ADV PART 2A

ITEM 1 – COVER PAGE

Cetera Advisor Networks LLC

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April 24, 2020

This brochure provides important information about Cetera Advisor Networks LLC (Firm, us, our, or we). You should use this brochure to understand the relationship among you, the Firm, and your investment adviser representative (Advisor). If you have any questions about the contents of this Brochure, please contact us at 800.879.8100, Ext. 77880.

The Firm is registered with the Securities and Exchange Commission (SEC) as a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The information in this brochure has not been approved nor verified by the SEC or by any state securities authority.

Additional information about the Firm is also available on the SEC's website at www.adviserinfo.sec.gov (select "investment adviser firm" and type in our name).

Kristy Haley
Chief Compliance Officer
200 N. Pacific Coast Highway, Suite 1200
El Segundo, CA 90245
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Cetera® | ADVISOR NETWORKS LLC
Member FINRA/SIPC

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ITEM 2 – MATERIAL CHANGES

Item 2 provides a summary of material changes, if any, the Firm has made to this brochure since the last annual update, which occurred in March 2020.

In March 2020, we amended Item 5, Fees and Expenses, to provide additional information regarding the costs associated with our advisory programs, specifically related to the fees and expenses associated with mutual funds, ETFs and other pooled investment products. We have also provided additional information regarding mutual fund share classes and the availability of share classes in our advisory programs.

Will I receive a brochure every year?

We may, at any time, update this brochure. Any material changes will either be sent to you as a summary of those changes or, depending on the extent of these changes, you will receive the entire updated brochure.

May I request additional copies of the brochure?

Absolutely. You may request and receive additional copies of this brochure in one of three ways:

- Contact your Advisor with whom you are working with.
- Download the brochure from the SEC website at www.adviserinfo.sec.gov. Select “investment adviser firm” and type in our Firm name.
- Contact the Advisory Compliance Department at 800.879.8100, Ext. 77880.

Securities and investment advisory services offered through Cetera Advisor Networks LLC (doing insurance business in CA as CFGAN Insurance Agency), member FINRA/SIPC. Cetera and Cetera Investment Management LLC are affiliated entities and are under separate ownership from any other named entity. Advisory services may only be offered by investment adviser representatives in conjunction with an advisory services agreement and disclosure brochure as provided. Investments are: *Not FDIC/NCUSIF insured *May lose value *Not financial institution guaranteed *Not a deposit *Not insured by any federal government agency.

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ITEM 4 – ADVISORY BUSINESS

Who We Are

Cetera Advisor Networks LLC is a full-service, independent investment advisor/broker-dealer who utilizes a unique regional director model to support financial Advisors through the entire life cycle of their business. For more than a quarter century, Cetera Advisor Networks has been able to build and support regional teams through local service, regional offices and a national home office, facilitating the success of its nearly 2,000 financial professionals.

As of December 31, 2019, Cetera Advisor Networks had $25,829,007,600 in assets under management, of which $18,152,065,570 was managed on a discretionary basis and $7,676,942,030 was managed on a nondiscretionary basis.

The Firm is a wholly-owned subsidiary of Cetera Financial Group, Inc. (Cetera), a Delaware corporation, which is wholly owned by Aretec Group, Inc. (Aretec). Aretec is a wholly-owned subsidiary of GC Two Intermediate Holdings, Inc., and an indirect wholly-owned subsidiary of GC Two Holdings, Inc. Please refer to Item 10 of this brochure for more information on our corporate structure.

Getting to Know You Better

Most advisory relationships begin with an initial client meeting. Typically, meetings are done in person, over the telephone, or through email communications. The purpose of this initial meeting is to discuss with your Advisor your investment history, goals, objectives, and concerns as it relates to the management of your account.

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

Important Considerations Prior to Opening an Account

The list below is meant to provide you with general overviews of several important facts that are common with the advisory programs that we offer. While the list below is not meant to include every possible situation, we do consider and take into account the following:

Reasonable Restrictions
By stating in the Investment Policy Statement (IPS) proposal or sending a written request to your advisor, you may impose reasonable restrictions on the management of your account. For example, a reasonable restriction may indicate your desire that we do not invest in a certain sector or industry. Your advisor will also proactively reaffirm with you any modifications you may have to these restrictions at least on an annual basis during your normally scheduled client review meetings. Pursuant to any restriction(s) you may suggest, your advisor will document this upon receipt.

However, your advisor may refuse to accept or manage your account if he/she determines that such restrictions are unreasonable. In the event that your advisor is unable to accept your restriction, he/she will give you the opportunity to modify or withdraw the restriction.

