



MADISON AVENUE SECURITIES

13500 Evening Creek Dr. N., Suite 555
San Diego, CA 92128
888-627-7323

mas-bd.com

Form ADV Part 2A Firm Brochure

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This ADV 2A Brochure provides information about the qualifications and business practices of Madison Avenue Securities, LLC (also referred to as we, us, and “MAS” in this disclosure brochure). If you have any questions about the contents of this Brochure, please contact us at 888-627-7323 or by e-mail at info@mas-bd.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Madison Avenue Securities, LLC is available on the SEC’s website at www.adviserinfo.sec.gov.

Madison Avenue Securities, LLC is a registered investment adviser. Registration as an Investment Adviser does not imply any specific level of skill or training.

Item 2 - Material Changes

There has been one material change since our last Brochure dated March 26, 2025. We have updated our disciplinary disclosures in Item 9 to reflect a recently signed order of Acceptance, Waiver, and Consent with FINRA whereby without admitting or denying the findings, MAS was fined and censured. You can find more information in Item 9 below. Immaterial but notable changes include a reformatting of the document with minor language and grammar changes throughout.

Item 3 - Table of Contents

Item 2 - Material Changes	2
Item 3 - Table of Contents.....	3
Item 4 - Advisory Business.....	5
General Description of Our Firm.....	5
Description of Advisory Services	5
Fee Plus Transaction Charge Program	6
Standard Wrap Program.....	6
Low-Minimum Wrap Program	7
AE Wealth Management Program	8
Direct Third-Party Manager Programs.....	9
Envestnet Program.....	10
Financial Planning and Consulting Services Program	10
Pension Consulting and College Savings Services Program	12
Client Assets Managed by Madison Avenue Securities.....	12
Item 5 - Fees and Compensation	13
Fee Plus Transaction Charge Program	13
Standard Wrap Program.....	16
AE Wealth Management Program	21
Low-Minimum Wrap Program	19
Direct Third-Party Manager Program.....	22
Envestnet Program.....	22
Financial Planning and Consulting Services.....	23
Pension Consulting and College Savings Services Program	25
Item 6 - Performance-Based Fees and Side-By-Side Management.....	25
Item 7 – Types of Clients	25
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	25
Methods of Analysis.....	25
Investment Strategies	26
Risk of Loss	27
Item 9 – Disciplinary Information	33
Item 10 – Other Financial Industry Activities and Affiliations	34
Related Broker Dealers	34
Registered Representative of a Broker-Dealer	34
Related Investment Advisers	35
Related Insurance Marketing Organizations	35
Insurance Agents.....	36

Certified Public Accountants.....	36
Item 11 – Code of Ethics	36
Item 12 – Brokerage Practices	37
Soft Dollar Benefits	40
Item 13 – Review of Accounts	40
Item 14 – Client Referrals and Other Compensation	41
Referral and Promoter Arrangements	41
Other Compensation.....	41
Item 15 – Custody	42
Item 16 – Investment Discretion.....	42
Item 17 – Voting Client Securities	43
Item 18 – Financial Information.....	43

Item 4 - Advisory Business

General Description of Our Firm

Madison Avenue Securities, LLC (“MAS”) is an investment adviser registered (“RIA”) with the U.S. Securities and Exchange Commission (“SEC”) with our principal place of business located in San Diego, California. MAS began conducting business in 2006. The principal owners of MAS are David Callanan and Cody Foster. Callanan and Foster are also named managers of MAS.

Description of Advisory Services

The investment advisory services described in this disclosure brochure are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative (“IAR”). We sponsor four Wrap Fee Programs (the “Programs”) and we offer several other advisory services. Typically, your IAR is not an employee of MAS; rather, they are typically an independent contractor of MAS. Your IAR is generally allowed to set investment management fees for your investment advisory account within a range prescribed by MAS. As a result, the rates actually charged by two different MAS IARs may vary for similar services.

For advisory services offered by MAS, IARs conduct initial meetings with potential advisory clients. During this meeting, the client and IAR discuss the client's financial situation, personal goals and objectives, risk tolerance, and investment style. It is essential that the client provide accurate, candid and complete information to the IAR. The failure to provide such complete information may affect the services being provided. It is the client's obligation to promptly inform the IAR of material changes in the client's financial circumstances or investment objectives to enable the IAR to evaluate whether to change the way the client's account is managed. The IAR may provide advice on an intermittent or periodic basis, such as in response to a client request or notification of a material change in the client's financial situation, in response to a market event, or on a specific date. At such time, the IAR will discuss the account with the client and make recommendations as appropriate. If such recommendations are accepted by the client, the IAR is responsible for arranging or effecting the purchase or sale.

There is no guarantee that the advisory services offered will result in the client's goals and objectives being met. Nor is there any guarantee of profit or protection from loss. The fees and expenses in connection with these advisory services may be higher than the cost of similar services offered through other financial firms or the fees associated with other financial services. No assumption can be made that any particular advisory service, investment strategy, or fee arrangement will provide better returns than other investment strategies.

When providing asset management services in our Fee Plus Transaction Charge Program, our Standard Wrap Program, and/or our Low-Minimum Wrap Program, MAS maintains trading authorization over your account(s). We do not have the authority to withdraw funds or take custody of client funds or securities. You will be required to execute an agreement with MAS expressly granting MAS trading authority on the account(s) we will manage for you. The agreement will indicate whether MAS can trade on the account on a discretionary or on a non-discretionary basis. For more information specific to investment discretion, please see *Item 16 – Investment Discretion*.

MAS offers multiple types of advisory services designed to meet the unique needs of our clients. Below are

descriptions of the primary advisory services we offer. A written investment advisory services agreement detailing the exact services we will provide to you and the fees you will be charged will be executed prior to the commencement of any services.

1. Fee Plus Transaction Charge Program
2. Standard Wrap Program
3. Low-Minimum Wrap Program (no longer accepting new accounts, as of June 30,2020)
4. AE Wealth Management Program
5. Direct Third-Party Manager Programs
6. Investnet Program
7. Financial Planning and Consulting Services Program
8. Pension Consulting and College Savings Services Program

MAS retains a clearing and custodial partner on behalf of our clients. For this purpose, we utilize the services provided by Pershing, LLC (“Pershing”, or “clearing firm”) for the custody of certain brokerage and advisory accounts. The advisory accounts opened under the Fee Plus Transaction Charge Program, the Standard Wrap Program, and the Low-Minimum Wrap Program are custodied by Pershing. MAS and Pershing are unaffiliated entities. Reference to Pershing within this document is only applicable to the extent that clients open and maintain an applicable program account. Our AEWM Program and Investnet Program do not utilize Pershing for custodial services.

Our various programs are described below:

Fee Plus Transaction Charge Program

MAS offers a Fee Plus Transaction Charge Program in which your IAR offers asset allocation and brokerage services, consolidated reporting, and periodic recommendations pursuant to investment objectives chosen by you on a discretionary or non-discretionary basis. This program enables your individual IAR to manage your assets for a fee. The fee will vary, depending on account size, and other factors. In addition to this management fee, accounts in this program will also be assessed transaction charges for purchases and sales of securities. These fees and charges are described in *Item 5 - Fees and Compensation* and are subject to negotiation depending upon a number of factors.

The minimum investment required in the MAS Fee Plus Transaction Charge Program is \$50,000. MAS may choose to waive the minimum for certain clients. The assets of the Program account will include stocks, bonds, cash, mutual funds, options (equity and index), and other securities. The use of margin will not be permitted in this Program. Annuities with no sales charges can be transferred into this Program.

Standard Wrap Program

The Standard Wrap Program involves your IAR offering asset allocation and brokerage services, consolidated reporting, and periodic recommendations pursuant to your investment objectives and on either a discretionary or non-discretionary basis. If managed on a discretionary basis, the client must provide specific authorization to enable the IAR to effectuate transactions on the client’s behalf without the client’s approval. If managed on a non-discretionary basis, MAS and its IARs must secure the client’s

permission prior to effecting any transactions in the Standard Wrap Program.

When participating in this Program, you pay a “wrap fee,” sometimes known as “asset-based pricing,” which means you will generally only pay fees based on assets under management, and, in most circumstances, you will not pay a separate commission, ticket charge, or custodian fee for the execution of transactions in your account. MAS and your IAR will retain a portion of the fees for services provided. Additionally, we will compensate the custodian for its custodial services with a portion of the fee that we charge you. Since the cost of participating in the program may be more or less than the cost of participating in similar programs or the cost of paying for Program services separately, clients should consider among other things, the amount of the Program fee, the administrative costs, as well as the types and quality of the services to be provided. Any fees paid or costs absorbed will influence account returns. More information on fees in this program are detailed below in *Item 5 – Fees and Compensation*.

The minimum investment required to open an account in the MAS Standard Wrap Program is \$15,000. MAS may choose to waive the minimum for certain clients. The assets of the Program account will include stocks, bonds, cash, mutual funds, and other securities. The use of margin will not be permitted in this Program. Annuities with no sales charges can be transferred into this Program.

For additional information about how MAS utilizes this Program, please review our ADV Part 2A Appendix I brochure.

Low-Minimum Wrap Program

MAS has a legacy program, called the Low-Minimum Wrap Program, which is no longer promoted or accepting new accounts as of June 30, 2020. It is a Program by which your IAR offers asset allocation and brokerage services, consolidated reporting, and periodic recommendations pursuant to investment objectives chosen by you on a discretionary or non-discretionary basis. The Low-Minimum Wrap Program is managed by MAS and its IAR on either a discretionary or non-discretionary basis, depending on the desire of the client. If managed on a discretionary basis, the client must provide specific authorization to enable the IAR to effectuate transactions on the client’s behalf without the client’s approval. If managed on a non-discretionary basis, MAS and its IARs must secure the client’s permission prior to effecting any transactions in the Low-Minimum Wrap Program.

When participating in this Program, you pay a “wrap fee,” sometimes known as “asset-based pricing,” which means you will generally only pay fees based on assets under management, and, in most circumstances, you will not pay a separate commission, ticket charge, or custodian fee for the execution of transactions in your account. MAS and your IAR will retain a portion of the fees for services provided. Additionally, we will compensate the custodian for its custodial services with a portion of the fee that we charge you. Since the cost of participating in the program may be more or less than the cost of participating in similar programs or the cost of paying for Program services separately, clients should consider among other things, the amount of the Program fee, the administrative costs, as well as the types and quality of the services to be provided. Any fees paid or costs absorbed will influence account returns. The cost of participating in the Low-Minimum Wrap Program may be more or less than the cost of participating in similar programs or the cost of paying for Program services separately, so clients in this legacy program should consider among other things, the amount of the Program fee, the administrative costs, as well as the types and quality of the services to be provided. Any fees paid or

costs absorbed will influence account returns. The fees and charges for this program are subject to negotiation depending upon a number of factors, including size of the account. More information on fees in this program are detailed below in *Item 5 – Fees and Compensation*.

The minimum investment required in the MAS Low-Minimum Wrap Program was \$25,000.00. The assets of the Low-Minimum Wrap Program account will include stocks, bonds, mutual funds, cash, and other securities. Annuities with no sales charges can be transferred into this Program. However, the use of margin will not be permitted in this Program. The clearing firm will deliver securities held in the account as instructed by client.

While MAS has other advisory programs that have a lower minimum asset requirement (for example, the Standard Wrap Fee Program has a minimum investment of \$15,000.00), this is the only MAS program where there are no “low balance fees” assessed to the client if the asset value is above the minimum standard but is below a certain threshold. If the asset value of the account falls below the minimum standard for any MAS advisory program, the account may be terminated at the sole discretion of MAS.

For additional information about how MAS utilizes this Program, please review our ADV Part 2A Appendix I brochure.

