fact that there are difficulties operationally and from a supervisory perspective to ensure that IARs do not receive a better price than customers as more fully explained below. IARs may not trade in the same day as the client in securities (*unless mutual funds and certain other securities exempted within the industry standards applicable to Codes of Ethics regulations governing investment advisers*). In the case of block transactions, the IAR must ensure that he/she places the client's execution price as "preferenced" over the execution price of the IAR. In that way, the IAR may receive an equal price as clients if all clients whose orders were handled by IFP's advisory clearing platform providers (Fidelity, Schwab/TD, and Pershing/Pershing Advisory Services/PAS), provided all such orders for entire day get filled as the average daily price, or the IAR price is worse than all IFP clients for the entire day. IFP understands each of its advisory clearing platforms provides aggregated and allocated orders with each block at average daily price, so there should generally not be a possibility to receive a better price than a client with the same block trade assuming there are no "partial fills" or the existence of multiple block transactions. However,

and sell the same securities owned by you. Trading activity of IARs and employees is reviewed and monitored under the Code of Ethics to help reasonably prevent this conflict of interest in trading between IFP and its clients.

IFP and its IARs have the availability to maintain investment positions in their personal portfolios that are recommended to you. In fact, IFP and its IARs have the choice to take positions or execute transactions for their personal accounts which are materially different than the positions or transactions recommended for you. Employees and IARs are expected to purchase or sell a security for their personal accounts only after trading of that same security has been executed in customer accounts, trade on a different day than executing trades for a client account or aggregate trading system that applies the average price across all trades aggregated.

IFP's you can request a copy of the firm's Code of Ethics by contacting the firm at the address noted on the cover of this brochure. You may also find a copy of the Code of Ethics on our Web Site at https://ifpartners.com/wp-content/uploads/2021/03/Code-of-Ethics.pdf

ITEM 12. BROKERAGE PRACTICES

SELECTION OF BROKERS/ DEALERS AND/OR CUSTODIANS

ACCOUNTS ESTABLISHED THROUGH IFP SECURITIES, LLC

If you wish to implement your IAR's advice you are free to select any broker you wish. If you wish to have your IAR implement the advice in your capacity as a RR, then IFP's affiliated broker-dealer, IFP Securities, LLC, will provide brokerage services for the accounts held at Pershing, LLC. You do not generally have the option to direct securities brokerage transactions to other broker-dealers or other account custodians. Likewise, transaction execution decisions for IFP's Qualified Custodians are determined by such custodians. That being said, if a TPAM is afforded discretion over your account, then may exercise brokerage execution/routing decisions. In any cases, such decisions are subject to the duty to seek "Best Execution."

IFP IARs are RRs of IFP Securities are required to use the services of IFP Securities when acting in their capacity as RR. IFP Securities has a wide range of approved securities products for which it performs due diligence prior to selection. For non-listed products, IFP Securities RRs are required to only use products approved by IFP Securities. Otherwise, most listed securities are presumed to be approved by IFP Securities, unless they fall into certain special categories, which are covered by our Restricted List, IFP policy and, in the case of brokerage accounts "held/carried by" Pershing, IFP's Membership Agreement with FINRA. Commissions charged for the securities products can be higher or lower than commissions you can obtain if transactions were implemented through another broker-dealer.

In accounts where IFP Securities acts as broker-dealer for transactions, IFP Securities or its Client will pay a ticket charge and/or commission for each transaction. IFP Securities and Pershing may split the ticket charge to the clearing firm, Pershing LLC, and keep the remaining portion of the ticket charge. IFP Securities also marks up certain other brokerage-related charges and fees that are assessed to all client advisory accounts at Pershing. The charges and fees that are marked up include, but are not limited to, paper delivery surcharge, fees for client statement and confirmation, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, inactive

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there is a challenge if there are multiple block orders that occur during the same day. This means that if multiple block orders occur within 1 day, the IAR is obligated to consider the execution price of all such client block orders, and the IAR may receive no better price than all clients who received an order execution on a particular day. Considering the difficulties in ensuring such price preference to all clients, amongst the possibility of multiple block orders, the possibility of "partial fills and the ability for IAR to provide allocation instructions directly to certain Qualified Custodians/clearing firms, as well as the possibility disparate prices may exist from one block to another, and one partial block price to another, IFP's policy prohibits IARs from placing their orders same day as a client. The only possible exception would be if IFP/IAR can demonstrate that the foregoing price assurance/leveling occurs. Such exceptions to the general policy of disallowing IAR to input their own orders in the same block with clients would require advance approval/clearance by a registered principal of IFP (Transaction Supervision Team), and if cleared, then IFP and the IAR must ensure after the executions for the entire day, the IAR receives no better price than all client on the respective day for the same respective securities and comparable preferenced prices related to its derivatives. The other condition for placing orders in this way is that the IAR does have any non-public information.

account fees, wire fees, legal transfer fees, bond redemption fees, termination fees, and IRA annual custodial maintenance fees.

IFP participates in Pershing's FUNDVEST® ticket charge program. This program offers no-load mutual funds to be purchased for you with no transaction fees. IARs who absorb ticket charges or utilize asset-based pricing with you have access to utilize these NTF Funds.

You can choose to participate in Pershing’s Loan Advance program. In this program, Pershing will qualify a client who would benefit from having an alternative for accessing credit for financial needs in the form of a non-purpose loan. IFP receives revenue for your participation in this program. Even though these payments are not shared with your IAR, the receipt of these additional payments creates a conflict of interest because of the increased compensation to IFP.

You can choose to loan securities to Pershing by participating in the Fully Paid Lending Program. You will maintain full ownership of the securities on loan and can recall the loan at any time. You will relinquish your right to exercise voting rights while securities are on loan. Loaned securities will not have SPIC coverage. However, SIPC coverage applies to the cash collateral received for the loaned securities. You receive a lending fee based on the relative value of the securities loaned and are subject to change. IFP receives revenue from these fees and even though these payments are not shared with your IAR, the receipt of these additional payments creates a conflict of interest because of the increased compensation to IFP.

When you establish an account through Pershing, you are required to select a bank sweep option or money market mutual fund in which the cash in your account will be held. The FDIC bank deposit sweep program is the default option for cash contributed to non-entity (individual) accounts and IFP receives more from Pershing for assets held in that sweep program than IFP does for assets placed into a money market fund. Entities are not eligible to participate in the bank deposit sweep program. The bank sweep account will have a yield that will vary based on prevailing interest rates. IFP has the ability to dictate what portion of the yield (interest rate paid) on the bank sweep accounts it will retain. IFP’s ability to adjust the yield creates a conflict of interest since the lower the portion of the yield paid to you, the more IFP earns. IARs do not receive any portion of the bank sweep compensation paid to IFP.