Deposits and/or Withdrawals
Unless specifically stated, you may make additions to or withdrawals from your account at any time. If your account falls below the minimum required account value, we may terminate your account. You may also add securities to your account; however, note that we reserve the right to not accept particular securities into your account.

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

Trade Confirmations
You will receive trade confirmation from Pershing for each security transaction placed in your account. Trade confirmation suppression is available upon client request.

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

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

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ERISA Participant Advice Program

Advisors who actively deliver investment advice to participants of employer sponsored retirement plans subject to ERISA (e.g. 401k plans) may offer the ERISA Participant Advice Program (EPA) which includes the following aspects:

- Pursuant to an EPA agreement with the client, an Advisor assumes an ERISA 3(21) fiduciary role in furnishing investment advice to a plan participant.
- Advisors who act as an ERISA 3(21) fiduciary make recommendations regarding individual funds or investment options within the plan.
- Advisors may also recommend particular allocations to align with plan participant objectives.
- Plan assets must be held on a recordkeeping platform. Assets held in a brokerage account are not eligible for EPA.
- A summary of the advice provided to the participant must be delivered to the Cetera home office each quarter.
- Advisors may charge fees directly to the client as part of the service they're delivering. Fees cannot be paid out of plan asset or participant accounts. Fees may be hourly, flat dollar or asset-based.
- Once executed, EPA agreements are in-force for three years, unless terminated in writing by the client.

Important Note about Wrap Fee Programs

Most third-party money management (TPMM) programs (TPMM Programs), as well as all of the Firm-Sponsored programs, with the exception of Preferred Asset Management® and Advisor Select Program (under the circumstances described below), are considered "wrap fee" programs in which the client pays a specified fee for portfolio management services and trade execution. Wrap fee programs differ from other programs in that the fee structure for wrap programs is all-inclusive, whereas non-wrap fee programs assess trade execution costs that are in addition to the investment advisory fees.

Prime Portfolio Services and Premier Portfolio Management accounts are managed by your Advisor in accordance with his or her own investment methodology and philosophy.

The other wrap fee programs available through Cetera Advisor Networks are managed by a third-party money manager. Wrap fee programs are managed in accordance with the investment methodology and philosophy used by the respective third-party money manager. Cetera Advisor Networks receives a portion of the investment advisory fee you pay to your Advisor when you participate in any of our programs.

Our IARs may create investment models based on investment advice provided by Cetera Investment Management LLC (CIM), an affiliated registered investment adviser. This advice could include basic asset allocation advice, or advice regarding specific securities.

One of the affiliates to Holdings, Cetera Financial Holdings Inc., also owns multiple other investment advisers, including CIM. We use research and model portfolios provided by CIM in many of our programs. A conflict of interest exists due to these affiliations. We attempt to mitigate this risk by ensuring that policies and procedures are in place requiring our IARs to exercise their fiduciary responsibilities when recommending investments to clients. Client fees are not increased if IARs use Cetera research or model portfolios, and Cetera receives no compensation when their services are used by Cetera Advisor Networks IARs. Our IARs' recommendations must only take into account what programs or services are best for each client.

More Detail about our Advisor Services

The Firm has developed several advisory services and programs to give you as much flexibility as possible. The specific advisory program selected by you may cost you more or less than purchasing the services offered in each program separately. Factors that bear upon the cost of a particular advisory program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account, the historical and/or expected size or number of trades for the account, and the number and range of supplementary advisory and client-related services provided to the account.

The following is a list of our advisory programs:

- Firm-Sponsored Programs
  a. Preferred Asset Management® Services
  b. Prime Portfolio Services
  c. Premier Portfolio Management
  d. Managed Wealth ADVANTAGE®
  e. Mutual Fund/Exchange Traded Funds Advisory Program*
  f. xMA® Next Generation Managed Account Program*
- Co-Sponsored Programs - My Advice Architect Program**
- TPMM Programs
- Financial Planning
- Consulting Services
- Plan Advice and Consulting Services

*Please refer to the Cetera Advisor Networks wrap brochure, Form ADV Appendix 1 for a complete description of the wrap programs sponsored by our firm.

** Please refer to the My Advice Architect wrap brochure, as included in the Form ADV Appendix 1 of the related investment advisory firm who also co-sponsors this platform, Cetera Advisory Services LLC (CAS).

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Preferred Asset Management and Prime Portfolio Services

We sponsor the Preferred Asset Management (Preferred) and Prime Portfolio Services (Prime) Asset Management Programs. In these programs, your Advisor will create a mix of investments that are appropriate for your investment goals. The benefit of opening these types of accounts includes:

- Individualized management of your account
- Annual reviews of your account

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

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

Minimum Account Opening Balance
In general, we require a minimum deposit of $25,000 to open a Preferred or Prime Account. Your opening balance may include both cash and securities.