AE Wealth Management Program

MAS’s affiliated third-party, AE Wealth Management, LLC (“AEWM”), provides services to MAS in the capacity of a “sub-adviser.” This means AEWM provides related administrative services including, but not limited to, account opening, fund transfers, and securities trading as directed by MAS; access to services that facilitate the management and administration of model portfolios offered by third party managers; access to various financial planning, account monitoring and reporting tools; and conducting client billing/fee deduction on MAS’s behalf. The primary difference between the AE Wealth Management Program and our other wrap programs is that the AE Wealth Management program also offers strategies managed by third-party investment managers (individually, a “Third-Party Manager” and collectively “Third-Party Managers”). In the AE Wealth Management Program, accounts may be managed by your IARs or by Third-Party Managers. The assets of the Program account will include stocks, bonds, mutual funds, ETFs, and other securities. For this Program, AEWM requires that you establish an account with either Charles Schwab (“Schwab”) through their Institutional Platform or with Fidelity Institutional Wealth Services and/or its affiliate, National Financial Services LLC (collectively “Fidelity”).

When participating in this Program, you pay a wrap fee, sometimes known as “asset-based pricing” which is generally a fee that includes advisory, brokerage, and custodial services. The fee is charged based on a percentage of assets under management, billed in arrears (at the end of the billing period) on a monthly calendar basis and calculated based on the average daily balance of the account for the current billing period. More information on fees in this program are detailed below in *Item 5 – Fees and Compensation*.

The minimum initial investment required to establish an account through the AE Wealth Management Program is \$10,000. Exceptions to this minimum may be made if approved by your IAR and by MAS. Fees are billed monthly, in arrears based on average daily account balance. The services under this program continue in effect until terminated by either party by providing written notice of termination to the

other party. Any prepaid, unearned fees will be promptly refunded by AEWM to you. If services are terminated at any time other than the last business day of the month, fees for the final billing period will be determined on a pro rata basis using the number of days services are actually provided during the final period.

For additional information about how MAS utilizes this Program, please review our ADV Part 2A Appendix I brochure.

Direct Third-Party Manager Programs

MAS has established direct “selling agreements” with a variety of third-party money managers. In this program, MAS refers its clients to independent, third-party money managers, with which MAS holds a selling agreement. In this program, the third-party money manager is primarily responsible for making specific investment decisions in your account. MAS and your IAR work with you to determine which manager’s program is in your best interest. These accounts are typically managed on a “discretionary basis” by the third-party money manager. This means that each investment decision made within the program will be made by the third-party manager on your behalf and without your consent. Each third-party money manager will have its own brochure outlining the experience and any expertise of that manager, the services provided within their program, the fees charged for those services, and any other important information that should be read and understood prior to investing. The managers establish account minimums for these programs, which should be disclosed in their individual brochures. These third-party money managers may invest in a variety of asset types including mutual funds, exchange traded funds (“ETFs”), individual stocks and bonds, variable annuities, and cash. The specific asset types that these managers are permitted to invest in should be detailed in their respective brochures.

When an IAR recommends a third-party manager to you, they receive compensation pursuant to MAS’s agreements with the third-party money managers for introducing clients to them and for certain ongoing services provided to you including but not limited to: financial planning, consulting services, active management and reporting services. The compensation, which is disclosed to you in each third-party money manager’s brochure, is either a fixed fee or it will be equal to a percentage of the investment advisory fee charged by that investment manager. Because MAS and the IAR receive compensation from these third-party money managers for referring clients and because such compensation may differ depending on the individual agreement with each manager, MAS and/or your IAR have an incentive to recommend one of those managers over: 1) other investment managers with more favorable compensation arrangements; 2) MAS’s other advisory programs; 3) programs offered through a separate RIA (if applicable); or 4) alternative advisory programs.

To invest in one of these programs, you will need to sign an advisory agreement directly with the third-party sponsor/adviser of the program selected. The advisory relationship may be terminated by you, MAS, or the sponsor/adviser in accordance with the provisions of these agreements. If terminated, you will receive a refund of any pre-paid advisory fees, pursuant to the terms of the individual third-party’s brochure.

Envestnet Program

MAS has hired an unaffiliated third-party, Envestnet Asset Management, Inc. (“Envestnet”) as a “sub-adviser” (similar to AE Wealth Management Program above) to provide a platform for our IARs that we’ve titled the “Envestnet Program.” Several types of accounts are available in this program including Separately Managed Accounts (“SMAs”), Unified Managed Accounts (“UMAs”), Advisor as Portfolio Manager Accounts, and others. The types of accounts and services provided through this program are managed on a discretionary basis and further described in the Envestnet form ADV 2A Brochure, which can be downloaded from <https://www.envestnet.com/forms-adv-crs>. In this program, specific investment decisions within your account may be made by either your individual IAR or by your selected strategist. Most commonly, your IAR will assist you with selecting from the list of strategies available within the Envestnet Program. All accounts within this program are held in custody at Charles Schwab (“Schwab”) through their Institutional Platform.

The advisory fee for this Program is a wrap fee, which means you will generally only pay fees based on assets under management, and, in most circumstances, you will not pay a separate commission, ticket charge, or custodian fee for the execution of transactions in your account. More information about the advisory fee in this Program can be found in *Item 5 – Fees and Compensation*.

Participation in each of the Programs may carry a minimum account size for any particular portfolio and strategy selected. Generally, mutual fund or ETF asset allocation portfolios will require \$10,000 - \$50,000 account size minimums. Separately managed accounts for equity strategies will generally require \$100,000 account size minimums and \$250,000 account size minimums for fixed-income strategies. Multi-sleeve portfolios will generally require \$150,000 account size minimums. The Market Series QP portfolios have account minimums starting at \$60,000 and the Factor Enhanced QP portfolios have account minimums starting at \$100,000. Minimum account sizes may be lowered at the discretion of the portfolio manager at the request of MAS. Accounts funded below the recommended minimums can impact the account performance and you should discuss any questions with or request further information from your IAR in such situations before funding the account. More detailed information about program type minimums can be found in the Envestnet Form ADV Part 2A Brochure.

The Envestnet Program permits you to terminate accounts at any time, in which case fees will be assessed based on the number of days in the current billing period that accounts were managed through the termination date.

Financial Planning and Consulting Services Program

MAS, through certain IARs, offers financial planning services, which involve preparing a written financial plan covering one or more of the following topics: investment planning, retirement planning, insurance planning, tax planning, education planning, portfolio review, and asset allocation. However, our tax planning services are not a substitute for working with a Certified Public Accountant (individually, a “CPA” and collectively “CPAs”). When providing financial planning and consulting services, the role of your IAR is to find ways to help you understand your overall financial situation and help you set financial objectives. Your IAR will rely on the information you provided. Therefore, issues and information not provided will not be considered when your IAR develops his or her analysis and recommendations into a written financial plan.

We also offer consultations for financial planning issues for situations in which you do not need a written financial plan. We offer a consultation covering mutually agreed-upon areas of concern related to investments or financial planning. We also offer “as-needed” consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or requested by you. Under an “as-needed” consultation, it will be incumbent upon you to identify the specific issues for which you are seeking our advice or consultation.

Regardless of the type of plan desired, these services will be provided to clients in accordance with the terms of an *Investment Advisory Client Services Agreement – Financial Planning/Consultation*. The details of the actual services rendered and the fees charged to a specific client in connection with such services will be set forth in that client's agreement. The services provided can generally be categorized as one or a combination of the services set forth below. All services and fees are negotiable.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You are solely responsible for determining whether to implement our financial planning and consulting recommendations. When providing financial planning and consulting services, IARs may recommend that you purchase securities or insurance products offered through MAS pursuant to the plan or consultation. IARs receive commissions as registered representatives (individually, an “RR” and collectively “RRs”) or insurance agents in connection with such transactions. Thus, the IARs may have a conflict of interest when providing financial planning services because they and MAS may receive additional compensation if you choose to execute transactions or purchase insurance products through MAS. You have the right to reject recommendations made by an IAR through the IAR or otherwise through MAS or its affiliates, as well as to implement the recommendations through another adviser, who may charge more or less for the same products and services. For more information about our IARs' other financial industry activities and affiliations and additional compensation, please see Item(s) 10 and 14 below.

The categories of financial planning/consulting services typically include the following:

Hourly Financial Consulting: MAS offers financial consulting services under an hourly fee arrangement.

Fixed Fee Services: MAS offers as part of a fixed-fee arrangement, a one-time financial plan, a portfolio analysis, and/or an investment policy statement. If you purchase a financial plan, portfolio analysis, and/or an investment policy statement, the plan will be delivered promptly, or in no more than 90 days.

Annual Financial Plan: MAS offers as part of a fixed-fee arrangement, a one-time financial plan, a portfolio analysis, and/or an investment policy statement plus updates to the plan and financial consulting services for an annual fee. Personal Financial Planning may include the following: income tax/cash flow analysis; investment analysis; retirement analysis; educational funding analysis; estate planning analysis; life insurance analysis; disability insurance analysis; long term health care analysis; and such other items as requested.

The fees for each are detailed in *Item 5 – Fees and Compensation*.

Pension Consulting and College Savings Services Program

MAS, through certain IARs, provides pension consulting services to employers that provide or intend to provide retirement plans to their employees. Under this program, participating IARs will meet with senior management and key personnel of the employer to design and operate retirement plans and retirement plan documents that meet the employer's needs. These accounts are typically employer sponsored qualified retirement plans under section 401(a), 401(k), 403(b), or 457 of the IRS Code. MAS provides fiduciary and/or non-fiduciary services to these plans and such capacity shall be disclosed to the plan in the advisory services agreement. Investment options in the plan may include a variety of securities, including but not limited to, mutual funds, variable annuities, unit investment trusts, and money market instruments. Any investment options in the plan may be provided by or through a third party. Under this Program IAR may also work with a plan recordkeeper or third-party administrator in establishment or administration of the employer sponsored plan.

MAS, through certain IARs also provides services to individual plan participants including education, enrollment assistance, and as requested from time to time, one on one consultations regarding investment recommendations. When providing individual plan participant consulting services, MAS will review the plan participant's financial circumstances, goals, and objectives as well as the investment options available in the employer sponsored retirement plan. MAS will make such recommendations from the list of available investment options in the plan, consistent with the plan participant's stated investment objectives and risk tolerance. These services do not constitute asset management services for the participant's retirement plan account. The plan participant will determine whether to implement the advice provided. The implementation of any trades in the participant's retirement plan account is the participant's responsibility.

MAS, through certain IARs, also provides college savings services. These services are typically offered through a 529 College Savings Plan provided through mutual fund companies. Legally known as "qualified tuition plans," 529 plans are sponsored by states, state agencies, or educational institutions and are authorized by Section 529 of the Internal Revenue Code. Under this program, participating IARs will meet with clients seeking to invest for future educational expenses to discuss investment objectives, risk tolerance, and estimated timeframe for when investment proceeds will need to be accessed. IAR will assist client with locating a plan that meets the needs of the client, will provide assistance with completing the required paperwork for account opening, and will provide assistance with selecting from the available investments within the plan.

Client Assets Managed by Madison Avenue Securities

Through the various programs detailed later in this Brochure, MAS manages approximately \$2 Billion, as of December 31, 2024. Of the total assets under management, approximately \$ 1.2 Billion is managed on a discretionary basis and approximately \$852 Million is managed on a non-discretionary basis.

Item 5 - Fees and Compensation

This section details the fees and compensation we receive for our services. Lower fees for comparable services may be available from other sources. MAS allows your IAR to set fees within the range that we provide. As a result, your IAR may charge more for the same service than another MAS IAR. The exact fees and other terms will be outlined in the investment advisory services agreement between you and MAS.