In addition to a bank sweep deposit option, IFP makes available a limited number of money market funds that you have the choice to elect to have serve as the cash sweep vehicle for your brokerage account. Pursuant to IFP’s clearing agreement with Pershing, Pershing remits to IFP the amount of 12b-1 fees and shareholding servicing fees for money market mutual funds affiliated with or specified by Pershing in amounts set forth in the prospectus or other offering document for such funds. The higher the 12b-1 fees paid by the money market mutual fund, the lower the yield on cash in your account. These commissions/fees create a conflict of interest as the increased revenue generated from the default money market funds is paid to IFP's affiliated broker dealer – IFP Securities. Because IFP Securities receives and retains these amounts, IFP has an incentive to recommend a brokerage account offering sweep money market funds paying 12b-1 fees, which in turn will negatively impact the amount you will earn on cash in your account. IARs do not receive a portion of the money market compensation paid to IFP. IFP does not make available other share classes of the sweep money market funds, including those that do not pay 12b-1 fees; however, you can choose to purchase other money market funds, including those that do not pay 12b-1 fees, and move assets from the money market fund or bank deposit account that serves as your cash sweep vehicle into such other funds. You are not obligated to maintain assets in the core sweep money market fund or bank deposit sweep account. Cash in your brokerage account will be placed in the sweep option you select by default and remain in that sweep option until the funds are invested elsewhere or you withdraw the cash from your account.

You have the option of utilizing margin on your advisory accounts. A margin account is an account where you borrow funds for the purpose of purchasing additional securities. You will also use a margin account to borrow money to pay for fees associated with your account or to withdraw funds. There are various, heightened risks associated with a margin account than with a “cash” account (wherein no margin credit exists).[20] If you decide to open a margin account, you

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- **You can lose more funds than you deposit in the margin account.** A decline in the value of securities that are purchased on margin may require you to provide additional funds to the firm that has made the loan to avoid the forced sale of those securities or other securities or assets in your account(s).

should carefully consider that: (i) if you do not have available cash in your account and your account is a margin account, you are borrowing money to purchase securities, paying for fees associated with your account or withdraw funds; and (ii) you are using the securities that you own as collateral. Money borrowed in a margin account is charged an interest rate that is subject to change over time. This interest rate is in addition to other fees associated with your account. IFP retains a portion of the margin interest charged, which is a source of revenue. This compensation represents a conflict of interest as IFP has a financial benefit when you maintain a margin debt balance. This compensation is retained by IFP and is not shared with your IAR. Therefore, IFP has a financial incentive to recommend that you maintain a margin balance. Another conflict of interest with respect to margin accounts incudes the fact that IFP and some IARs charge an AUM fee based upon the total credit in the account, and/or retain the debit in another account than the account where the assets reside subject to an AUM fee.

IAR does have a conflict of interest when recommending that you purchase or sell securities using borrowed money. This conflict occurs because your advisory fee is based on the total market value of the securities in your account. If you have a margin debit balance (in other words, you have borrowed and owe money to IFP's clearing firm/platform such as Pershing, Schwab/TD and Fidelity), your margin debit balance does not reduce the total market value of your account. In fact, since you have borrowed money to purchase additional shares, the total market value of your account will be higher, which results in a higher advisory fee. You should also carefully review the margin disclosure document for additional risks involved in opening a margin account.

ACCOUNTS ESTABLISHED THROUGH INSTITUTIONAL CUSTODIANS

If you contract for IFP's asset management services, only those custodians that have been approved by IFP shall be used. IAR uses third-party institutional custodian ("Institutional Custodians", which are Qualified Custodians as the term is understood per the Investment Advisers Act of 1940, as amended). Institutional Custodians include but are not limited to Schwab/TD, Fidelity and Pershing/Pershing Advisory Services and SEI to maintain custody of your assets and to effect trades for your accounts. Client may request that IFP work with additional custodians, but unless such additional custodial relationships are via a custodial arrangement between the TPAM and the custodian directly, then IFP will likely decline the proposed business because working with additional custodians would essentially impair IFP's operational and compliance efficiencies by not channeling its business through its established custodial relationships; IFP is already a multi-custodial firm, and creating more relationships strains existing resources, and the existing custodians already cover a great variety of options available in the market for such services. Thus, some level of restraint in expanding into having more custodial/brokerage relationships is helpful. Custodians provide IFP with access to your institutional trading and custody services, which are typically not available to retail commission brokerage accounts.

Institutional Custodians offer brokerage services, execution, custody, research, analyses and reports, and access to mutual funds and other investments that otherwise generally available would only be made available to institutional investors. These benefits include a trading platform; receipt of duplicate client confirmations and bundled duplicate statements and/or providing data feeds containing the same information; access to a dedicated trading desk serving program participants exclusively; access to block trading which provides the ability to aggregate securities transactions

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- **The firm can force the sale of securities or other assets in your account(s).** If the equity in your account falls below the maintenance margin requirements, or the firm's higher "house" requirements, the firm can sell the securities or other assets in any of your accounts held at the firm to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.
- **The firm can sell your securities or other assets without contacting you.** Some investors mistakenly believe that a firm must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Most firms will attempt to notify their customers of margin calls, but they are not required to do so. However, even if a firm has contacted a customer and provided a specific date by which the customer can meet a margin call, the firm can still take necessary steps to protect its financial interests, including immediately selling the securities without notice to the customer.
- **You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.** Because the securities are collateral for the margin loan, the firm has the right to decide which security to sell in order to protect its interests.
- **The firm can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.** These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause the member to liquidate or sell securities in your account(s).
- **You are not entitled to an extension of time on a margin call.** While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

and then allocate the appropriate shares to client accounts; the ability to have investment advisory fees deducted directly from a client's account; receipt of research and compliance publications and access to certain mutual funds which generally require significantly higher minimum initial investments or that are generally available only to institutional investors.

Custodians have the choice to discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to IFP. As a fiduciary, IFP continually seeks to act in your best interest. IFP's recommendation or requirement that you maintain your assets in accounts at its existing custodians is based in part on the benefit to IFP of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by the Custodians, although the motivation of using these custodians is based upon their platform, scale, size, access the products and services and market presence, which IFP believes is ultimately in your best interest. That being said, there is a conflict of interest insofar as IFP is not generally capable with its existing relationships and resources to establish numerous custodial relationships with smaller/different custodians than the ones used by IFP.

Institutional Custodians may or may not charge separately for your custody services, and are compensated by account owners through commissions and/or or other transaction-related or asset-based fees for securities trades that are executed through the custodian.