Depending on a number of factors, we may waive the minimum required balance, including whether or not you have other accounts with us.

Premier Portfolio Management

We sponsor a wrap fee program called Premier Portfolio Management (Premier). In this program, your Advisor will create a mix of investments that are appropriate for your investment goals. The benefit of opening these types of accounts includes:

- Individualized management of your account
- Annual reviews of your account

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

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

Minimum Account Opening Balance
In general, we require a minimum deposit of $25,000 to open a Premier Account. Your opening balance may include both cash and securities. Depending on a number of factors, we may waive the minimum required balance, including whether or not you have other accounts with us.

Additional Information for Preferred, Prime and Premier Accounts

FundVest Mutual Funds
The FundVest Mutual Fund Program offers a wide range of mutual funds. This program is maintained by our clearing/custodial firm, Pershing. Pershing, at its sole discretion, may add or remove mutual funds from the FundVest Program without prior notice. In the FundVest Program, transaction costs are waived on certain purchases that would normally carry a transaction charge, which presents a conflict of interest to your Advisor in a Prime Account because your Advisor has a financial incentive to recommend a FundVest mutual fund that does not assess transaction costs over a mutual fund that does assess transaction costs.

Additionally, the Firm receives the short term redemption fees that you pay for certain FundVest mutual fund shares that are redeemed within six calendar months. This compensation is a source of revenue to the Firm and presents a conflict of interest whenever Advisor recommends that you redeem a FundVest mutual fund within six calendar months because the Firm receives a financial benefit from such transaction. This compensation, however, is retained by the Firm and is not shared with your Advisor so your Advisor does not have a financial incentive to recommend certain FundVest mutual funds be redeemed within six calendar months over other investments.

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Borrowing Money (Margin Accounts)
A margin account is an account where you may borrow funds for the purpose of purchasing additional securities. You may also use a margin account to borrow money to pay for fees associated with your account or to withdraw funds. If you decide to open a margin account, please carefully consider that: (i) if you do not have available cash in your account and use margin, you are borrowing money to purchase securities, pay for fees associated with your account or withdraw funds; and (ii) you are using the securities that you own as collateral.

Money borrowed in a margin account is charged an interest rate that is subject to change over time. This interest rate is in addition to other fees associated with your account. The Firm retains a portion of the margin interest charged, which is a source of revenue. This compensation represents a conflict of interest as the Firm has a financial benefit when you maintain a margin debt balance. However, this compensation is retained by the Firm and is not shared with your Advisor so your Advisor does not have a financial incentive to recommend that you maintain a margin balance. Your Advisor does have a conflict of interest when recommending that you purchase or sell securities using borrowed money. This conflict occurs because your advisory fee is based on the total market value of the securities in your account. If you have a margin debit balance (in other words you have borrowed and owe money to the Firm), your margin debit balance does not reduce the total market value of your Account. In fact, since you have borrowed money to purchase additional shares, the total market value of your account will be higher, which results in a higher advisory fee.

Please also carefully review the margin disclosure document for additional risks involved in opening a margin account.

Loan Advance Accounts
A Tri State Capital Bank (Tri State) pledged account is collateral for a loan held through Tri State. A customer may borrow money from Tri State by pledging securities held and custodied in their Pershing brokerage account. Unlike a margin account, these borrowed funds cannot be used to purchase additional securities.

If you decide to enter into a loan arrangement with Tri State, then you will be charged an interest rate that is subject to change. The Firm and your Advisor receive a portion of the interest charged on the loan. The amount the Firm and your Advisor receive varies (but in aggregate never exceeds 1% of the loan amount on an annualized basis). This compensation presents a conflict of interest because both the Firm and your Advisor have a financial incentive for you to enter a loan arrangement with Tri State. The Firm monitors this conflict by reviewing the borrower's accounts to determine whether or not the use of Tri State is appropriate and in line with the borrower's goals and objectives.

If you decide to enter into loan arrangement with this banking entity, you should carefully consider the following:

- You are borrowing money that will have to be repaid to the Tri State.
- Pledge arrangement arrangements are only available for non-qualified accounts.
- You, as the borrower, are using the cash and securities that you own in the account as collateral.
- You will be charged an interest rate that is subject to change.
- Tri State can force the sale of securities or other assets in the pledged account at any time and without notice to cover any deficiency in the value of the securities pledged for the loan. Tri State can decide which securities to sell without consulting you. •
- Tri State is responsible for reviewing the loan application and any other documents that Tri State may require to obtain the loan. Tri State, in its sole discretion, will determine the credit worthiness of the applicant, including the amount of the loan.
- Prior to establishing a loan with Tri State, you should carefully review the loan agreement, loan application and any other forms required by the bank in order to process your loan as well as the disclosure form provided by the Firm.