The specific manner in which fees are charged by MAS is established in an Investment Advisory Client Services Agreement (“Client Agreement”). MAS’s advisory fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in the individual investment’s prospectus. Such charges, fees and commissions are exclusive of and in addition to MAS’s fee.

In addition to the fees collected in association with your advisory business, MAS and its IARs also earn commissions on the sales of securities products. These commissions represent a substantial portion of our overall compensation and are separate from any fees you pay relating to your advisory business with the firm.

Under no circumstances do we require or solicit prepayment of more than \$1,200 in fees per client, six or more months in advance. And you will not necessarily be subject to all fees outlined in this section. You are responsible only for any fees associated with the specific program(s) in which you invest. We encourage you to review the MAS fee schedule for a listing of fees that may be applicable to brokerage accounts at mas-bd.com/investor-fee-schedule.

The fees for our various programs are outlined below:

Fee Plus Transaction Charge Program

The advisory fee for this Program will be payable quarterly in advance upon deposit of funds or securities in the account. The initial advisory fee is due upon execution of the Client Agreement and will be deducted automatically from your account once the account has been funded. Subsequent advisory fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets (securities, cash and cash equivalents) under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith. These quarterly fees will be deducted directly from your account. Additional deposits of funds and/or securities will be subject to the same quarterly billing procedures. All assets deposited after the inception of a quarter will be billed at the end of the calendar quarter. The fee for these deposits will be prorated based on the number of days invested in the quarter. This includes deposits of stocks, bonds, mutual funds and any other securities approved by Adviser for investment in this type of account. All mid-quarter withdrawals will be subject to a prorated refund, calculated at the

end of the calendar quarter. You will be entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after termination. Such fees will be prorated and credited only to the account from which such fees were debited. Some assets in an account may be excluded from fee billing upon request and subject to MAS's approval—for example, if you hold certain securities that you intend to hold permanently.

Based upon a number of factors, each IAR is allowed to set the advisory fee for their investment advisory services in this Program from a minimum of 0.50% up to a maximum of 2.00% annually. In the Fee Plus Transaction Charges program, transactions are executed through MAS using the services of its clearing firm, Pershing. The transaction fee paid by the clients will be allocated between MAS and its clearing firm, pursuant to the agreement between MAS and Pershing. The charges for the transactions are reflected in the *Client Transaction Fee Schedule* below. MAS believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that of other investment advisers offering similar services/programs. All fees paid from the account will be disclosed on your account statements. The initial fee is in effect for each client's account at inception and shall continue until thirty (30) days after MAS or your IAR has notified you in writing of any change in the amount of the fees or charges applicable to your account, at which time the new fees or charges will become effective unless you notify MAS in writing that the account is to be closed.

No advisory fees will be charged on mutual funds, unit investment trusts, or other securities transferred to the account which were purchased within the past two years (or one year in the case of mutual fund Class C shares) if a commission was also paid to your IAR in his or her capacity as a registered representative of MAS's broker-dealer. If purchased under these conditions, you must provide MAS this information on the Client Agreement upon account opening or provide an Addendum to the Fee Agreement upon the incoming transfer of assets. The advisory fees referenced herein include all fees and charges for the services of MAS and your IAR, including brokerage charges.

MAS's clearing firm will deduct all Advisory fees and transaction charges from your Program account as authorized by the client in the Client Agreement. The clearing firm will calculate the amount of the fee to be deducted from your account, based on the Client Agreement. All fees and transaction charges paid from your account will be disclosed on your account statements.

MAS Client Transaction Fee Schedule

Stock & Option Transactions:

Transaction Charge

Domestic Equities \$25.00 + \$0.02 cents per share
International Equities \$75.00

Options-Equity and Index \$30.00 + \$1.00 per contract +
fees

Mutual Funds:

Purchase/Redemption \$20.00

Internal Exchanges \$4.00

Bonds & Other Transactions:

Bonds (Corp., Treas., Muni.) \$40.00 + \$1.00 per corporate
bond

CDs \$40.00

Unit Investment Trusts \$40.00

Clients should review the transaction charges set forth in the above schedule to determine whether the transaction fees are reasonable considering the services provided. You may be able to achieve lower transaction fees at another firm—therefore, you should review the transaction fees in light of the services provided and decide based upon that review.

You may have multiple accounts with MAS, so if more convenient for you, you can require that MAS charge your IAR's investment advisory fees to a single, designated account. However, keep in mind that your custodian will rely on MAS's instructions to charge the designated account and will have no responsibility to confirm those instructions with you or verify the amount or timing of investment advisory fees charged to the designated account. Additionally, collecting a fee for a taxable account out of a non-taxable account typically constitutes a taxable event and may be subject to a penalty. Please consult with a tax adviser if you wish to charge all fees to a single advisory account. Any refunds of fees will be credited only to the respective account from which such fees were debited.

Other Fees

MAS may also act as broker-dealer in connection with third party programs and receive compensation in connection with such services as set forth in the account opening documentation.

Through this program, MAS and its IARs may recommend that you purchase or sell investment company products from which MAS receives compensation. Certain mutual funds (and/or their related persons) and certain unit investment trusts make payments to broker-dealers. Such payments are distributed pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for

distribution or administrative services and is often paid out of the fund's or the trust's assets. In some cases, MAS may receive such fees or other compensation to the extent permitted by law. In other cases, especially in the context of No-Transaction-Fee ("NTF") funds, MAS and its IARs will not receive the 12b-1 fees, but such fees may be payable to others, such as the custodian. If MAS receives the 12b-1 fees, it will credit such fees back to the Client's account, eliminating any conflict of interest associated with the recommendation of a fund that pays a 12b-1 fee. MAS's clearing firm may share "shareholder service fees" with MAS related to NTF funds. In the event that MAS receives any shareholder service fees, the fees will be credited back to client accounts, similar to 12b-1 fees. In the case of NTF funds, you should discuss with your IAR whether the purchase of the NTF funds, with the elimination of the transaction fee, would be more appropriate than purchasing a non-NTF fund that eliminates the 12b-1 fees or may otherwise have a lower internal expense ratio. Similarly, a fund that imposes a front-end sales load (charge) but which waives that front-end sales load (a front-end load at net asset value) for purchases made on behalf of the account may bear 12b-1 distribution or service fees in excess of .25% of the account's net assets invested in such funds (the maximum allowed for no-load funds). The 12b-1 fee and other fee arrangements are disclosed in the applicable fund's or trust's prospectus.

Certain of the mutual funds offered through the Program may be offered generally to the public without a sales charge. Client may also incur certain charges imposed by third parties other than Adviser and IAR in connection with investments made through the account, including but not limited to no-load mutual fund 12b-1 distribution fees (trail commissions), certain deferred sales charges on previously purchased mutual funds and IRA and Qualified Retirement Plan fees, redemption fees for holding a position too short a length of time, and confirmation fees. For its administrative services performed on behalf of such third parties with respect to the provision of these services, MAS will retain a portion of certain of the fees and charges imposed by third parties, including Qualified Retirement Plan fees and confirmation fees, which will be in addition to and separate from MAS's investment advisory fees charged by MAS to client accounts. While it is possible for Class B and C share mutual funds to transfer into the account, no new purchases of Class B or C share mutual funds are permitted. Mutual funds and UIT investments subject to 12b-1 distribution fees will be credited to your account as they are distributed. In the selection of the mutual funds, MAS and its IAR will generally recommend the share class to its clients that, in their opinion, represents the "best" share class for the clients. These share classes may not necessarily be the lowest cost share class but would be the most appropriate share class for the Client in light of the Client's particular facts and circumstances.

Standard Wrap Program

The advisory fee for this Program is charged based on a percentage of assets under management, billed quarterly in advance upon deposit of funds or securities into the account. The initial advisory fee is due upon execution of the Investment Advisory Client Services Agreement ("IACSA" or "Client Agreement") and funding of the account. The inception fee will be deducted automatically from your account. Subsequent advisory fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets (securities, cash and cash equivalents) under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith. These quarterly fees will be deducted directly from your account. All assets deposited after the inception of a quarter, will be billed at the end of the calendar quarter. The fee for these deposits will be prorated based on the number of days invested in the quarter. This includes deposits of stocks, bonds, mutual funds and any other securities approved by MAS for

investment in this type of account. All mid-quarter withdrawals will be subject to a prorated refund, calculated at the end of the calendar quarter. The clearing firm will deduct all Advisory fees from your Program account as authorized by the Client Agreement. All fees paid from the account will be disclosed on your account statements. Some assets in an account may be excluded from fee billing upon request and subject to MAS's approval—for example, if you hold certain securities that you intend to hold permanently.

Based upon a number of factors, each IAR is allowed to set the advisory fee for their investment advisory services in the Standard Wrap Program from a minimum of 0.50% up to a maximum of 2.25% annually. IARs that place client accounts in this program are subject to a "platform fee." The platform fee reduces the amount of the total advisory fee that will be allocated to the IAR for their services to you. IARs have a conflict of interest to encourage larger account sizes because the platform fee is reduced as account sizes become larger, increasing the portion of the client fee allocated to the IAR. The platform fee is allocated between the Custodian and MAS. The platform fee does not have an impact on the total fee you will pay. It is included within the overall quarterly fee. MAS believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that of other investment advisers offering similar services/programs. All fees paid from the account will be disclosed on your account statements. The initial fee is in effect for each client's account at inception and shall continue until thirty (30) days after MAS or your IAR has notified you in writing of any change in the amount of the fees or charges applicable to your account, at which time the new fees or charges will become effective unless you notify MAS in writing that the account is to be closed.

No advisory fees will be charged on any mutual funds, unit investment trusts, or other securities transferred to the account which were purchased within the past two years (or one year in the case of mutual fund Class C shares) if a commission was also paid to client's IAR in his or her capacity as a registered representative of MAS's broker-dealer. If purchased under these conditions, Client must provide MAS this information on the Investment Advisory Client Services Agreement upon account opening or provide an Addendum to the Fee Agreement upon the incoming transfer of assets. The advisory fees referenced herein include all fees and charges for the services of Adviser and IAR, including brokerage charges.

Certain of the mutual funds offered through the Program may be offered generally to the public without a sales charge. Other potential charges also exist that are not covered by the wrap fee. These charges include, but are not limited to, certain charges imposed by third parties other than MAS in connection with investments made through the account. This can include, but is not limited to, no-load mutual fund 12b-1 distribution fees (trail commissions), certain deferred sales charges on previously purchased mutual funds, IRA and Qualified Retirement Plan fees, special product fees, and redemption fees for holding a position too short a length of time. For its administrative services performed on behalf of such third-parties with respect to the provision of these services, MAS will retain a portion of certain of the fees and charges imposed by third-parties, including Qualified Retirement Plan fees, which will be in addition to and separate from MAS's investment advisory fees charged by MAS to client accounts. While it is possible for Class B and C share mutual funds to transfer into the account, no new purchases of Class B or C share mutual funds are permitted in the account. Mutual funds and UIT investments subject to 12b-1 distribution fees will be credited to Client's account as they are distributed.

Low Balance Fee

Accounts in the MAS Standard Wrap Program that do not have a minimum balance of at least \$25,000 on the last business day of a calendar quarter will be subject to a \$25 “low balance fee.” This low balance fee is non-refundable and not prorated. MAS retains all or a portion of all low balance fees collected – the balance is paid to Pershing, LLC (“Pershing”), our main custodial and clearing firm, as described below.

Other Fees

In MAS’s Standard Wrap Program, transactions are executed through MAS. MAS may receive a portion of the fees paid by client in connection with such transactions. MAS may act as broker-dealer in connection with third-party programs and receive compensation in connection with such services as set forth in the account opening documentation with Pershing.