IFP's various custodians are all required to seek best execution in terms of how they handle and route orders. They review and publish data on such order routing and execution quality; links to their Best Execution statistics are provided herein under the subsection entitled "Best Execution". While quality of execution at the best price is an important consideration, best execution does not necessarily mean lowest price and it is not the sole consideration. Some custodians will aggregate transactions for a client with other clients to improve the quality of execution. Allocations of the aggregated orders are made under procedures designed to treat all clients fairly. The trading process of any custodian suggested by us must be efficient, seamless and straight forward. Overall execution speed, custodial support services, trade correction services and statement preparation are some of the other factors to consider when utilizing a custodian.

RESEARCH AND OTHER BENEFITS

The custodians used by IFP make available other products and services that benefit IFP but do not directly benefit you or your accounts. These products and services assist IFP and your IAR in managing and administering your accounts. These include, but are not limited to, investment research, access to client account data (such as duplicate trade confirmations and account statements), facilitation of trade execution, allocation of aggregated trade orders for multiple client accounts, pricing and other market data, facilitation of payment of our fees from your accounts, assistance with back-office functions, recordkeeping, and client reporting.

Since IARs may receive unsolicited or unrequested products and services, IFP receives "soft dollars" in relation to the established practices and resources of its clearing platforms. IFP receives research and other services from it clearing platforms (Pershing, Schwab/TD, Fidelity, Schwab and SEI), which are benefits associated with utilizing their platforms generally, and based upon review of such relationships, IFP believes such benefits comply with the safe harbor contemplated in Section 28(e) of the Securities Exchange Act of 1934, as amended. Such ancillary benefits associated with certain platforms do not impact individual order routing decisions by IFP as IARs since IARs and IFP do not route orders as a trading firm does, but rather IFP is subject to the order routing decision of the Qualified Custodians. Once IFP's IARs decide to open a client account at a particular Qualified Custodian, any subsequent order routing decisions are made by the Qualified Custodians. However, IFP and its IARs may elect to use a particular Qualified Custodian for certain benefits offered by such platforms.

While such research, systems and processes are not a function of order routing decisions or commissions being paid for transactions, but rather are platform benefits provided by custodians to their institutional customers such as us, these benefits may not be allocated equally among all of our Clients or their Accounts. We may also receive services, which can include investment profiles, sales literature, advertising and other materials. Our platform custodians may also provide education and financial support at our conferences designed to educate our IARs on the services available to support our clients.

Products and services beyond trade execution that broker-dealers commonly make available to advisors as an integral part of their institutional trading and custody platforms. These products and services may be proprietary to the brokerage firm or provided by third parties. They typically include pricing and other market data, research, software and software discounts available to correspondents of the institutional trading and custody platforms. Such software may not, however, be for administrative and reporting purposes. Although often made available on an unsolicited basis and not tied to the amount of trading the IAR does or the commissions its clients pay, the availability of these services and particularly the extent to which the IAR uses them should be disclosed as appropriate in discussing factors the IAR considers in selecting or suggesting brokers and determining the reasonableness of their commissions.

TRANSITION ASSISTANCE BENEFITS

IFP provides various benefits and payments to IARs that are new to the IFP platform to assist the IAR with the costs (including foregone revenues during account transition) associated with transitioning his or her business to the IFP platform. The proceeds of such Transition Assistance payments are intended to be used for a variety of purposes, including, but not necessarily limited to, providing working capital to assist in funding the IAR's business, satisfying any outstanding debt owed to the IAR's prior firm, offsetting certain fees payable to IFP as a result of the IAR's transition to IFP's platform, technology set-up fees, marketing and mailing costs, licensure fees, moving expenses, office space expenses and staffing support.

The amount of the Transition Assistance payments can be significant in relation to the overall revenue earned or compensation received by the IAR at his/her prior firm. Such payments are generally based on the size of the IAR's business established at his/her prior firm and/or assets under management on the IFP platform. This creates a conflict of interest as IARs that chose to join IFP may have been influenced by such benefits/payments.

Additionally, Qualified Custodians and Clearing Firms will provide IFP and/or IAR with additional revenue or expense reimbursement to aid in the transfer costs associated with moving from another firm to IFP or from one Clearing Firm, Custodian to another within the IFP platforms.[21] In most cases, this additional compensation is passed on to the IAR who, in turn, uses it to assist with expenses or to reimburse Client's for costs incurred during the transfer. This creates a conflict of interest because of the benefit received by IFP or the IAR.

IFP strives to act in your best interest and, where conflicts of interest appear to exist, IFP seeks to eliminate and/or mitigate them, or, at a minimum disclose them if determined to otherwise be in compliance with applicable industry standards. IFP's recommendation that you maintain your assets in accounts at certain broker-dealers and custodians can be based in part on the benefit to IFP of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by such broker-dealers and custodians. This creates a conflict of interest as other broker-dealer or custodians will be less expensive to you. You are under no obligation to act on our recommendations.

BEST EXECUTION

IFP takes its responsibility for Best Execution seriously. The totality of the arrangement and services provided by a broker-dealer must be examined to determine "Best Execution." Accordingly, while IFP does consider competitive rates, it does not necessarily obtain the lowest possible commission rates for your account transactions. Therefore, the overall services provided by the unaffiliated broker-dealers and custodians providing execution services, either themselves or through their dealer network, are evaluated to determine Best Execution.

[21] Pershing is our sole clearing firm for our affiliated broker/dealer, which serves as our custodian for broker/dealer-only accounts, but also serves as the Qualified Custodian for investment advisory accounts of IFP. Pershing pays IFP, without regard to whether the accounts are brokerage or investment advisory accounts, 7.5 basis point for assets transferred to Pershing. Furthermore, IFP's custodians generally pay IFP client account fees for closing accounts at other custodian in order to open accounts at IFP's custodians. IFP understands such transition benefits are not unusual in the industry, and exist among with top US clearing/custodial platforms, but IFP is, nevertheless, disclosing such payments as a conflict-of-interest that incentivizes account transfer. That being said, the customer and the IAR are not obligated to transfer accounts as an IAR leaves one firm and joins IFP, and neither is the customer obligated to rollover assets from one firm to IFP simply because an IAR joins IFP. Regulation Best Interest governs such rollover/transfer recommendations and DOL Prohibited Transaction Exemption ("PTE") 2020-02 and PTE 84-24 govern rollover recommendations for retirement accounts.