Managed Wealth ADVANTAGE®

Managed Wealth ADVANTAGE (MWA) offers asset allocation models that have been developed for the Firm by Columbus Macro. CIM will independently select and add or remove the mutual funds and/or exchange traded funds that the Firm will make available through the Program (Available Funds). Columbus Macro, and CIM, make the investment allocation decisions for client accounts under the MWA program.

MWA Program Profile and Proposal Process
The process with the Firm begins with you completing an Investment Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon, and other pertinent information. The information we gather will also be used to determine your suitability for the Program and to assist you in setting an appropriate investment objective and selecting an asset allocation model.

You and/or your Advisor will build an investment portfolio (Portfolio) consistent with your asset allocation model, using available funds. Your Advisor will provide ongoing advice on the selection or replacement of mutual funds and/or exchange traded funds (ETFs) in your account based on your individual needs and the investment choices available in the program.

Investment Management Philosophy
MWA provides you with the opportunity to participate in an asset allocation program using selected mutual funds and/or exchange traded funds.

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Trading Authorization
By completing the account opening documentation, you authorize us to implement transactions on a discretionary basis. You also authorize us to act as Overlay Manager and to delegate this authority to Folio, an independent investment adviser. Folio, as the Overlay Manager, will have full discretion to place orders for the purchase and sales of securities in accordance with your selected Portfolio and to rebalance your account whenever it moves up or down 25% from the target allocation.

Minimum Account Opening Balance
MWA generally requires a minimum deposit of $25,000. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into the Cash Sweep Program as discussed below in Item 14 until the minimum opening balance requirements are met.

Mutual Fund/Exchange Traded Funds Advisory Program

We offer a portfolio management service known as the Mutual Fund/Exchange Traded Funds Advisory Program (MF/ETF Program). The following advisors currently serve as Strategists for the MF/ETF Program in addition to Model Provider:

- Wilshire Associates
- Sage Advisory
- Columbus Macro, LLC

MF/ETF Program Profile and Proposal Process
Your relationship generally begins with you completing an Investor Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information. The information that we gather will also be used to propose an appropriate asset allocation model for your account in the MF/ETF Program. Once you receive the proposal and meet with your Advisor, you will determine whether to adopt, modify or reject the recommended asset allocation model.

Investment Management Philosophy
Our MF/ETF Advisory Program provides you with the opportunity to participate in an asset allocation program using a tactical model, a strategic model, or a combination of tactical and strategic models, which are discussed in more detail below.

Strategic Asset Allocation
Strategic asset allocation is a portfolio strategy that involves the periodic rebalancing of your portfolio in order to maintain a long-term goal of a chosen asset allocation mix. The initial investments are chosen based on expected returns and within your risk tolerance. Because the value of the assets can change based on market conditions, the portfolio constantly needs to be re-adjusted to meet the policy. This is often called rebalancing.

The emphasis is on preserving this initial chosen asset allocation mix because the mix ultimately relates to a larger performance objective based on historical data.

Tactical Asset Allocation
Tactical asset allocation is a portfolio strategy that involves the rebalancing of assets held in various categories in order to take advantage of market pricing anomalies or strong market sectors, as chosen by the portfolio managers. This strategy allows the Strategist the opportunity to try and create extra value by taking advantage of these potential situations in the markets. It is a moderately active strategy and may use short-term trading methods.

The investment philosophy is usually based on the belief that investor psychology and market forces can lead to periods when certain securities or classes of securities are not efficiently valued by the market. A tactical allocation process attempts to capture these pricing inefficiencies. It is not a fixed asset weight mix and the allocation and risk level of the portfolio may change quite dramatically.

Trading Authorization
Your Advisor will assist you in determining an appropriate investment strategy to follow. By completing the account opening documentation, you authorize us to act as your agent and attorney-in-fact to direct the investment and reinvestment of the assets in your account. We, in turn, utilize FDX Advisors, Inc. (Folio), an independent investment adviser, to have full trading discretionary trading authority to place orders for the purchase and sale of securities transactions recommended by the models developed by the Strategist. Pershing is currently utilized for clearing and trade execution services.

For both Strategic and Tactical Asset Allocations, Folio will rebalance your account whenever the account moves up or down 25% from the target allocation designed by the Strategists.