Through the Standard Wrap Program, MAS and its IARs may recommend that you purchase or sell certain investment company products, the sale from which MAS receives compensation. We may also recommend that you hold cash in your program account. When you hold cash in your account, the cash is subject to the same fee billing methodology as described above. Also, when you hold cash in your account (in the form of a “money market” account), MAS may receive payments from the custodian in the form of revenue sharing on certain money market account balances. This additional revenue sharing may result in a decrease on the interest rate you would otherwise receive from your money market account and creates a conflict of interest for MAS. IARs do not receive money market revenue share compensation. Certain mutual funds (and/or their related persons) and certain unit investment trusts make payments to broker-dealers. Such payments may be distributed pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for distribution or administrative services and may be paid out of the fund's or the trust's assets. MAS may receive such fees or other compensation to the extent permitted by law. A fund that imposes a front-end sales load (charge) but which waives that front-end sales load (a front-end load at net asset value) for purchases made on behalf of the account may bear 12b-1 distribution or service fees in excess of .25% of the account's net assets invested in such funds (the maximum allowed for no-load funds). The 12b-1 fee and other fee arrangements are described in the applicable fund's or trust's prospectus. MAS attempts to eliminate conflicts of interest related to the recommendation of any particular mutual fund by crediting the 12b-1 fees that it collects back to your account.

MAS does not assess fees on No Transaction Fee (“NTF”) mutual funds. However, these NTF funds typically contain mutual funds that pay a 12b-1 fee to MAS’s clearing firm. Neither MAS nor its IARs are recipients of these 12b-1 fees. Accordingly, MAS does not rebate these 12b-1 fees back to you. MAS’s clearing firm may share “shareholder service fees” with MAS related to NTF funds. If MAS receives any shareholder service fees, the fees will be credited back to client accounts, similar to 12b-1 fees. In the case of these NTF funds, you should discuss with your IAR whether the purchase of the NTF funds is appropriate for your program account. Transaction fees are not assessed in our Standard Wrap Program, therefore the elimination of the transaction fee but the addition of a 12b-1 fee provides no benefit. You should discuss with your IAR whether other classes of mutual fund shares would be more appropriate than purchasing a non-NTF fund that eliminates the 12b-1 fees.

You may have multiple accounts with MAS, so if more convenient for you, you can require that MAS charge your IAR’s investment advisory fees to a single, designated account. However, keep in mind that

your custodian will rely on MAS's instructions to charge the designated account and will have no responsibility to confirm those instructions with you or verify the amount or timing of investment advisory fees charged to the designated account. Additionally, collecting a fee for a taxable account out of a non-taxable account typically constitutes a taxable event and may be subject to a penalty. Please consult with a tax adviser if you wish to charge all fees to a single advisory account. Any refund of fees will be credited only to the respective account from which such fees were debited.

Low-Minimum Wrap Program

In the legacy Low-Minimum Wrap Program, the advisory fee is a "wrap fee," which means you will generally only pay fees based on assets under management, and, in most circumstances, you will not pay a separate commission, ticket charge, or custodian fee for the execution of transactions in your account. The wrap fee is charged as a percentage of assets under management, billed quarterly in advance upon deposit of funds or securities into the account. The initial advisory fee is due upon execution of the Client Agreement and funding of the account. This fee will be deducted automatically from your account. Subsequent advisory fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets (securities, cash, and cash equivalents) under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith. These quarterly fees will be deducted directly from your account. All assets deposited after the inception of a quarter, will be billed at the end of the calendar quarter. The fee for these deposits will be prorated based on the number of days invested in the quarter. This includes deposits of stocks, bonds, mutual funds and any other securities approved by MAS for investment in this type of account. All mid-quarter withdrawals will be subject to a prorated refund, calculated at the end of the calendar quarter. The clearing firm will deduct all advisory fees from your program account as authorized by the Client Agreement. All fees paid from the account will be disclosed on your account statements.

Based upon a number of factors, each IAR is allowed to set the advisory fee for their investment advisory services in the Standard Wrap Program from a minimum of 0.50% up to a maximum of 2.25% annually. Pershing will deduct all advisory fees from your account as authorized by the Client Agreement. IARs that place client accounts in this program are subject to a "platform fee." The platform fee reduces the amount of the total advisory fee that will be allocated to the IAR for their services to you. IARs have a conflict of interest to encourage larger account sizes because the platform fee is reduced as account sizes become larger, increasing the portion of the client fee allocated to the IAR. The platform fee is allocated between the Custodian and MAS. The platform fee does not have an impact on the total fee you will pay. It is included within the overall quarterly fee. MAS believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that of other investment advisers offering similar services/programs. All fees paid from the account will be disclosed on your account statements. The initial fee is in effect for each client's account at inception and shall continue until thirty (30) days after MAS or your IAR has notified you in writing of any change in the amount of the fees or charges applicable to your account, at which time the new fees or charges will become effective unless you notify MAS in writing that the account is to be closed.

The wrap fee paid by the client is allocated among MAS, MAS's IARs and MAS's clearing firm for

execution and other services. While the allocation of the wrap fee's certain transactional costs, like the platform fee, is lower in the Low-Minimum Wrap Fee Program than in other programs. This results in a higher overall allocation to the IARs. However, that higher allocation to the IAR is offset by certain transaction fees and surcharges associated with trading activity (transactions in the Low-Minimum Wrap Program are usually executed without sales commissions or markups, but there is still a cost associated with transactions, which would be used to offset the higher allocation to the IAR). Since the higher allocation of the wrap fee to the IAR is offset by transaction fees and surcharges, the more transactions executed by the IAR means there are more offsets to the IAR's allocation, thereby reducing the allocation provided to the IAR (and, thus, a reduction in advisory fees received by the IAR). This may create an incentive for the IAR to place less trades in order to reduce the offset and capture more of the allocation. This incentive may create a conflict of interest for the IAR. However, IARs are aware of their fiduciary obligation that requires that they make investment recommendations to clients that are in their clients' best interest. Moreover, MAS has internal controls in place to monitor our IARs' recommendations/transactions which requires the IARs to provide justification in the event that there is a low level of trading activity for specific accounts. Finally, MAS and its IARs are required to conduct on-going review of client accounts and will, during their on-going review with you, explain whether the amount of trading conducted during the recent past is appropriate for the account based upon your investment objective and whether the account should stay in the Low-Minimum Wrap Program or move to another program, such as the Standard Wrap Program with its low balance fee.

If more convenient for you, you can require that MAS charge your IAR's investment advisory fees to a single, designated account. However, keep in mind that your custodian will rely on MAS's instructions to charge the designated account and will have no responsibility to confirm those instructions with you or verify the amount or timing of investment advisory fees charged to the designated account. Additionally, collecting a fee for a taxable account out of a non-taxable account typically constitutes a taxable event and may be subject to a penalty. Please consult with a tax adviser if you wish to charge all fees to a single advisory account. Any refund of fees will be credited only to the respective account from which such fees were debited.

Some assets in an account may be excluded from fee billing upon request and subject to MAS's approval—for example, if you hold certain securities that you intend to hold permanently. No assets will be excluded until such requests have been presented to and approved by MAS. Please note that assets may be excluded from fee calculations on either a permanent or temporary basis. You should discuss the terms and conditions governing assets requested for exclusion and the length of such exclusion when the request has been approved by MAS.

No advisory fees will be charged on mutual funds, unit investment trusts, or other securities transferred to the account which were purchased within the past two years (or one year in the case of mutual fund Class C shares) if a commission was also paid to client's IAR in his or her capacity as a registered representative of a broker-dealer. The advisory fees referenced herein include all fees and charges for the services of Adviser and IAR, including brokerage charges.

Other potential charges also exist that are not covered by the wrap fee. These charges include, but are not limited to, certain charges imposed by third-parties other than MAS in connection with investments made through the account. This includes, but is not limited to, no-load mutual fund 12b-1 distribution fees

(trail commissions), certain deferred sales charges on previously purchased mutual funds, IRA and Qualified Retirement Plan fees, special product fees, and redemption fees for holding a position too short a length of time. For its administrative services performed on behalf of such third parties with respect to the provision of these services, MAS will retain a portion of certain of the fees and charges imposed by third-parties, including Qualified Retirement Plan fees, which will be in addition to and separate from MAS's investment advisory fees charged by MAS to client accounts. While it is possible for Class B and C share mutual funds to transfer into the account, no new purchases of Class B or C share mutual funds are permitted. Mutual funds and UIT investments subject to 12b-1 distribution fees that are paid to MAS will be subsequently credited back to your account.

MAS does not assess fees on No-Transaction-Fee ("NTF") mutual funds. However, these NTF funds typically contain mutual funds that pay a 12b-1 fee to MAS's clearing firm. Neither MAS nor its IARs are recipients of these 12b-1 fees. Accordingly, MAS does not rebate these 12b-1 fees back to the you. MAS's clearing firm may share "shareholder service fees" with MAS related to NTF funds. If MAS receives any shareholder service fees, the fees will be credited back to you, similar to 12b-1 fees. In the case of NTF funds, IARs have a conflict of interest to recommend NTF funds because the IAR is responsible for the transaction fees associated with mutual fund purchases in this program. However, IARs are aware of their fiduciary obligation to put their client's best interest ahead of their own interests. You should discuss with your IAR whether the purchase of the NTF funds, with the elimination of the transaction fee but the addition of a 12b-1 fee, is appropriate for you, relative to other comparable mutual funds with lower cost structures.

You are always able to request that the account be liquidated. In the event of the liquidation of an account, you will be entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after termination. Such fees will be prorated and credited only to the account from which such fees were debited.

AE Wealth Management Program

The AE Wealth Management ("AEWM") Program carries its own fee schedule that is specific to that program. When participating in this Program, you pay a wrap fee, sometimes known as "asset-based pricing" which is generally a fee that includes advisory, brokerage, and custodial services. The fees are charged based on a percentage of assets under management, billed in arrears (at the end of the billing period) on a monthly calendar basis and calculated based on the average daily balance of the account(s) for the current billing period. Fees are prorated (based on the number of days' service provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. Under the average daily balance method, each day's balance for the month is summed then divided by the number of days in the month, to compute the average daily balance. The average daily balance is then multiplied by the monthly portion of the annual fee to determine the monthly fee due.

Fees for investment management services are negotiable by each of our IARs based upon the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the IAR, the total amount of assets under management for the client, and the portfolio(s) chosen. Based upon those negotiability factors, each investment adviser representative is allowed to set the fee for investment advisory services up to a maximum amount of 2.5% annually. The fee charged to each client includes a

portion attributable to MAS, a portion attributable to AEW, a portion attributable to the manager of the selected model portfolio (if applicable), and a portion attributable to the custodian. The annual fee charged in this program will be specified in the Client Fee Disclosure. If a minimum platform fee is imposed on your account, we may pass the fee on to you.

The annual investment advisory fee in this Program may be higher than that charged by other investment advisers offering similar services/programs. In addition to the fees described above, you may incur certain charges imposed by third parties other than MAS in connection with investments made through your account including, but not limited to, mutual fund sales loads, periodic mutual fund fees (for example, 12b-1 trails) and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Since these 12b-1 trails are not paid to MAS, MAS will not rebate these fees back to you. Management fees charged by MAS are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

Investment advisory fees will be deducted from your account and paid to MAS (by way of the sub-adviser) by the qualified custodian(s) of your account. You must authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to the sub-adviser. You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Transactions under asset-based pricing are usually executed without sales commissions or markups. Since the cost of participating in the program may be more or less than the cost of participating in similar programs, clients should consider the cost of paying for transactions (as in "transaction based" pricing) or the cost of paying Program services separately. Clients should also consider, among other things, the amount of the Program fee, the administrative costs, as well as the types and quality of the services to be provided. Any fees paid or costs absorbed will influence account returns.

Direct Third-Party Manager Program

The total fees charged to you in direct third-party money managed programs will vary from manager to manager. Regardless of the manager you select, all of their fees will be disclosed within their individual brochures. MAS will receive a portion of the total fees assessed in these programs, regardless of the manager selected. These fees may be higher than fees of our other programs.