We do not receive any compensation or incentive for referring you to certain broker-dealers for brokerage trades. We will arrange for the execution of securities brokerage transactions through our Qualified Custodians, including their broker-dealer(s), that we reasonably believe will provide Best Execution. IFP does not handle orders as such, but places orders with its various custodians, and they handle and route such orders in pursuit of Best Execution. In seeking Best Execution, the determinative factor is not the lowest possible commission cost, although that is clearly an important factor, but the holistic analysis of Best Execution entails evaluating whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services and the Client's needs and objectives, including the value of research provided, execution capability, execution speed, commission rates and responsiveness.

- https://www.fidelity.com/trading/execution-quality/overview
- https://www.schwab.com/execution-quality
- https://www.tdameritrade.com/tools-and-platforms/order-execution.page
- https://www.orderroutingdisclosure.com/ (Pershing Site – Put in Broker/Dealer Name as "IFP Securities")
- https://seic.com/help-clients/sei-investments-distribution-co-rule-605-and-606-reports

As a general policy, IFP does not accept client instruction to use a broker/dealer other than the Qualified Custodian platforms we use, and part of the reason is that Best Execution may be sacrificed. Operational and reporting efficiency is another reason. In any event, if IFP were to accept "direct brokerage" orders, then we may not be able to obtain the most favorable costs or execution, and you may pay higher fees or transaction costs. You may also lose any benefits that we have been able to obtain for our other clients such as volume discounts, order aggregation or block trades. If you direct us to use a particular broker-dealer, you will have the sole responsibility for negotiating the commission rate and other transaction costs with the broker-dealer and/or custodian.

When an account is being managed by a TPAM, IFP is not able to change the costs of execution charged by the custodian that holds the account or the quality of the execution services provided by the clearing firm used by the TPAM. You should address concerns or questions regarding the costs or quality of execution services to the TPAM and the Qualified Custodians and/or broker/dealers they use. You should consider that, when an account is being managed by a TPAM, that you could pay higher commissions or trade execution charges through them than through other broker/dealers and/or custodians.

TRADE ERRORS

On occasion, an error will be made in your account, which, for example, would be if and when a security were to be erroneously purchased in your account instead of being sold. Purchase amount would be another common example of a trade error. In these occasions, IFP seeks to engage in corrective activities in your account so that it is reflected as if no error occurred.

Depending on the circumstances, corrective steps will be taken, including but not limited to, cancelling the trade, adjusting an allocation, and/or crediting your account. When the correction of a trade error results in a loss, IFP works with the relevant custodian your account whole. In the event a trading error results in a profit, the profit is retained by the qualified custodian, or in placed into a netting account for IFP with the qualified custodian. Please contact IFP at (813) 341-0960 with any questions regarding netting accounts.

CONFLICTS OF INTEREST

In additional to other disclosures about conflicts-of-interest in this document, IFP offers the following disclosure about the types of conflicts between IFP, your IAR and you:

- When our personnel serve in the capacity as a RR or an insurance agent, IARs have a conflict of interest when they solicit, offer and sell securities and insurance products for which you would pay a commission, while also soliciting, offering and selling investment advisory services and managing the assets in your accounts and charging a separate investment advisory fee. IFP addresses this conflict of interest by requiring the IAR to disclose to you at the time a brokerage account is opened through IFP Securities the nature of the transaction or relationship, his or her role as an IFP Securities RR, and any compensation, including commissions that are paid by you and/or received by the FP. Moreover, our IARs, beyond mere disclosure, should, if such dual compensation were to be proposed, justify how such dual compensation is consistent with their fiduciary duty towards you. As a general policy, IFP prohibits an IAR from charging a commission for the same assets for which the IAR receives an AUM fee. You are encouraged to discuss with your IAR how each transaction, rollover recommendation, account allocation, implied hold recommendation and compensation approach is in your Best Interest. In situations where your IAR is managing/advising your account in exchange for an AUM fee, IARs are, absent a compelling justification, not supposed to charge a commission because such a dual compensation structure is not generally considered as in your Best Interest. IFP, if such dual compensation is detected, will seek to investigate and, absent a compelling justification, take corrective action.
- Changes in your financial situation and investment objectives, which are not recorded and accounted for, may ostensibly create incentives to manage/advise your account in ways contrary to your current situation. An example of this is if your liquidity needs increase, your surplus resources decrease and your time horizon becomes shorter, it would appear to be a conflict of interest for an IAR to have you invested in longer-term products, securities with a longer-term value proposition, packaged products such a fee-based annuities and/or complex products that have greater risks and require more analysis and work to advise or rollover, and when such work and needed analysis serves as a justification for a higher AUM fee or a reason that some assets were not liquidated, and this is particularly the case if such assets could have been liquidated and placed in assets not subject to an AUM fee (e.g., assets that would either not be subject to billing or that might be excluded from billing). If an IAR knew of those changes and did not adjust your account, then the conflict of interest would be known, and would not be acceptable by any standard. However, if such changes were not known, an IAR could not reasonably be expected to change the management/advisory style. In that respect, it is your responsibility to promptly notify us if there is a change in your financial situation or investment objectives.
- Commissions charged for assets under ongoing account advisory/management services are not generally an appropriate compensation approach. If for some reason, you or your IAR determine certain commission-based products/assets are in your Best Interest, you are not obligated to use IFP Securities or its affiliated insurance agency, or agencies under contract with IFP, for securities transactions or insurance products.
- Account Rollover/transfer recommendations presents a conflict of interest because IARs have an economic incentive to recommend you to rollover your retirement plan or IRA outside of IFP into an IFP advisory program account, including into a new IRA.
- You are under no obligation to engage the services of an IAR, TPAM or any other industry service provider recommended by IFP. However, once you enter into an arrangement with an IAR of IFP and/or a TPAM, your retention of discretion over implementation decisions are based upon the terms of your contract, and you should understand the termination of such a contract will be specified in the body of the contract. Otherwise, you may accept or reject recommendation from IFP or its IARs, unless you contractually vest limited investment discretion with your IAR.
- Some of our IAR engage in referring clients of IFP to other service providers such as accountants. Fees not allowed to be shared, unless a *bona fide* solicitor Agreement is in place. In these cases, a conflict of interest exists if the IAR is receiving any fees as a solicitor and the firm receiving such referral enters into an agreement and manages or advises your account inappropriately, despite IFP lack of knowledge of how another firm might manage/advise your account. Another conflict of interest would be if there is a tacit expectation or understanding if IFP/IAR refers you to another investment adviser and/or IAR, then there

would be a referral back from those entities or individuals to IFP. IFP policy disallows such "tied" or "tacit" agreements.