In general, the MF/ETF Program requires a minimum deposit of $25,000 for accounts consisting of mutual funds or $50,000 for accounts utilizing ETF securities.

In-Kind Transfers
Accounts may be funded with both securities and cash. The MF/ETF Program can only accept mutual funds, equities and ETFs that are approved by the Firm. Any mutual funds, equities and ETFs that are transferred into the MF/ETF Program that are not accepted by the Firm will incur a fee charged to the Advisor. This creates a conflict of interest for the Advisor as he or she bears the cost if this option is used.

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xMA® Program

We offer a portfolio management service known as Next Generation Managed Account (xMA). xMA provides access to independent investment manager(s) to design models based on investment styles. The models may consist of multiple types of securities but typically utilize some or all of the following: fixed income, open-end mutual funds, exchange-traded funds, and general securities.

xMA Proposal and Investment Policy Statement Process
Your xMA relationship generally begins with completing an Investor Profile Questionnaire (IPQ). The purpose of this questionnaire is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information. The information that we gather will also be used to recommend an appropriate xMA Manager.

Based on the answers provided to the Firm, an Investment Policy Statement (IPS) will be generated. The IPS will present to you one of several investment styles for consideration.

Trading Authorization and Discretionary Management
This program is a discretionary program. The type of discretionary authority exercised depends on the model portfolio that you invest in. Your Advisor will have discretion to choose the xMA Manager.

By completing the account opening documentation, you authorize us, or as applicable, the manager of a fixed income model (Fixed Income Model), to act as your agent and attorney-in-fact to direct the investment and reinvestment of the assets in your account. For accounts that do not utilize a Fixed Income Model, we, in turn, authorize Folio, an independent investment adviser, to act as Overlay Manager to have full discretionary trading authority to place orders for the purchase and sale of securities recommended by the models developed by such xMA Managers.

Use of Independent Investment Managers
Your Advisor may recommend models designed by one or more xMA Managers. The xMA Manager will independently select the securities for the model selected. With the exception of Fixed Income Models, the securities that comprise the model will be sent to Folio for trading. Pershing is currently utilized for clearing and trade execution services.

Fixed Income Models
Your Advisor may recommend models designed by managers to invest in fixed income securities. If a Fixed Income Model is selected, the fixed income manager will have investment and trading discretion over the trades for that account.

In general, we require a minimum deposit of:

1. $100,000 for equities only
2. $100,000 for fixed income managers who use equities and ETF investments
3. $250,000 managers who use individual fixed income issues, such as individual bonds

The minimum deposit may consist of both cash and securities. Managers may have different account minimums, restrictions on the types of investments they manage, and other pertinent details. Please refer to the manager's Form ADV Part 2A Brochure for additional information.

My Advice Architect Program

Cetera Advisor Networks is a co-sponsor of the My Advice Architect Platform (MAA Platform) and is responsible for supervising the activities of the investment adviser representatives who use the MAA Platform for clients. For a more detailed description of the Platform, please see Form ADV Appendix 1 of CAS, the related investment advisory firm who also co-sponsors this Platform.

Third-Party Money Manager Programs

Our TPMM Programs provide you with the opportunity to have your portfolio professionally managed by outside money managers. TPMM Programs offer clients access to a variety of model portfolios with varying levels of risk from which they may choose. TPMM Program accounts are not managed by Cetera Advisor Networks; rather, they are managed by one or more third- party portfolio managers on a discretionary basis, and they may consist of a variety of different securities types, including stocks, bonds, and mutual funds. Cetera Advisor Networks is not the sponsor of these TPMM Programs.

Cetera Advisor Networks may act in either a "solicitor" or "subadviser" capacity when it offers TPMM programs to Advisors' clients, as described below:

Solicitor – When acting as a solicitor for the TPMM program, Cetera Advisor Networks and your Advisor do not provide advisory services in relation to the TPMM program. Instead, your Advisor will assist you in selecting one or more TPMM programs believed to be suitable for you based on your stated financial situation, investment objectives, and financial goals. The TPMM will be responsible for assessing the suitability of their products against your risk profile. Cetera Advisor Networks and your Advisor are compensated for referring you to the TPMM program. This compensation generally takes the form of the TPMM sharing a percentage of the advisory fee you pay to the TPMM with Cetera Advisor Networks and your Advisor. When we act as a solicitor for a TPMM program, you will receive a written solicitor disclosure statement describing the nature of our relationship with the TPMM program, if any; the terms of our compensation arrangement with the TPMM program, including

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a description of the compensation that we will receive for referring you to the TPMM program; and the amount, if any, that you will be charged in addition to the advisory fee that you will pay to the TPMM as a result of our referral of you to the TPMM program.