Investnet Program

The Investnet Program carries its own fee schedule that is specific to this program. The advisory fee for this Program is a wrap fee, which means you will generally only pay fees based on assets under management, and, in most circumstances, you will not pay a separate commission, ticket charge, or custodian fee for the execution of transactions in your account. The wrap fee is charged based on a percentage of assets under management, billed quarterly in advance upon deposit of funds or securities into the account. Fees for investment management services are negotiable by each of our IARs based upon the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client

with the IAR, the total amount of assets under management for the client, and the portfolio(s) chosen. Based upon the above negotiability factors, each IAR is allowed to set the fee for investment advisory services up to a maximum amount of 2% annually. MAS and your IAR will retain a portion of the advisory fees for services provided. MAS charges a Firm Fee between 0.05% - 0.10% based on assets under management (excluding the PMC Select Active and Passive Portfolios, where there is no Firm Fee). However, this 2% maximum does not include the amount attributable to Envestnet, the manager of the selected model portfolio (if applicable), nor the custodian. Fees attributable to Envestnet and the manager depend on the specific program/portfolio the account is invested in and may range anywhere between 0.10% - 2.31%. Applicable fee ranges can be found by program/portfolio type as outlined on the Envestnet Form ADV Part 2A Brochure. The total annual fee charged in the program account will be specified in the *Statement of Investment Selection*. The services under this program continue in effect until terminated by either party by providing written notice of termination to the other party. Any prepaid, unearned fees will be promptly refunded to you.

The wrap fee does not cover all fees and costs. The fees not included in the wrap fee include charges imposed directly by a mutual fund (advisory fees and other fund expenses), index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees (such as a commission or markup) for trades executed away from Schwab at another broker-dealer, margin interest, wire transfer fees, and other cashing fees and taxes on brokerage accounts and securities transactions. Management fees charged by MAS are also separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

Fees for investment management services will be deducted from your account by Envestnet, and the portion applicable to MAS and IAR is paid to MAS. MAS believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that of other investment advisers offering similar services/programs.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted. An itemized list of the fees not covered by our wrap fee can be found here: <https://www.schwab.com/legal/schwab-pricing-guide-for-advisor-services>. A description of those fees can be found in section *Fees and Costs Excluded from Advisor Billing* from the following link: <https://www.schwab.com/legal/advisor-billing-disclosure>. The various advisory services available through this program are explained in the Envestnet Form ADV Part 2A Brochure, which can be downloaded from <https://www.envestnet.com/forms-adv-crs>.

Financial Planning and Consulting Services

As outlined in the previous section, certain MAS IARs offer financial planning and consulting services for a fee. In all instances, these fees will be billed directly to you, and payment must be made to Madison Avenue Securities, LLC. The fee arrangement for the various services are as follows:

Hourly Financial Consulting: MAS offers financial consulting services under an hourly fee arrangement. The fee for such services is \$300 per hour (\$250 for Kansas residents), but your IAR may discount the fee. You will be billed for the total fee after the services have been rendered. In certain circumstances, a portion of the fee may be collected in advance. However, under no circumstances will MAS require that you pay more than \$1,200, six months or more in advance of services rendered.

Fixed Fee Services: MAS offers as part of a fixed-fee arrangement, a one-time financial plan, a portfolio analysis, and/or an investment policy statement. The fee for such services will range from \$1,000 to \$5,000 but may be higher or lower depending on a variety of factors, including the services provided and the complexity of your financial situation and objectives. The fixed fee will be agreed upon by MAS, you, and your IAR in advance and will be set forth in *Exhibit A - Advisory Services to be Performed* attached to the *Investment Advisory Client Services Agreement – Financial Planning/Consultation*. Under certain circumstances, you may pay a portion of the fee in advance of the provision of any services and will pay the balance upon completion of the agreed upon services. However, under no circumstances will MAS require that you pay more than \$1,200 six months or more in advance of services rendered.

Annual Financial Plan: MAS offers the opportunity to receive a one-time financial plan described above but which is later updated and/or reviewed on an annual basis. This service is provided for an annual fee which is generally a flat dollar amount. An estimate of the annual fee will be set forth *Exhibit A - Advisory Services to be Performed* attached to the *Investment Advisory Client Services Agreement – Financial Planning/Consultation* when applicable and can range from \$2,000 to \$5,000 or more. An IAR may discount fees, which will normally be based on the relationship with the IAR. For example, if you have multiple accounts with the IAR or if the IAR has relationships with several members of the same family, the IAR may, but is not required to, discount the planning fees. You will pay the fees as billed. Fees may be paid by direct bill or may be deducted directly from your accounts, as directed by you. In either case, billing arrangement will be agreed upon by MAS and you. If you terminate the Client Agreement, no further fees will be charged or deducted from accounts. The fees billed are non-refundable.

You will have five business days after signing an agreement with MAS to terminate the agreement without penalty. If a client terminates the Client Agreement after the first five business days, you will either receive a refund or a portion of the fee paid or be charged a portion or all of the balance of the fee, depending on the value of services provided by MAS before notice of termination was received.

Other Services: You may retain MAS to provide other services under the umbrella of a “financial plan”, which may be similar to the one-time financial plan or annual financial plan described above. The fee for the other services may be a flat dollar amount or a variable amount, based on a number of factors, which may include account size. Fees will be billed to you or deducted directly from your accounts, as directed by you. If you terminate the Client Agreement, no further fees will be charged or deducted from accounts. The fees billed are non-refundable.

Pension Consulting and College Savings Services Program

The fees associated with employer sponsored retirement plans are determined on a case-by-case basis and are set forth in our agreements with the Plan Sponsor. Generally, these fees are based on total plan assets.

The advisory fees associated with College Savings services are typically based on a percentage of account value in this program and usually are between one quarter of one percent (0.25%) and one percent (1.0%) per year. Fixed fee services for college savings planning are available through a separate program—the Financial Planning and Consulting Services Program. The advisory fees under this program will be deducted directly from the 529 Plan account. You may pay fees that are higher or lower than other clients, depending on a number of factors, including account size. The fees charged by mutual fund companies for management of individual funds (the expense ratios of the mutual funds) are in addition to the advisory fee charged by MAS and are described in each mutual funds' prospectus.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. MAS does not have a performance-based fees program and does not permit performance-based fees to be charged.

Item 7 – Types of Clients

MAS provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, and trusts.

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

Methods of Analysis

MAS uses a variety of information sources and methods of investment analysis in managing assets. Our IARs will typically use the various methods for analysis described below in our Fee Plus Transaction Charge Program, Standard Wrap Program, and Low-Minimum Wrap Program. For details of methods of analysis uses in our Direct Third-Party Money Manager Program please see the individual brochures of those managers. For MAS, our methods of securities analysis include:

Technical Analysis and Charting: “Technical Analysis,” sometimes also known as “charting” is method of evaluating securities by analyzing statistics generated by market activity, such as past prices and trading volume. In technical analysis it is not attempted to measure a security's intrinsic value (value based on company's financial status, cash flow, net worth, etc.), but instead to use historical charts and other tools to identify patterns that can suggest future activity.

Cyclical Analysis: Similar to Charting, “Cyclical Analysis” attempts to suggest the future activity of the prices of securities based on the theory that prices move in a cyclical pattern. This method of analysis uses market cycles (the general expansion and contraction of business) as the primary driver. This method of analysis does not take under consideration the intrinsic

value (value based on company's financial status, cash flow, net worth, etc.), of the security being evaluated.

Fundamental Analysis: Unlike Technical Analysis, "Fundamental Analysis" involves analyzing the securities of a company based on its financial statements and health, its management and competitive advantages, and its competitors and markets.

None of the methods above guarantee the successful prediction of future securities prices. In practice, the various methods of analysis are often used in concert with one another in analyzing securities. Information about the securities being analyzed may come from a variety of sources. These sources may include financial newspapers and magazines, research materials prepared by industry analysts, corporate rating services, (such as Morningstar, Moody's, Standard & Poor's, etc.) company press releases, and annual reports or prospectuses filed with the Securities and Exchange Commission. (It should also be noted that neither MAS nor its IARs prepare "research reports" internally). Regardless of the investing strategy employed, investing in securities involves risk of loss that you should be prepared to bear. There is no investing strategy that can guarantee you against loss.

Investment Strategies

Strategic asset allocation. A strategic asset allocation strategy calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Style-based investing. There are various "style-based" investing strategies. The value investing strategy involves selecting stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, underperformance relative to major benchmarks, macro-economic risks, investing in value traps, i.e., businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation. Growth investing is a strategy focused on increasing an investor's capital by typically investing in young or small companies whose earnings are expected to increase at an above-average rate compared to their industry sector or the overall market. This can be a popular strategy, but because these companies are still new, investing in them imposes a fairly high risk.

Tactical asset allocation. A tactical asset allocation strategy allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Certain tactical strategies may also trade frequently, which may cause tax

implications. However, MAS does not hold itself out as an accountant or tax advisor and does not provide such services. Therefore, MAS recommends consulting with a tax advisor as it relates to this investment strategy.

Risk of Loss

Investing in securities (including stocks, mutual funds, and bonds, etc.) always involves risk of loss. Depending on the different types of investments utilized, there are varying degrees of risk. Accordingly, you should be prepared to bear investment loss—including the loss of your original principal. Further, past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

Alternative Investments Risk – Alternative investments typically do not correlate to the stock market, which means they can be used to add diversification to a portfolio and help mitigate volatility. Alternative Investments can be illiquid due to restrictions on transfer and the lack of a secondary trading market. These investments may lack transparency as to share price, valuation, and portfolio holdings. Complex tax structures often result in delayed tax reporting. Compared to mutual funds, private funds are subject to less regulation and often charge higher fees. Alternative investments encompass a broad array of strategies, each with its own unique return and risk characteristics to be considered on a case-specific basis.

Artificial Intelligence Use Risk – With the increased use of artificial intelligence (“AI”) in the world, generally, you should be aware of risks associated with AI use as it relates to advisory business. AI systems are designed and based on complex algorithms that, despite rigorous testing, may still contain errors or biases. These errors can affect the reliability and performance of the investment advice generated by the AI tools.

Company Risk – When investing in stock positions, there is always a certain level of company or industry-specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company’s employees go on strike or the company receives unfavorable media attention for its actions, the value of the company’s stock may be reduced.

Cryptocurrency – Cryptocurrency is a digital or virtual currency that is used as an alternative payment method or speculative investment. Cryptocurrency is not backed by real assets or tangible securities, are traded between consenting parties with no broker, and most are tracked on decentralized, digital ledgers with blockchain technology. Cryptocurrency is subject to, and has experienced, rapid surges and collapses in values. In addition to the market risk associated

with speculative assets, cryptocurrency investment carries a number of other risks. As a result, investment in cryptocurrency is considered to be a more volatile investment. Although MAS does not allow for direct cryptocurrency investment, some models on our third-party investment managers' and sub-advisers' platform(s) may have an underlying cryptocurrency investment or component.

Cybersecurity Risk – With the increased use of technologies to conduct business, MAS is susceptible to operational, information security, and related risks. In general, information and cyber-incidents can result from deliberate attacks or unintentional events and arise from external or internal sources. Cyber-attacks include unauthorized access to digital systems (such as through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information; corrupting data, equipment, or systems; or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial of service attacks on websites (making network services unavailable to intended users). Cyber-incidents may cause disruptions and affect business operations, potentially resulting in financial losses, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

Duration Risk – Duration is a way to measure a bond's price sensitivity to changes in interest rates. The duration of a bond is determined by its maturity date, coupon rate, and call feature. Duration is a method to compare how different bonds will react to interest rate changes. If a bond has a duration of five (5) years, it means that the value of that security will decline by approximately five percent (5%) for every one percent (1%) increase in interest rates.