- Securities and insurance products sold in exchange for a commission also have conflicts of interest when the product sold has a higher commission or fee than another product (e.g., private placements and variable annuities have higher fees than many other registered securities products. Some indexed or market-linked fixed annuities also have relatively higher fees).
- Your IAR has an incentive to convert assets purchased in a brokerage/commission-based environment to an investment advisory account/fee so that they can start earning fees on such the value of the respective account. Such conversions are subject to a fiduciary/Best Interest analysis. Also, in that sense, there would be a period where, essentially, double compensation appears to exist for the same assets, and, as indicated, such conversions are subject to a fiduciary/Best Interest analysis.
- Because IFP's advisory fees and those of the other TPAMs within the IFP's advisory program are based on assets under management/AUM, IFP and those TPAMs have a conflict of interest in reflecting or realizing a higher value of the securities held in Client accounts since a higher valuation produces higher advisory fees. To ensure that Client assets are accurately valued, for purposes of calculating fees, securities listed on any national securities exchange shall be valued, as of the valuation date, at the closing price on the principal exchange on which they are traded. Any other securities or investments shall be valued in a manner determined in good faith to reflect fair market value. Any such valuation should not be considered a guarantee of any kind whatsoever with respect to the value of the assets. Our custodians, in their sole discretion, may use the services of an independent valuation agent, as well as other independent sources with respect to the computation of market value of securities. The data contained in those reports has not been verified by IFP. As an IFP policy, private placements that are not subject to periodic/updated valuation assessment should not be subject to an AUM fee.[22]
- When we provide you with a recommendation as your investment adviser or as your broker-dealer, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice you receive.
- The foregoing notwithstanding about policy prohibitions against charging a commission and an AUM fee, an example of a conflict, as noted above, is that IFP Advisors, IFP Securities and IFP Insurance Group are under common ownership. Your IAR may suggest that you implement investment advice by purchasing securities products through a commission-based IFP Securities, LLC account. If you choose to purchase these products through IFP Securities, then IFP and your IAR will receive a commission based on the specific product purchased. A conflict will exist between the interests of IFP, your IAR and your interests because your FP will earn compensation for each arrangement. A commission for the commission-based account an advisory fee for managed account and a fee for financial planning services when applicable.
- You are free to implement investment advice through any broker-dealer or product sponsor you chose. However, you should understand that, if you authorize our IAR to engage in securities transactions on your behalf, your IAR must place all purchases and sales of securities products through IFP Securities or other IFP-approved institutions.
- Not only do you want to know how much you will pay in fees, but you should also understand how your IAR is incentivized. Your IAR has an incentive in the fee charged to you as they receive a percentage of the fee with the remaining amount of the fee retained by IFP.
- IFP receives an incentive based upon the number of accounts opened with Pershing, which could impact the recommendation to open an HSA account, and could impact the likelihood, when opening an HSA account, to use Pershing rather than another custodian.
- IFP's receipt of fees based upon margin balances maintained for clients held with Pershing.
- IFP receives a portion of the fees paid by you for collateral/non-purpose loans provided by Pershing.
- IFP does not offer a money market sweep account with Pershing that do not have 12b-1 fees.

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[22] For such billing AUM fee on private placements, IFP 's policy is that IFP may bill on private placements that do not charge a commission and that have periodic valuations (e.g., not merely a beginning and end valuation), except that private placements may be placed under an AUM fee without a periodic valuation during the accumulation and capital raise so long as such issuers compute a NAV with regular updates in the holding phase of such capital.

- IFP receives more money from you when you open a margin account if you are charged an AUM fee because such fees are generally applied to the total credit in the account, and does not consider the debit, particularly if the debit is held in another account.
- An IAR will either earn a commission for recommending a product or service if they are acting in a broker capacity or they may earn a fee in the form of a one-time fee or an ongoing fee if they are acting in an advisory capacity. Depending on your facts and circumstances, either are appropriate (both may be appropriate in differing circumstances, but generally are not appropriate at the same time, for the same assets), but both revenue streams are generally not appropriate at the same time, for the same assets, and generally are against IFP policy in those cases. As indicated herein, if an asset was originally purchased in a brokerage transaction, and is later converted into an investment advisory account, such conversions are subject to a fiduciary/Best Interest analysis.
- IFP and your IAR can receive additional compensation from third-party firms such a product providers or service providers. If you are interested in learning more, please review IFP's Revenue Sharing Disclosure at https://ifpartners.com/wp-content/uploads/2021/09/Revenue_Sharing_Disclosure-9.2021.pdf, or you may request a hardcopy of it by contacting your IAR or IFP Compliance at (813) 341-0960. Revenue Sharing:
    - Revenue sharing is a form of a conflict of interest. IFP has entered into various arrangements with some companies where revenue sharing occurs. Although IFP endeavors at all times to put the interest of its clients ahead of its own or those of its officers, directors, or representatives ("affiliated persons"), these arrangements could affect the judgment of IFP or its FPs when recommending investment products. Because these situations present a conflict of interest that may affect the judgment of our financial professionals, IFP believes it is important that you are aware of our revenue sharing arrangements when you and your financial professionals evaluate your investment options.
    - IFP has established revenue sharing arrangements with a select group of companies that offer a broad spectrum of products. These Companies participate in activities that are designed to help facilitate the distribution of their products. Companies participating will have greater access to our financial professionals through marketing activities, training, and other educational presentations so that our financial professionals can better serve their clients.
    - These payments can originate from the company's distributor, its investment adviser, and/or other related entities. Certain Companies will make this payment from investment assets, while others will not. While the revenue sharing arrangements with each company will vary, IFP typically receives a flat fee, payment based on sales, or payment based on assets under management. Such fees oftentimes are structured as due diligence fees and other product provider revenue streams, non-cash compensation/event-sponsorship and account transfer expense reimbursement. Based upon its review, IFP has concluded that no such revenue sharing runs afoul of the Soft Dollar Safe Harbor or applicable regulations governing non-cash compensation. Nevertheless, they broadly fall into the category of conflicts of interest.
- IFP and/or its IARs receive cash or non-cash compensation from product manufacturers and vendors for educational events, client meetings and other meetings because the amount of such benefits could influence the investment decisions made.
- IFP's program to provide Forgivable Notes to transfer their business to IFP present a conflict of interest as it incentivizes IAR's to maintain your relationship with IFP for the duration of the Note and/or to choose IFP over another firm.
- IAR may have outside business interests ("OBAs") unrelated to IFP. For example, in situations where your IAR serves in capacities such as an insurance agent, accountant, real estate agent, consultant or other businesses unaffiliated with IFP, then there is conflict of interest between your IAR and you, which does not involve IFP as an enterprise. Such conflicts of interest might also exist insofar as the IAR may earn more money from focusing relatively greater attention on such other activities than on managing and advising your account with IFP.
- If your IAR does not work full-time as an IAR of IFP, including in situations where the IAR has OBAs, your IAR has a conflict of interest in terms of splitting time and attention across various personal business interests outside of IFP and your account with IFP.
- Some IARs have received a one-time grant of IFP Group, LLC private stock. IFP Group is the holding company for IFP and IFP Securities. IARs who received this private stock do not serve as officers of IFP. However, they

would have a % of ownership and have the ability to participate in IFP's overall profits. IARs are also eligible to participate in grant program due to their affiliation as RRs of IFP Securities, LLC. and/or IARs for IFP. This arrangement between certain IARs and IFP is a conflict of interest in that it can incentivize decisions to be made in the interest of the firm versus the interest of the client.