Adviser or Subadviser – Under an adviser or subadviser relationship between Cetera Advisor Networks and the sponsor of the TPMM program, we are jointly responsible for the ongoing management of the account. Your Advisor is responsible for assisting you with completing the investor profile questionnaire. While each TPMM may have a different name for their questionnaire, your responses will assist your Advisor with understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other personal information. Based on the answers that you provide to your Advisor, he or she will assist you in determining which TPMM model or portfolio strategy is appropriate for you. As part of establishing a new account, you will receive both our disclosure brochure as well as the TPMM's disclosure brochure.

Since each TPMM is uniquely structured with different investment products, please ensure that you carefully review all documents provided to you on behalf of the TPMM. These include, but are not limited to:

- The TPMM's Form ADV Part 2A or Disclosure Brochure for specific program descriptions.
- The TPMM's Client Agreement as well as any other agreement entered into regarding a TPMM program, for specific contractual terms (including fees, billing methods, administrative and other fees, etc.).
- Any additional disclosure or offering documents provided by the TPMM in connection with investment products.

Financial Planning
(Agreements # 346 and 653 – program closed)

Financial planning typically involves providing a variety of services to individuals or entities regarding the management of their financial resources based upon an analysis of their individual needs. Generally, financial planning services involve preparing a financial program for a client based on the client's financial circumstances and objectives. The information provided as part of this service would normally cover present and anticipated assets and liabilities, including insurance, savings, investments, and anticipated retirement or other employee benefits.

The advice that is provided to you by your Advisor may include general recommendations for a course of activity, or specific actions, to be taken by you.

Traditional financial planning involves meeting with you to determine your financial goals and objectives. We then develop and deliver to you a written financial plan. At that point, our advisory relationship is typically concluded.

Initial Client Meeting
The purpose of this meeting is to discuss with you specific areas of concern and potential planning areas. During this meeting, your Advisor will work with you to determine whether or not a financial plan is appropriate for your specific circumstance.

As part of your initial meeting, or as a separate meeting, your Advisor will review all necessary documents for him/her to develop a financial plan for you. These documents may include, among other things, brokerage statements, income tax statements, a current will, other financial plans, business agreements, retirement information, etc.

Developing a Financial Plan
Based on the information that your Advisor gathers about your specific circumstance, a financial plan will be developed for you. Your Advisor may use various computer software tools to assist them in creating the financial plan. While our Advisors will not provide tax or legal advice, with written permission from you, they may speak with your attorney and/or tax professional.

Financial plans may consist of:

Financial Position – Financial position review encompasses a review of your current financial position, including a review of your current cash flow. This type of review typically involves reviewing your net worth, cash flow, budget, debt, and investment accounts.

Retirement Planning – Retirement planning typically consists of analyzing your current or expected future retirement needs. Based on your current level of retirement savings, additional retirement accounts (such as an IRA or Roth IRA) may be recommended, or additional contributions to your existing company retirement plan may be recommended.

If you have an account in a company retirement plan that falls under ERISA (such as a 401(k), defined benefit plan, etc.), your Advisor may provide education on your company retirement account but not specific investment advice. The education that they provide to you will be limited to:

- General principles for investing, overall asset allocation strategies, and general information about the options currently available in your plan.
- Your Advisor may consider the amount of assets you hold in your company retirement plan in order to determine and recommend an overall investment strategy for you.
- Your Advisor may not provide you with specific investment advice regarding investments held within your company retirement plan. This includes recommending that you invest a certain percentage into an investment option held within your company plan.

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Insurance Analysis – Insurance analysis typically consists of analyzing your current or expected insurance needs. Based on your specific circumstances, such as, number of dependents and the age of the members in your household, your Advisor may suggest the need to increase or decrease the amount of insurance you currently have. Certain states do not allow us to charge you a separate management fee to review your insurance needs.

Education Planning – Your Advisor may review your current or future needs as it relates to paying for education expenses for you or your dependents. This type of review typically analyzes the amount of money you are saving for education expenses.

Tax Efficient Investing Strategies – As part of the consulting services, your Advisor may not provide you with tax advice. However, your Advisor may assist you in designing an investment strategy to maximize the tax efficiency of your portfolio.

Advice Provided
The financial plan will provide you with recommendations and advice tailored to your specific financial goals, objectives, and situation. You are under no obligation to act on the advice that is given to you. If you choose to act on any of the advice given to you, you are under no obligation to open any accounts with us, and you may, in fact, open accounts with firms that are not affiliated with us.