Emerging Markets Risk – The risks associated with foreign investments are heightened when investing in emerging markets. The governments and economies of emerging market countries may show greater instability than those of more developed countries. Such investments tend to fluctuate in price more widely and to be less liquid than other foreign investments.

Equity (Stock) Market Risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer. And because the value of investment portfolios will fluctuate, there is the risk that you will lose money, and your investment may be worth more or less upon liquidation.

ETF, Closed-End Fund, and Mutual Fund Risk – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. If the ETF, closed-end fund or mutual fund fails to achieve its investment objective, the account's investment in the fund may adversely affect its performance. Because

the value of ETF shares depends on the demand in the market, your IAR may not be able to liquidate the holdings at the most optimal time, adversely affecting performance. Closed-end funds not publicly offered provide only limited liquidity to investors. And, generally, closed-end funds are not required to buy back their shares from investors upon request. Spot Bitcoin ETFs pose an additional layer of risk due to the potential volatility of Bitcoin and other cryptocurrencies. Buffered ETFs (defined-outcome) are designed to provide downside protection in exchange for a cap on potential upside gains. They present the client with a tradeoff of giving up potential full upside benefit for the potential for mitigating some downside in market performance.

Fixed-Income Risk – When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk of inflation eroding their spending power. For some fixed-income products, investors receive set, regular payments that face the same inflation risk. Fixed-income instruments purchased by a client are subject to the risk that as interest rates rise, the market values of bonds decline. This results in a more pronounced effect on the securities with longer durations. Fixed-income securities are also subject to reinvestment risk, which refers to the possibility that an investor will be unable to reinvest cash flows (i.e., coupon payments or interest) in a new security at a rate comparable to their current rate of return.

International Investing Risk – International investing, especially in emerging markets, involves special risks, such as currency exchange and price fluctuations and political and economic risks.

Interval Fund Risk – Interval funds are classified as closed-end funds, but they are distinct because the shares do not trade on the secondary market, but instead periodically the fund offers to buy back a percentage of outstanding shares at net asset value. This results in the funds being largely illiquid. There is no guarantee that investors will be able to sell their shares at any given time or in the desired amount. Additionally, repurchase is done on a pro-rata basis; therefore, there is no guarantee that you can redeem the number of shares you want during a given redemption.

Lack of Diversification Risk – Concentrated portfolios, including portfolios with a concentration in one asset class, typically result in increased risk and volatility and decreased diversification, which could result in losses.

Liquidity Risk – Liquidity is how easily an asset or security can be bought or sold in the market and converted to cash. Generally, the less liquid an asset is, the greater the risk that if an investor needs to sell the asset quickly, the asset will be sold at a loss. Simple assets tend to be more liquid than complex assets. An asset tends to be more liquid if it represents a standardized product or security and there are many traders interested in making a market in that product or security. Some investments, like Qualified Opportunity Zone Funds, are considered private investments and are illiquid because there is no public market that currently exists for the investment type. Therefore, the inability to quickly sell or liquidate this investment carries a higher risk for a loss in the investment. The same goes for investment properties sold or exchanged in an Internal Revenue Code Section 1031 exchange (“1031 exchange”) in which one property is swapped for a like-kind property in order to defer capital gains taxes. This is a

tax strategy which often combines the 1031 swap with a Delaware Statutory Trust in which the property is held for several years, per the United States Internal Revenue Service. Due to this strategy's required "holding" period, this private investment poses a liquidity risk. As it pertains to these types of strategies, MAS does not offer qualified tax or legal advice. Additionally, MAS does not hold itself out as a tax advisor and does not provide such services. Therefore, MAS recommends consulting with a tax advisor if you have tax-related questions.

Management Risk – Your investment with a registered investment adviser varies with the success and failure of its investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Margins Risk – A margin transaction occurs when an investor uses borrowed assets by using other securities as collateral to purchase financial instruments. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. Margin trading involves interest charges and risks, including the potential to lose more than deposited or the need to deposit additional collateral in a falling market.

Non-Traded Business Development Companies – Non-traded business development companies ("non-traded BDC(s)") are a closed-end investment company that invests in small- and medium-sized businesses. Non-traded BDCs are not traded on an exchange. Therefore, they are subject to other types of risk, such as high-net-worth requirements, higher initial investments, higher sales commissions and fee structures, limited liquidity, longer-term investment horizons, and redemption limits and suspensions. Non-Traded BDCs are limited to accredited investors, and they generally invest in companies that are still developing and/or may be in financial distress. As a result, the companies that a BDC invests in are more likely to go out of business or default on their debts. Additionally, BDCs often use leverage or debt to increase the potential for higher returns. However, leverage can also potentially increase losses. And finally, in addition to charging management fees, the fund manager may also charge a performance fee.

Options Risk – Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. Options, like other securities, carry no guarantees, and investors should be aware that it is possible to lose all of your initial investment, and sometimes more. Since options derive their value from an underlying asset, which may be a stock or securities index, any risk factors that impact the price of the underlying asset will also indirectly impact the price and value of the option. Extreme market volatility near an expiration date can cause price changes resulting in the option expiring worthless. In addition, options can be purchased or sold in covered or uncovered (or naked) strategies. A covered strategy is one in which the seller of a call option holds a long position/currently owns the underlying assets of the options contract. An uncovered, or naked, strategy, is one in which the seller of a call or put option does not hold a long position/currently own the underlying securities. Selling a naked option can be an extremely risky strategy and should be used by experienced traders who understand how to manage their notational

exposure and risk.

Private Investments Risk – A private investment is a financial asset outside public market assets, meaning they are not listed on an exchange. Investors often access private investments through a private investment fund. A private investment fund is an investment company that does not solicit capital from retail investors or the public. Hedge funds and private equity funds are two of the most common types of private investment funds. Private equity investing often has high investment minimums and they may also have higher liquidity risks since private equity investors are expected to invest their funds with the firm for several years, on average. Investors often utilize private investments to diversify their portfolio and reduce overall risk exposure across specific sectors. However, because there is no major public exchange for these investments, a fund manager may find it difficult to liquidate the investments in a fund in times of economic stress.

Publicly Traded Business Development Companies – Business Development Companies (“BDC(s)”) are a type of closed-ended fund that provide retail investors a way to invest in small and medium-sized private companies and, to a lesser extent, other investments, including public companies. BDCs are complex and are associated with unique risks. Publicly traded BDCs can be bought and sold on national securities exchanges. BDCs are not limited to qualified investors. However, BDCs generally invest in companies that are developing and/or financially distressed. As a result, the companies that a BDC invests in are more likely to go out of business or default on their debts. Additionally, BDCs often use leverage or debt to increase the potential for higher returns. However, leverage can also potentially increase losses.

Reinvestment Risk – Reinvestment risk is the risk that future interest and principal payments may be reinvested at lower yields due to declining interest rates.

REITs and Real Estate Risk – Real estate investment trusts (REITs) are popular investment vehicles that pay dividends to investors. The value of an investment in REITs may change in response to a change in the real estate market. REITs may subject an investment to additional risks such as decline in the value of real estate, changes in interest rates may result in lack of available mortgage funds or other capital and financing limits, extended vacancies of properties, increases in property taxes and operating expenses, and changes in zoning laws and regulations. When traded like shares of stock on exchanges, REITs can give exposure to diversified real estate holdings.

Securities Lending – Securities lending is the act of loaning shares of stock, commodities, derivative contracts, or other securities to other investors or firms. For receipt of these securities, the borrower is required to put up collateral—whether cash, other securities, or a letter of credit—for the lender to hold until the agreement is terminated and/or the securities are liquidated. Generally, the lender receives a lending fee based on a designated interest rate multiplied by the market value of the securities on loan. The interest rate paid is based on the relative value of the individual securities in the securities-lending market and are subject to change based on market conditions and borrowing demand. Loaned securities are sometimes considered “hard to borrow” because of short selling, scarcity of available lending supply, or corporate events that

affect liquidity in a security. Securities lending also exposes a lender to the risk of borrower or counterparty default.

Small- and Medium-Capitalization Companies – Publicly traded companies are often segmented by their market capitalization—the total value of their shares in the market. Small-cap investing is often used when an investor is focused on growth opportunities. Though they historically outperform large-cap stocks, small-cap stocks are riskier. Prices of small-cap stocks are often more volatile than prices of large-cap stocks. The same can be said for some medium-cap stocks. Additionally, the risk of bankruptcy or insolvency for smaller companies is higher than for larger companies.

Structured Notes Risk – Structured notes are complex instruments consisting of a bond component and an imbedded derivative component that adjusts the security's risk-return profile. There are both principal-at-risk and principal-protected notes. Principal-protected notes offer full principal protection, subject to the credit risk of the issuer, even if the market is down at the note's maturity. Principal-at-risk notes offer no principal protection, and an investor can lose some or all of their invested principal at maturity. A structured note will result in loss of principal if the reference asset declines by more than the stated buffer or barrier level, either at maturity, or on a scheduled observation date. Structured notes are classified as senior unsecured debt and are therefore subject to the risk of default. They lack liquidity, are not listed on securities exchanges, and do not participate in dividends. Typically, the issuer will maintain a secondary market; but there is no obligation to do so. Therefore, there may be little to no secondary market available. To the extent a secondary market may exist, a sale in the secondary market prior to maturity may result in a significant discount in the sale price of the note resulting in a loss of principal. Structured notes are also subject to credit and call risks. The credit risk involves a situation where, if the issuer were to default on its payment obligations, you may not receive any amount owed under the structured note and you could lose your entire principal investment. Certain notes may be callable automatically or at the option of the issuer. If a note is called, the investor will not receive any interest payments that would have been payable for the remainder of the term of the note. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, or market volatility. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.

Tender Offer Fund Risk – A tender offer fund is a closed-end registered investment company that can continuously offer shares at net asset value to an unlimited number of investors. A tender offer differs from an interval fund because a tender offer fund buys back shares from investors at their net asset value at the fund's discretion, as opposed to interval funds, who buy back shares at a predetermined frequency. Tender offer funds are semi-liquid as they are not traded on a securities exchange and are subject to discretionary repurchases by the Fund Board. This means, the investors cannot redeem shares on demand and must wait for periodic tender offers. They often invest in illiquid or alternative assets such as private equity, real estate, or distressed securities. If the underlying investment is only available to accredited investors, then the fund itself would only be available to accredited investors.

Variable Annuities Risk – A variable annuity is a long-term investment primarily designed for retirement or another long-range goal that provides you the opportunity to accumulate assets on a tax-deferred basis. Variable annuities subaccounts are subject to investment risk, and it is possible for the annuity to lose value. Like mutual funds, you bear the investment risk for amounts allocated to the variable subaccounts that make up the underlying product. Additionally, annuity assets are subject to the claims-paying ability and financial strength of the issuing insurance company. Therefore, you should consider your ability to sustain investment losses during periods of market volatility. The annuities' prospectus should include information important to your decision to invest, including fees and charges, risks, death benefits, living benefits, and variable annuity income options. There are fees and charges unique to variable annuity products that may be charged outside of your investment advisory fee. Similarly, there are fee-based variable annuities which have a fee structure unlike commissions-based variable products in the sense that the adviser would be charging an asset-based, ongoing advisory fee on the assets in the annuity much like they do with other investment advisory accounts. Generally, a fee-based annuity is designed for a client who wants ongoing sub-account investment advice from their IAR who is then compensated through the ongoing advisory fee for that service. Due to the long-term nature of variable products, paying an advisory fee over the life of the variable annuity or variable life insurance product may be more costly than purchasing a commission based variable annuity product. Additionally, alternative investment strategies may be available as a variable subaccount. Alternative investments pose unique investment risks. Please review the disclosure for Alternative Investment Risks above.