Our IARs are compensated based on:

- the amount of client assets they service;
- product sales commissions;
- the time and complexity required to meet a client's needs;
- the revenue IFP earns from the IAR's advisory services or recommendations; and/or
- the product sold (e.g., differential compensation; 1 product pays IFP more than another product).

ITEM 13. REVIEW OF ACCOUNTS

IARs are responsible for providing investment advice and conducting ongoing reviews for your respective accounts. If you are charged an AUM fee, the presumption is that ongoing account monitoring services are provided. You may contact your IAR for the most current information and status of your account(s).

Managed or Ongoing Advisory Services

IFP Managed/Advised. Managed account reviews are provided on an ongoing basis, typically based on a schedule agreed upon by you and your IAR. IFP does not impose a specific review schedule that IARs must follow. IAR are expected to review their accounts annually, and as frequently as quarterly. Beyond the timing of such periodic reviews, IARs are expected to review accounts that have experienced significant declines; known changes in your investment objectives, financial situation, liquidity needs, risk tolerance and other suitability factors. For this reason, it is important that you understand your responsibility to inform your IAR promptly of any changes to your information or circumstances, including changes to your financial condition, investment objectives and other suitability information. Such periodic review should reevaluate whether or not the account and investment strategy is still current and appropriate in light of recent market, securities and issuer-specific events and changes in your suitability information and other personal circumstances. However, more frequent reviews can be provided for an account depending on, among other issues, changes to your suitability information or market conditions.

TPAM Managed. In situations where an IAR recommended TPAMs to you, and serves as a co-advisor rather than a solicitor, earning AUM fees in exchange for ongoing account monitoring services, they are responsible for periodically monitoring such account activity. You may also request your IAR monitoring such accounts on an ongoing basis according to certain schedules and according to certain criteria or concerns that you establish.

Financial Planning & Consultancy

Financial planning reviews are performed upon request from you. Such services are covered by its own Financial Planning Agreement. It is different than the standard Investment Advisory Agreement, which is designed for ongoing investment advisory services in exchange for an AUM fee. Ongoing financial plans that involve ongoing account monitoring services should charge either a financial planning fee or an AUM fee, but not both. Financial planning services can be for a 1-time plan or an ongoing planning arrangement under a subscription service. For financial planning services that are for a single plan, the fiduciary services terminate upon the delivery of the plan, which means there will be no ongoing account monitoring services, unless the underlying assets are converted into or otherwise exist within an investment advisory contractual relationship covering ongoing investment advisory services. For financial planning and consultancy services that are ongoing in nature, and not merely related to preparing and delivering a single financial plan, IFP recommends that you have any ongoing financial planning services reviewed annually or upon changes that affect your goals, objectives, or financial situation. Additional fees can be charged for this review.

If you contract for ongoing consultation services, we suggest you request a review annually to determine if your objectives are being met. Your IAR can perform reviews more frequently at your request, including if you want such reviews to occur in response to various "triggering" events such as marriage, new job, retirement, increased financial responsibilities, etc.

Supervision

In addition to the IAR review, IFP has a Transaction Supervision Team consisting of Registered Principals who review customer transactions on a daily basis according to a risk-based approach. The Transaction Supervision Team is led by the Director of Supervision.

The Director of Supervision and the Supervisors working with the Director of Supervision review accounts and the onboarding stage and, in response to risk-based Red Flags, account reviews are commonly conducted. The Director of Supervision is empowered to enforce compliance with applicable rules, regulations, laws and IFP business policy, subject to escalation to the Executive/Business Conduct Committee, where account reviews and policies governing accounts are discussed and addressed. The voting members of that Committee are the Director of Supervision, CEO, President/COO, Chief Business Development Officer and the Chief Investment Officer. Other account activities, supervisory and compliance policies are escalated directly from IARs to the CEO and President/COO, who provide input and direction to Supervisory personnel.

For models developed and managed by IFPAM, IFP Chief Investment Officer and designee also manage and supervise client account activity and account allocations for accounts utilizing those models.

Retirement Plan Accounts, including rollover recommendations, subject to ERISA and DOL regulations are managed and supervised by IFP's Chief Business Development Officer.

Various products are also reviewed prior to submission to the respective advisory platforms (e.g., via Schwab/TD, Pershing, Fidelity and SEI). Such products subject to pre-clearance include variable insurance securities (annuities and life insurance) and complex products such as private placements and structured products. Moreover, IFP Registered Principals reviewing accounts check information with the IARs concerning whether the commitments made in financial plans occurred and/or were "delivered."

Account Statements

You should also review your account activity. IFP uses Pershing Advisory Services/Pershing, Fidelity and Schwab/TD Ameritrade as its Qualified Custodians. You will receive "Statements" directly from Qualified Custodians monthly if there is activity in the account and quarterly if there is no activity in the account. The term "Statements" refers to your official account record that reflects your account, its investments and other assets such as cash balances. Some Qualified Custodians include quarterly performance reporting in their Statements. IARs may use other service providers to prepare performance reports. If requested, IARs may also prepare performance reports for you if they have access to performance reporting software approved by IFP. Keep in mind that such performance reports that are not reports of the Qualified Custodian are not the official record of your account and assets, and could also contained incorrect data about your account. If you receive such performance reports, please always compare any performance reports prepared by firms that are not the Qualified Custodian against the account records/Statements prepared and made available to you by the Qualified Custodians. Accounts managed by other investment advisers/TPAMs send you reports (refer to their ADV 2A/Brochure and their Form CRS for a description of their services).

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

CLIENT REFERRALS

IFP has individuals who may not be affiliated with IFP and who introduce prospective clients to IFP. The individuals (historically referred to as Solicitors, but nowadays as Promoters) are paid a fee that is based on the advisory fee that you pay. If you were introduced to IFP through a Solicitor/Promoter, IFP, through its IARs, will provide you with a separate written disclosure document indicating that a referral fee is being paid to an individual who is unaffiliated with IFP. The Solicitor/Promoter fee is paid from the total advisory fee, whereby a portion of the fee is shared with the Solicitor/Promoter and IFP retains a portion of the fee. Such an approach does not result in additional charges to you.