Delivering the Plan
Your Advisor will deliver and explain the financial plan or a letter recapping the advice that is being provided to you.

Consulting Services
(Agreements # 152, 152A, 654, and 654A – program closed)

Consulting services, while similar to traditional financial planning, provide you with several distinct services. These include the ability for your Advisor to provide a broader range of financial advice and services, including the ability to provide specific security recommendations. The services are offered to you over a longer period of time (up to three years).

Consulting Services Term
Consulting services allow our Advisors to provide continuous advice to you for the duration of the consulting service contract. The contract is in effect for three years from the time you initially sign the contract. The contract may be terminated earlier at the request of you or us. If you wish to continue the consulting arrangement after the contract expires, you will need to execute a new contract with another three year term.

Initial Client Meeting
The purpose of this meeting is to discuss your current and future goals and objectives. During this meeting, your Advisor will explain the consulting process, set reasonable expectations with you, and discuss any initial concerns that you may have.

As part of your initial meeting, or as a separate meeting, your Advisor will review all necessary documents for him/her to develop a course of action for you. These documents may include, among others, brokerage statements, income tax statements, current will, other financial plans, businesses agreements, retirement information, etc.

Subsequent Review Meetings
Based on the services provided to you, your Advisor will schedule subsequent meetings to discuss the status of recommended actions. These meetings occur in a number of ways, including over the telephone, in person, or via email.

Advice Provided
The consulting services your Advisor provides will include recommendations and advice tailored to your specific financial goals, objectives and situation. You are under no obligation to act on the advice that is given to you. If you choose to act on any of the advice given to you, you are under no obligation to open any accounts with us, and you may, in fact, open accounts with firms that are not affiliated with us.

Fee Invoice
On a quarterly, semi-annual or annual basis, you will receive an invoice from your Advisor describing the services provided to you and the cost of the services or advice. Your consulting fee is paid for in arrears. This means that your fees pay for advisory services that you received in the prior quarter, six months or 12 months.

Consulting Agreement Program and Services
(Agreements # 669)

Initial Client Meeting
The purpose of this meeting is to discuss your current and future goals and objectives. During this meeting, your Advisor will explain the consulting and planning process, set reasonable expectations with you, and discuss any initial concerns that you may have.

As part of your initial meeting, or as a separate meeting, your Advisor will review pertinent documents for him/her to develop a course of action for you. These documents may include, among others, brokerage statements, income tax statements, current will, other financial plans, business agreements, retirement information, etc.

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Types of services (may include but are not limited to the following).
Asset Allocation – Providing guidance to asset class recommendations or product recommendations. If the Advisor provides investment advice to you in another advisory account, then the Advisor cannot charge any fee for the asset allocation services provided under the Fee for Service Consulting Program.

Business Planning – Providing business planning, such as cash flow analysis, sales forecasting, investment capital, retirement benefits, tax strategy, business goals and targets.

Cash Flow and Budgeting Analysis – A process of examining your cash inflow and outflow during a stated period, providing debt strategies, and providing budget and savings implementation strategies.

Charitable Giving Solutions – Providing recommendations for charitable gift giving that may result in income reduction, reduction of estate taxes or providing you with other tax breaks.

Education Planning – Providing advice on education planning, savings strategies, gifting and or budgeting strategies for your family's educational needs.

Estate and Multigenerational Planning – Providing education or assistance to clients with an estate attorney regarding general strategy and generational wealth transfer strategies.

Financial Position – Financial position review encompasses a review of your current financial position, including a review of your current cash flow. This type of review typically involves reviewing your net worth, cash flow, budget, debt, and investment accounts.

General Analysis and Planning – Financial analysis and planning advice for achieving a financial objective or task to meet your needs.

Insurance Analysis – Insurance analysis typically consists of analyzing your current or expected insurance needs. Based on your specific circumstances, such as, number of dependents and the age of the members in your household, your Advisor may suggest the need to increase or decrease the amount of insurance you currently have. Certain states do not allow us to charge a separate fee to review your insurance needs.

Retirement Planning and Analysis – Retirement planning typically consists of analyzing your current or expected future retirement needs. Based on your current level of retirement savings, additional retirement accounts (such as an IRA or Roth IRA) may be recommended, or additional contributions to your existing company retirement plan may be recommended.