Item 9 – Disciplinary Information

On December 5, 2016, MAS signed an order of Acceptance, Waiver, and Consent (AWC) with FINRA whereby without admitting or denying the findings, the firm was censured and fined \$75,000. The disciplinary event related to the firm's lack of adequate supervisory procedures or systems for the creation and dissemination of consolidated reports to clients. The fine was paid in full in December of 2016.

On May 31, 2022, the Securities and Exchange Commission accepted an offer of settlement from MAS and agreed to the entry of an Administrative Order, whereby MAS agreed, without admitting or denying the allegations, to a censure, to cease and desist from causing any future violations of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7, promulgated thereunder, to disgorgement of \$579,523.76 (along with \$73,649.94 of prejudgment interest) and to pay a monetary penalty of \$150,000.00. This action arose from the SEC allegation that MAS failed to adequately disclose a conflict of interest that existed when MAS received revenue sharing from its unaffiliated clearing firm on certain excessive cash balances held in client advisory accounts that were swept into an overnight investment instrument as well as MAS's receipt of certain 12b-1 fees and/or shareholder services fees on mutual funds that were not automatically rebated back to clients.

On May 1, 2023, MAS signed an order of Acceptance, Waiver, and Consent ("AWC") with FINRA whereby without admitting or denying the findings, the firm was censured and fined \$50,000 and ordered to pay \$63,296 plus interest in restitution to twelve clients. The disciplinary event was related to mutual fund sales through MAS's broker-dealer business during the 2016–2018 timeframe, where thirteen firm customers did not receive commission discounts (breakpoints) they would have otherwise qualified for

had the purchases not been made in multiple mutual fund families. The fine was paid in full in May of 2023.

On June 30, 2023, MAS agreed to a disciplinary Order with the Texas State Securities Board (“TSSB”) for purposes of resolving an investigation, without admitting or denying the allegations, that during the period 2014 through 2017, MAS did not follow or establish adequate supervisory procedures relating to the sale of certain alternative investments in one branch office of the firm. As part of the Order, MAS agreed to a fine of \$20,000 and agreed to an undertaking to offer to pay seven affected clients an amount equal to a portion of their outstanding investment in a certain product. The \$20,000 fine was paid in full on July 10, 2023.

On September 3, 2025, MAS signed an order of Acceptance, Waiver, and Consent (“AWC”) with FINRA whereby without admitting or denying the findings the firm was censured and fined \$125,000. The disciplinary event related to consolidated reports inaccurately reporting on, or omitting, certain assets not held through MAS either due to manual entry errors or inaccurate automated data feeds from product sponsors. Additionally, some consolidated reports that included held away assets did not disclose that the assets may not be covered by the Securities Investor Protection Corporation (SIPC). MAS also did not have a supervisory system designed to review consolidated reports, as well as a system to maintain records of which consolidated reports were distributed or made available to which clients. As part of the Order, MAS agreed to a fine of \$125,000 and agreed to an undertaking to remedy the issues named in the AWC and to improve upon its supervisory system and procedures. MAS paid the \$125,000 fine in full on September 12, 2025.

Item 10 – Other Financial Industry Activities and Affiliations

MAS is also a full-service general securities registered broker-dealer and is licensed as an insurance agency in a number of states. The principal business of MAS’s executive officers is the day-to-day management of the broker-dealer. This broker-dealer and other non-investment advisory services account for more than half of management’s time.

Related Broker Dealers

MAS is under common control and ownership with AE Financial Services, LLC (“AEFS”). MAS, as a dually registered firm, typically does not utilize the services of AEFS. Accordingly, MAS does not consider this affiliation to create a material conflict of interest for our clients.

Registered Representative of a Broker-Dealer

Certain IARs of MAS are also licensed securities registered representatives (“RRs”) and can affect transactions in securities and insurance products and earn the standard and customary commissions for these activities. Your IAR may recommend these services in their capacity as an RR, and they must do so according to what is in your best interest. When considering implementation of recommendations, you have the right to reject the purchase of securities or insurance products from your IAR. Additionally, you may choose to implement recommendations through another IAR, who may charge more or less for the same products and services. The implementation of any or all recommendations is solely at your discretion. The fees charged by MAS for advisory services are separate and distinct from any insurance or securities commissions earned by RRs for the sale and servicing of these products. Customarily, the

RR will also receive periodic payments from a mutual fund company related to purchases of the mutual fund's shares while you maintain the mutual fund investment. Consequently, the objectivity of the advice rendered is biased due to the receipt of commissions and other standard brokerage compensation. We address this conflict by disclosing it to you in this brochure and by requiring your IAR, whether acting in their advisory or brokerage capacity, to only make recommendations that are in your best interest.

Related Investment Advisers

MAS is under common control and ownership with AE Wealth Management, LLC ("AEWM"). MAS utilizes AEWM's platform to assist in providing investment advisory services to MAS clients. MAS compensates AEWM for such services. We do not consider our investment advisory affiliation with AEWM to create a material conflict of interest for our MAS clients. Clients of AEWM should refer to its Firm Brochure(s) for a description of conflicts of interest related to MAS.

MAS is under common control and ownership with Veta Investment Partners, LLC ("VIP"), an investment adviser registered with the SEC. MAS does not have a direct relationship with VIP other than its availability through the AEWM Program. When your IAR invests your funds into a VIP strategy, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure. Clients of VIP should refer to its Firm Brochure(s) for a description of conflicts of interest related to VIP.

MAS is under common control and ownership with Impact Partnership Wealth, LLC ("IPW"), an investment adviser registered with the SEC. MAS does not utilize the services of IPW and therefore does not consider this relationship to be a material conflict of interest to our clients.

Related Insurance Marketing Organizations

MAS is under common control and ownership with Advisors Excel, LLC ("AE") and Asset Marketing Systems Insurance Services, LLC ("AMSIS"). AE and AMSIS are insurance agencies that market/wholesale life and health insurance and fixed annuities to third-party insurance agents in exchange for a marketing and/or override fee from the product issuer. MAS IARs, in a separate capacity as insurance agents, utilize the marketing and wholesaling services of AE and AMSIS. When your IAR sells you an insurance product through AE or AMSIS, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure and ensuring no advisory fee is charged on insurance products/fixed annuities, which are held outside of the advisory relationship, in addition to the commission or fee the representative earns from the sales of those same products. MAS does not conduct oversight or review recommendations for these insurance products. The issuing insurance carrier is responsible for reviewing and supervising the sale of an insurance product and suitability of the product as it relates to your financial situation. Although some of these services can benefit a client, other services obtained by IARs from AE or AMSIS such as marketing assistance, business development and incentive trips will not benefit an existing client and is a conflict of interest.

MAS is also under common control and ownership with The Impact Partnership, LLC ("Impact"). Impact is an insurance agency that markets/wholesales life and health insurance and fixed annuities to third-party insurance agents in exchange for a marketing and/or override fee from the product issuer. MAS IARs, in a separate capacity as insurance agents, utilize the marketing and wholesaling services of Impact. When your IAR sells you an insurance product through Impact, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure and ensuring no

advisory fee is charged on insurance products/fixed annuities, which are held outside of the advisory relationship, in addition to the commission or fee the representative earns from the sales of those same products. Impact does not conduct oversight or review recommendations for these insurance products. The issuing insurance carrier is responsible for reviewing and supervising the sale of an insurance product and suitability of the product as it relates to your financial situation.

MAS is under common control and ownership with Innovation Design Group, LLC (“IDG”), an insurance agency that provides services to insurance companies concerning the product design and distribution of annuities. When your IAR, in their separate capacity as an insurance agent, sells you an annuity that was designed by or distributed through IDG, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure and ensuring no advisory fee is charged on an annuity, which is held outside of the advisory relationship in addition to the commission the representative earns from the sale of those same annuity products.

Insurance Agents

Our IARs, acting in their separate capacities as insurance agents, can receive commissions from insurance companies/carriers for selling their insurance products. The commissions vary from carrier to carrier, and the receipt of these commissions creates a conflict or incentive to sell or offer insurance products as compared with investment advisory services or securities recommendations. The insurance agent can also receive other incentive awards or bonus payments from an insurance company/carrier/insurance marketing organization for selling a targeted number of a specific carrier’s annuity or insurance products. Because insurance agents are subject to a separate regulatory regime from the rules and regulations that apply to IARs, MAS does not supervise or conduct oversight of the insurance activity.

Certified Public Accountants

Some of MAS’s IARs serve, in a separate capacity, as a CPA by providing tax services to individuals and corporations. As a CPA, these IARs may receive compensation for the tax services they provide their clients. Any fees received through the tax services do not offset advisory fees the client may pay for MAS’s advisory services. Clients can decide whether to engage in services with the CPA firm. As a result, a conflict of interest arises between your interests and MAS’s interests. However, at all times, MAS and our IARs will act in your best interest and act as fiduciaries in carrying out advisory services to you. Because this is not an advisory service, MAS does not supervise or conduct oversight of this activity. Any CPA activity performed is separate and distinct and not affiliated with MAS in any way.

Item 11 – Code of Ethics

MAS has established a Code of Ethics that applies to all of its supervised persons. As a fiduciary, an investment adviser’s responsibility includes providing fair and full disclosure of all material facts and to always act solely in the best interest of each of our clients. This fiduciary duty is the core underlying principle for our Code of Ethics, which also covers our Personal Securities Transactions Policies and Procedures. MAS has the responsibility to ensure that all clients’ interests are placed ahead of MAS’s own investment interests. MAS discloses material facts as well as potential and actual conflicts of interest to clients. MAS seeks to conduct business honestly, ethically, and fairly and will take reasonable steps to avoid circumstances that might negatively affect our duty of loyalty to clients. This section is intended

to provide clients with a summary of MAS's Code of Ethics. Clients or prospective clients may request a copy of the firm's Code of Ethics by e-mailing info@mas-bd.com or by calling 888-627-7323.

The firm does not make a market in any securities and does not buy or sell securities for its own account. MAS offers brokerage services to clients separate from the advisory services described herein. IARs provide brokerage services to clients as registered broker-dealer representatives ("RRs"). MAS and its RRs receive transaction-based compensation in connection with such brokerage services. Transactions may not be executed through MAS if to do so would result in a breach of its fiduciary duties.

At times, MAS or associated persons of the firm will buy or sell investment products identical to those recommended to clients for their personal accounts. In some instances, such transactions by MAS or associated persons of the firm will be executed at the same time a transaction in the identical investment product recommended to clients is executed. This creates a conflict of interest. It is the express policy of MAS that all people associated with our firm in any manner must place clients' interests ahead of their own when implementing personal investments. MAS and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, from information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

To mitigate conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees, and their immediate family members (individually, "Associated Person" and collectively, "Associated Persons"). Any Associated Person not observing our policies is subject to sanctions up to and including termination.

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

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

Item 12 – Brokerage Practices

As an investment adviser and broker-dealer, MAS has a duty to seek best execution for client transactions. Best execution does not necessarily mean that clients receive the lowest possible commission costs, but that qualitative execution is best. In other words, all conditions considered, the transaction execution must be in your best interest. When considering best execution, we consider a number of factors other than prices and rates, including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back-office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability, and responsibility
- Reputation and integrity
- Ability to maintain confidentiality.