In limited circumstances, typically related to a former IAR of IFP who leaves IFP, IFP may enter into a revenue sharing arrangement with the former IFP IAR and/or their employer if that employer is a registered investment adviser. Such arrangements relate to accounts that the IAR established with IFP. In such circumstances, the total fee that you pay for your account should not be increased, but may be split among various companies/individuals. This creates a conflict of interest insofar as IFP is sharing compensation with an unaffiliated investment adviser and that revenue sharing may impact the services that you and your account receive; it creates an incentive for the other investment adviser to favor accounts that represent more income to that investment adviser than accounts where a portion of the investment advisory fee is payable to IFP because of the Solicitor/Promoter fees that apply.

Some IARs also offer advisory services by referring you to TPAMs, which are "outside"/unaffiliated investment advisers. TPAMs are responsible for monitoring client accounts and making trades when appropriate.

IFP and its IARs have the availability to offer investment advisory services on the premises of unaffiliated financial institutions, such as banks and credit unions. IFP has entered into agreements with the financial institutions and IFP will share compensation, including a portion of the investment advisory fee, with certain financial institution for the use of the financial institution's facilities and for client referrals. As referenced above, in situations when IFP splits fees with other entities, it creates a conflict of interest insofar as IFP is sharing compensation with an unaffiliated firm and it creates an incentive for the IAR managing your account to favor accounts that represent more income to that IAR than accounts where a portion of the investment advisory fee is payable to the e financial institution because of the "networking"/Solicitor/Promoter fees that apply.

IFP and its IARs have the choice to offer advisory services on the premises of unaffiliated businesses, including insurance companies, employee benefit companies, and financial institutions such as banks or credit unions. IARs have the choice to pay such business entities a flat fee (e.g., a rental or lease fee) for the use of the premises and for administrative support. IARs may also be employees of such financial institutions, which may result in payment to the IARs in the form of a salary and/or an amount of variable compensation. IFP has entered into agreements with financial institutions pursuant to which IFP shares will share a portion of the investment advisory fees with the financial institution for the use of the financial institution's facilities and for client referrals that the financial institution provides to IFP and its IAR.

OTHER COMPENSATION

Some IARs will solicit, offer and sell securities and/or insurance products to you for commissions in their separate capacities as RRs of IFP Securities or acting as independent insurance agents for IFP Insurance Group, IFP's affiliated insurance agency. This represents a conflict of interest since IFP and the IAR receive fees and/or commissions if you choose to implement the recommendations of your IAR in his/her separate capacity as a RR or as an insurance agent. In situations where your IAR is associated with an insurance agency unaffiliated with IFP, then the conflict of interest is solely between you and your IAR, which does not involve IFP as an enterprise. In all cases, however, subject to any limited power of attorney (trading discretion) that you provide to your IAR, you are under no obligation to implement recommendations through IFP or your IAR and are free to choose any broker/dealer or insurance agency that you wish to implement your non-discretionary investment advisory recommendations. In situations where you have granted your IAR limited power of attorney, you may terminate that power and implement recommendations as you deem appropriate.

Certain TPAMs, product sponsors or brokerage and/or Custodians will provide IFP or your IAR with economic benefits as a result of their total sales of investment products, but not based upon the volume of sales in in particular product or type of product. Your purchase of investments or insurance products, including sponsorship of meetings, marketing support, entertainment/educational meetings, training events, industry conferences and reimbursement of non-lavish travel expenses. Any such events must be for educational purposes and the location of the event must have a reasonable nexus to the issuer of securities. IFP reviews proposals for such events as part of its supervisory policies and procedures for reasonableness and for compliance with applicable industry standards, rules and regulations, but, nonetheless, IFP is disclosing such matters because they have a bearing on compensation and also on what is known as “non-cash compensation”. Such forms of compensation represent a conflict of interest.

In some instances, IARs will also receive additional compensation for utilizing a document “E-Delivery” systems, which provides efficiency to the provider.

Although IFP is able to negotiate competitive pricing from Pershing that it believes is beneficial to you, IFP’s clearing relationship with Pershing provides IFP with certain economic benefits by using IFP Securities as the broker-dealer for its advisory program accounts rather than an unaffiliated broker-dealer. For example, as previously described, IFP adds a “Mark-Up” to the transaction costs and increases/marks-up certain other client brokerage-related account charges and fees, rather than passing such charges and fees to you at cost. The charges and fees that are marked-up include, but are not limited to, paper delivery surcharge fees for client statements and confirmations, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, inactive account fees, wire fees, legal transfers fees, bond redemption fees, termination fees, and IRA annual custodial maintenance fees.

As disclosed above in Item 12, Brokerage Practices, in the subsection entitled “Transition Assistance Benefits”, some IARs receive transition benefits. Those benefits are paid by IFP, and some of them may be partially subsidized by the Qualified Custodians (e.g., covering account closing fees at other firms).

IFP also offers some IARs “Forgivable Notes”, although considering the particularly high “pay-out” (the % of the fees collected by IFP that are paid to the IARs) for fees that IFP affords its IARs, such transition benefits are limited and perhaps smaller than firms with lower pay-outs to their IARs.

In any event, the Forgivable Note is a combined amount, used to defray costs of IARs joining IFP. This assistance can include, but is not limited to, technology services, administrative support, marketing costs or reimbursement of fees associated with moving accounts. The Forgivable Notes present a conflict of interest as it incentivizes IARs to maintain your relationship with IFP for the duration of the Note and/or to choose IFP over another firm.

Some IARs have received a one-time grant of IFP Group, LLC private stock. IFP Group is the holding company for IFP and IFP Securities. IARs who received this private stock do not serve as officers of IFP. However, they would have a % of ownership and have the ability to participate in IFP’s overall profits. IARs are also eligible to participate in grant program due to their affiliation as RRs of IFP Securities, LLC. and/or IARs for IFP. This arrangement between certain IARs and IFP is a conflict of interest in that it can incentivize decisions to be made in the interest of the firm versus the interest of the client.

ITEM 15. CUSTODY

Neither IFP nor its IARs hold or maintain actual custody of your assets. 3rd party Qualified Custodians hold and maintain your assets, and those custodians provide account statements directly to you at your address of record at least quarterly. IFP urges you to compare the account statements you receive from the account custodian with any performance report or statements IFP, IFP’s performance reporting service providers, or other reports that your IARs may create for you. You can contact your IAR with any questions, and if any discrepancies appear, you are encouraged to contact IFP’s Operations Department and/or Compliance Department, requesting to speak with a Principal/Supervisor.

Although IFP does not maintain physical custody of client accounts, due to a limited number of IARs, IFP has had constructive custody over certain assets as defined under the Investment Advisers Act during calendar year 2021, but has disbanded those capacities for IARs starting in calendar year 2022. IFP has engaged in requisite audit engagement for calendar year 2021, which will be filed in 2022. The reason for the audit is that (i) some IARs have acted as a trustee for a trust account of a client of IAR/IFP (or other comparable positions of power of client companies/entities), (ii) IFP may have taken possession of physical security certificates and forwarded them to your account custodian as an accommodation to you and (iii) some FP's belief that their ability to change the client address constituted custody, although it turned out that their ability to do so was predicated upon a Letter of Instruction signed by the client. As a result, IFP retained an independent audit from an accounting firm registered as a Public Company Accounting Oversight Board ("PCAOB") to assess the controls over the custody of client assets. As of the date of this filing, our current auditing firm is Hacker, Johnson and Smith, PA, and their Web Site is http://www.hackerjohnson.com/. IFP does not expect to have to declare custody in its Annual Updating Amendment (Annual ADV filing) next year.

ITEM 16. INVESTMENT DISCRETION

Upon receiving written authorization from you, IFP and your IAR have the ability to execute securities transactions on a discretionary basis. If you want your IAR to have the discretion to transact business in your account without contacting you, then you must agree and authorize discretion as part of the investment advisory agreement signed by you. When discretionary authority is granted, it is limited to the type and amount of securities to be bought or sold, but not the broker or dealer used, nor the commission rates paid when executing transactions. IARs do not have access to your funds and/or securities with the exception of having advisory fees deducted by the account custodian from your account and paid to IFP.

If you authorize discretionary authority, transactions will be executed in your account without discussing the transaction in advance and without any need of you to approve or clear that transaction. If you decide to limit the scope of the IARs authorization to be "non-discretionary," then your IAR will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject your IAR's investment recommendations, including, but not limited to, security being recommended, the number of shares or units, whether to buy or sell. In that case, it is important that you promptly respond to these requests in order for your IAR to promptly execute transactions and/or implement strategic adjustments to your portfolio.

ITEM 17. VOTING CLIENT SECURITIES

IFP's policy prohibits providing proxy voting services. You are instructed to read through the information provided with the proxy voting documents and to decide based on the information provided. Upon request, IARs may provide limited clarifications of the issues presented in the proxy voting materials based on IARs understanding of issues presented in the proxy voting materials. However, you have the ultimate responsibility for making proxy voting decisions. TPAMs have their own policies regarding proxy voting. You are advised to review the policies of your TPAM to determine their proxy voting policy.

ITEM 18. FINANCIAL INFORMATION

IFP does not require or solicit prepayment of more than $1,200 in investment advisory fees per client, six months or more in advance. Therefore, IFP is not required to include a balance sheet for its most recent fiscal year. IFP is not subject to a financial condition that is reasonably likely to impair its ability to meet contractual commitments to you, nor has IFP been the subject of a bankruptcy petition at any time.

PAYCHECK PROTECTION PROGRAM

The Coronavirus Aid, Relief, and Economic Security Act enacted March 27, 2020 ("CARES Act") provided multiple potential benefits to small businesses. One of the benefits provided was the Paycheck Protection Program ("PPP"). The intent of the program was to provide loans for qualifying small businesses to help cover their costs associated with payroll, benefits, interest, rent and leases, and utilities during the Coronavirus COVID-19 Pandemic. The PPP loan also provided loan forgiveness provisions based on a variety of factors.

In April of 2020, IFP Advisors LLC applied for and obtained a PPP loan in the amount of $1,032,000. While IFP did not regard the funds as necessary to perform its ongoing business operations, IFP's participation in the PPP was driven by the uncertainty of the then current economic conditions. IFP deposited PPP loan proceeds into its operating account and used the proceeds to cover eligible payroll costs. In June of 2021, under the PPP's loan forgiveness provisions, the balance of IFP's PPP loan was forgiven.

For more information on the Paycheck Protection Program, please visit https://www.sba.gov/funding-programs/loans/covid-19-relief-options/paycheck-protection-program.

EMPLOYEE RETENTION CREDIT

IFP applied for the Employee Retention Credit, and expects to receive approximately $1.3 million (approximately $1 million net of fees such as legal fees). IFP retained legal counsel to evaluate and submit the application of behalf of IFP. Since this is something out of the ordinary, we have received confirmation that our Parent Company is eligible for a credit of approximately $1,301,000 duly vetted with all the necessary calculations. In addition, as per the details in the IRS page (https://www.irs.gov/coronavirus/employee-retention-credit [irs.gov]), it states that "In anticipation of claiming the credit, employers can retain a corresponding amount of the employment taxes that otherwise would have been deposited, including federal income tax withholding, the employees' share of Social Security and Medicare taxes, and the employer's share of Social Security and Medicare taxes for all employees, up to the amount of the credit, without penalty, taking into account any reduction for deposits in anticipation of the paid sick and family leave credit provided in the Families First Coronavirus Response Act".

The Employee Retention Credit is a refundable tax credit against certain employment taxes equal to 50% of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021. Eligible employers can get immediate access to the credit by reducing employment tax deposits they are otherwise required to make. Also, if the employer's employment tax deposits are not sufficient to cover the credit, the employer may get an advance payment from the IRS.

For each employee, wages (including certain health plan costs) up to $10,000 can be counted to determine the amount of the 50% credit. Because this credit can apply to wages already paid after March 12, 2020, many struggling employers can get access to this credit by reducing upcoming deposits or requesting an advance credit on Form 7200, Advance of Employer Credits Due To COVID-19.

Employers, including tax-exempt organizations, are eligible for the credit if they operate a trade or business during calendar year 2020 and experience either:

1. the full or partial suspension of the operation of their trade or business during any calendar quarter because of governmental orders limiting commerce, travel or group meetings due to COVID-19, or

2. a significant decline in gross receipts.

A significant decline in gross receipts begins:

- on the first day of the first calendar quarter of 2020
- for which an employer's gross receipts are less than 50% of its gross receipts
- for the same calendar quarter in 2019.

The significant decline in gross receipts ends:

- on the first day of the first calendar quarter following the calendar quarter
- in which gross receipts are more than of 80% of its gross receipts
- for the same calendar quarter in 2019.

The credit applies to qualified wages (including certain health plan expenses) paid during this period or any calendar quarter in which operations were suspended.