MAS seeks to obtain best execution for its clients' transactions, and we are responsible for managing client accounts on a day-to-day basis and selecting the broker-dealer for client transactions in accordance with their best execution policies. In seeking best execution, MAS's primary objective is to seek prompt execution of orders at the most favorable prices reasonably obtainable. Sub-managers in various MAS programs may have discretion to cause trades to be executed by broker-dealers other than MAS if the investment sub-manager reasonably determines in good faith that using another broker-dealer is likely to result in better execution than if the trades were executed by MAS. Occasionally, in order to seek best execution and minimize market impact, trades can be "stepped out" in order to gain best execution and minimize market impact. In some instances, stepped-out trades are executed by the other firms without any additional commission or markup or markdown, but in other instances, the executing firm imposes a commission or a markup on the trade. If a client's investment sub manager steps-out trade orders for the client's account with a broker-dealer other than MAS, and the other broker-dealer imposes a commission or equivalent fee on the trade (including a commission embedded in the price of the investment), the client will incur trading costs in addition to the Advisory Fee, even if the account is a wrap fee account. MAS is not a party to step-out trades and is not in a position to negotiate the price or transaction related cost(s) with a broker, dealer, or bank selected by the sub-manager for these trades.

Brokerage Recommendations

When providing financial planning and consulting services, IARs may recommend that clients purchase securities or insurance products offered through MAS pursuant to the plan or consultation. IARs receive commissions as RRs or insurance agents in connection with such transactions. Thus, a conflict of interest exists when an IAR provides financial planning services because they and MAS will receive additional compensation if the client chooses to execute transactions or purchase insurance products through MAS based on that plan. Clients have the right to reject recommendations made by an IAR through the IAR or otherwise through MAS or its affiliates, as well as to implement the recommendations through another adviser who may charge more or less for the same products and services.

MAS makes a basic assumption that the IAR will recommend that you use the IAR in his or her capacity as a registered representative ("RR") to complete the purchase or sale of recommended transactions.

The client would normally be introduced to MAS by the IAR/RR. In most, if not all cases, the IAR will be an RR of MAS. The value of products, research, and services given to a client are not a factor in suggesting a broker. When doing business with MAS, you may pay commissions higher than those obtainable from other brokers. MAS does not direct client transactions to a particular broker in return for products and research services it may receive. Client is also free to implement the recommendations of MAS IARs through whomever they choose.

Support Products and Services

MAS's custodians, (the "Custodians"), provide MAS with access to their institutional trading and custody services, which are typically not available to retail investors. These services are generally available to independent investment advisers on an unsolicited basis. Some of the services provided by the Custodians include brokerage, custody, research, and access to certain mutual funds and other investments that may not otherwise be available to non-institutional investors or would require a significantly higher minimum initial investment.

Certain Custodians provide MAS clients the ability to buy securities on margin and it will charge the MAS client interest incurred by the margin account. The collected interest may be shared with MAS. In addition, there may be other similar revenue sharing between the Custodians and MAS. For example, certain fees (such as IRA fees) and expenses (such as postage fees, ticket charges, and other miscellaneous fees) may be charged and collected by the Custodian on behalf of MAS. The fees charged and collected by the Custodians on behalf of MAS may not necessarily reflect the same price that the Custodians charge MAS for similar circumstances. As discussed above, the fees for these services in the Standard Wrap Program, the Fee Plus Transaction Charge Program, and the Low-Minimum Wrap Program are MAS fees, established by MAS after taking into consideration the direct and indirect costs incurred by MAS associated with such service with a reasonable profit built in for the offering of such services to MAS clients.

The Custodians also make available to MAS other products and services that benefit MAS but that do not benefit client accounts. Some of these other products and services assist MAS in managing and administering client accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitation of trade execution (and allocation of aggregated trade orders for multiple client accounts), providing research pricing information and other market data, and assisting with back-office functions, recordkeeping, and client reporting.

In the Standard Wrap Program, the Fee Plus Transaction Charge Program, and the Low-Minimum Wrap Program, the Custodian offers to invest the uninvested cash in certain advisory accounts that meet criteria established by the Custodian into overnight securities instruments. Some of these overnight securities instruments pay the Custodian a participation payment on accounts that have uninvested cash in excess of certain minimums established by the Custodian. Others do not. While the Custodian pays the interest that is earned by the uninvested cash to you, in some cases, the Custodian also pays the broker dealer of the investment adviser that introduced the client to the issuer of the particular overnight instrument used by the fund (the "Participation Payment"). In the Standard Wrap Program, the Fee Plus Transaction Charge Program, and the Low-Minimum Wrap Program, MAS previously utilized a default mechanism to automatically select an overnight investment instrument that generally paid the highest interest rate to the clients but that also paid a Participation Payment to MAS. This created a

conflict of interest for MAS. Accordingly, MAS notified clients that it will continue to allow them to select the overnight investment instrument in these programs, but that MAS has changed its default mechanism to an overnight investment instrument that does not pay a Participation Payment to MAS. Clients that decide to select an overnight investment instrument that is not the default overnight investment and that pays a Participation Payment to MAS will provide written acknowledgment that they selected the investment instrument with full awareness that Participation Payments are made to MAS. MAS is tasked with ensuring that the selected overnight investment instrument is in your best interest.

The Custodians may also make available to MAS other services intended to help MAS manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, the Custodian may make available, arrange and/or pay for these types of services rendered to MAS by other independent third parties. As such, MAS has an incentive to select or recommend a Custodian based on its interest in receiving the research or other products or services, rather than on the clients' interest in receiving most favorable execution. While MAS endeavors to act in its clients' best interests, MAS's requirements that its clients maintain their assets in accounts at one Custodian over another may be based in part on the benefit to MAS of the availability of some of the foregoing products and services.

In addition, due to the fact that MAS does not directly pay for these services, including any research received, it may be construed as receipt of an economic benefit by MAS and therefore, a conflict of interest exists between MAS and the client. Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

Soft Dollar Benefits

Except as described above, MAS does not receive "soft dollar" benefits, which are research products or services in exchange for commissions generated by transactions in client accounts.

Item 13 – Review of Accounts

If you open an account under our Fee Plus Transaction Charge Program, Standard Wrap Program, or Low-Minimum Wrap Program, your account will be reviewed regularly by your IAR. All activities of your IAR are supervised by a "Supervising Principal" of MAS. The Supervising Principal holds the responsibility of supervising all activities of the IAR. If you wish to increase the frequency of your account reviews, you are free to make these arrangements directly with your IAR.

In our Direct Third-Party Money Manager Program, your individual investments are monitored by third-party money managers. However, the performance of these managers will be regularly monitored by your IAR. Your IAR will review the performance of the selected third-party managers regularly with you. If you wish to increase the frequency of these reviews, you are free to arrange this directly with your IAR.

In our AE Wealth Management Program, your individual investments may be monitored by your IAR directly or by a selected sub-advisor/third-party money manager. When monitored by third-party money managers, the performance of these managers will be regularly monitored by your IAR. If you wish to

adjust the frequency of these reviews, you are free to arrange this directly with your IAR.

If you enter into an agreement with MAS and/or an IAR of MAS to create a financial plan or an annual financial plan, your plan will be reviewed in accordance with your Client Agreement.

Item 14 – Client Referrals and Other Compensation

Referral and Promoter Arrangements

In our Direct Third-Party Money Manager Program, the third-party money managers that we refer to you compensate MAS for these referrals. The fee is paid to us out of a portion of the total fee that you pay to these money managers. There is no additional fee on top of the fee that you pay. Because the portion of the fee that MAS receives for referred business varies (depending on the third-party money manager selected), MAS has an incentive to refer you to certain managers over another, which is a conflict of interest.

MAS compensates certain persons for client referrals. If a client is referred to us by a referring party, the referring party will provide the client with a copy of our Brochure. The client also will receive a Promoter's (also known as Solicitor's) Disclosure Statement document. If the referring party is an unaffiliated registered investment adviser firm, then the client will also receive a copy of the referring party's Form ADV Part 2A Brochure. The referring party may receive a one-time fee or ongoing compensation based on a percentage of the assets under management associated with the account. You will not pay additional fees because of this referral arrangement. However, due to the compensation arrangement, a Promoter has a financial incentive to recommend MAS and/or our IARs to you for advisory services.

Other Compensation

Our IARs, acting in their separate capacities as insurance agents, can receive commissions from insurance companies/carriers for selling their insurance products. The commissions vary from carrier to carrier, and the receipt of these commissions creates a conflict or incentive to sell or offer insurance products as compared with investment advisory services or securities recommendations. The insurance agent can also receive other incentive awards or bonus payments from an insurance company/carrier/insurance marketing organization for selling a targeted number of a specific carrier's annuity or insurance products during a specified period of time, which creates a conflict. Because insurance agents are subject to a separate regulatory regime from the rules and regulations that apply to IARs, MAS does not supervise or conduct oversight of the insurance activity.

At times, IARs receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are the result of informal expense sharing arrangements in which product sponsors will underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements is not predicated upon specific sales quotas, the product sponsor reimbursements are made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the client's best interest. MAS attempts to control for

this conflict by always basing investment decisions on the individual needs of clients.

Item 15 – Custody

Custody is defined as having access or control over client funds and/or securities. Custody is not limited to physically holding client funds and securities. If a registered investment adviser has the ability to access or control client funds or securities, the adviser is deemed to have custody and must ensure proper procedures are implemented. For accounts in which MAS is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. All assets are held in custody either with our clearing firm or with the Third-Party Manager, (in the case of our Direct-Third Party Money Manager Program) or with the custodian that that Third-Party Manager selects. You or your independent representative will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address, and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against any reports received from MAS, where applicable. If you have questions about your account statements, please contact MAS or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

When providing asset management services, MAS maintains trading authorization over your account(s). We do not have the authority to withdraw funds or take custody of client funds or securities. In our Fee Plus Transaction Charge Program, our Standard Wrap Program, our Low-Minimum Wrap Program, and our AE Wealth Management Program, MAS obtains authority to directly debit fees from client accounts. Clients' funds and securities are held in custody by the applicable clearing firm under all of these programs. MAS provides instructions to the clearing firm to debit client accounts pursuant to the authorization in the Client Agreement or client account documents. You will be required to execute an agreement with MAS expressly granting MAS trading authority on the account(s) we manage for you. The agreement will indicate whether MAS can trade on the account on a discretionary or on a non-discretionary basis. In the Standard Wrap and Low Minimum Wrap Programs, we commonly provide management services on both a discretionary and non-discretionary basis. When managing accounts on a non-discretionary basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended,
- The number of shares or units, and
- Whether to buy or sell.

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations

and could result in MAS not achieving the optimal trading price.

If you decide to grant trading authorization on a discretionary basis, we will have the authority to determine the type of securities and the dollar amount and number of securities that can be bought or sold for your account(s) without obtaining your consent for each transaction. However, you will have the ability to place reasonable restrictions on the types of investments that may be purchased in your account(s). You may also place reasonable limitations on the discretionary power granted to MAS so long as the limitations are specifically set forth or included as an attachment to the client agreement.

MAS offers clients the ability to participate in third-party managed programs in our Direct Third-Party Money Manager Program. Regardless of your choice of manager, you will receive a brochure from the third-party manager if you invest in one of these programs. The brochure or other applicable disclosure documents will contain a description of limitations on the authority of the third-party money managers and their discretion (if any) over your account. You should receive confirmation of all transactions in your account, and you are free to terminate your participation in the program and retain or dispose of any assets in the account at any time.

Item 17 – Voting Client Securities

MAS does not vote proxies on your behalf. Therefore, you are responsible for voting all proxies for securities held in your account. You will receive proxies directly from the qualified custodian or transfer agent. Although we do not vote client proxies, MAS may provide limited clarifications of the issues based on MAS's understanding of the issues presented in the proxy-voting materials. If you have a question about a particular proxy, contact the custodian or transfer agent directly.

Item 18 – Financial Information

This disclosure does not apply to our brochure as we do not require or solicit prepayment of more than \$1,200 in fees per client six or more months in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. Also, we are not subject to a financial condition reasonably likely to impair our ability to meet contractual commitments to clients. Finally, MAS has never been the subject of a bankruptcy petition.