If you have an account in a company retirement plan that falls under ERISA (such as a 401(k), defined benefit plan, etc.), your Advisor may provide education on your company retirement account but not specific investment advice. The education that they provide to you will be limited to:

- General principles for investing, overall asset allocation strategies, and general information about the options currently available in your plan.
- Your Advisor may consider the amount of assets you hold in your company retirement plan in order to determine and recommend an overall investment strategy for you.
- Your Advisor may not provide you with specific investment advice regarding investments held within your company retirement plan. This includes recommending that you invest a certain percentage into an investment option held within your company plan.

Tax Efficient Investing Strategies – As part of the consulting services, your Advisor may not provide you with tax advice. However, your Advisor may assist you in designing an investment strategy to maximize the tax efficiency of your portfolio, advice on tax gain-loss harvesting, timing of purchases and sells, education on how charitable donations may qualify for tax deduction and advice on the types of retirement plans that an individual may use to help reduce tax liability.

Wealth Accumulation and Preservation Strategies – Providing you analysis of your net worth and assets and providing advice towards long term sustainable wealth.

Term of Services
The term of the Fee for Service Consulting agreement is determined at the time you and your Advisor execute the agreement. You will have an option of 5 months for Limited Consulting Services (described below) or 1 year, 2 years, 3 years, or to maintain an ongoing agreement until canceled (Ongoing Consulting Services). You will also have the option to select Limited Consulting Services (which may include Financial Planning) or Ongoing Consulting Services.

Limited Consulting Services
Under the Limited Consulting services, you may receive any of the Types of Services referenced above, and these services will be provided to you within five months.

Ongoing Consulting Services
Under the Ongoing Consulting services, you may receive any of the Types of Services and the term will be specified in your client agreement. You will have the option of 1 year, 2 years, 3 years, or an ongoing arrangement that can continue until canceled by either party.

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Advice Provided
The consulting services your Advisor provides will include recommendations and advice tailored to your specific financial goals, objectives and situation. You are under no obligation to act on the advice that is given to you. If you choose to act on any of the advice given to you, you are under no obligation to open any accounts with us, and you may, in fact, open accounts with firms that are not related to us.

Fee Invoice
On a monthly, quarterly, semi-annual or annual basis (annual in arrears only), you will receive an invoice for the services provided to you and the cost will be detailed in the invoice. You will have the option to pay the fees by credit card, debit card, or ACH through a third-party vendor, or you may pay by check.

Plan Advice and Consulting Services
Retirement plans subject to the Employee Retirement Income Security Act of 1974 (ERISA) may retain an investment adviser representative of the Firm to provide advisory and consulting services to your retirement plan. In providing these services, Cetera Advisor Networks may act as a fiduciary, as defined under Section 3(21)(A)(ii) of ERISA, and will adhere to the provisions outlined by ERISA to provide the highest standard of care to qualified retirement plans.

Plan Advice and Consulting Program
Fiduciary advisory services available under the Plan Advice and Consulting Program include:

- Investment policies and objectives – Reviewing and assisting in establishing investment policies and objectives on behalf of the plan and its related trust, which may reasonably include restrictions on the plan's investments.
- Preparation of Investment Policy Statement (IPS) – In consultation with the plan sponsor concerning the investment policies and objectives for the plan, an investment adviser representative may assist the plan sponsor in developing an IPS that is consistent with the requirements of ERISA. Cetera Advisor Networks cannot guarantee that the plan's investments will achieve the objectives in the IPS.
- Investment recommendations – An investment adviser representative may recommend, for selection by the plan sponsor, core investments to be offered to plan participants consistent with the plan's IPS or other relevant guidelines and ERISA. The IAR may also recommend investment replacements if existing investments are no longer suitable.
- Investment manager recommendations – An investment adviser representative may recommend "investment managers" within the meaning of ERISA Section 3(38) on behalf of the plan, or designated investment managers to be offered as investment options for plan participants, as applicable. The investment adviser representative may also recommend replacement managers if existing managers are no longer suitable.
- Investment monitoring – An investment adviser representative may meet with the plan sponsor on a quarterly basis, or at such other times as the investment adviser representative and plan sponsor may mutually agree, to review the performance of the plan's investments or investment managers, as applicable, in accordance with the plan's IPS or other relevant guidelines and ERISA.
- Selection of a Qualified Default Investment Alternative – An investment adviser representative may recommend to the plan sponsor an investment fund product or model portfolio meeting the definition of a "Qualified Default Investment Alternative" (QDIA) in DOL Regulation §2550.404c-5(e)(3). If applicable, the guidelines for the QDIA shall be reflected in the IPS.

Non-fiduciary consulting services available under the Plan Advice and Consulting Program include:

- Charter for a fiduciary committee – In consultation with the plan sponsor, an investment adviser representative may assist in developing a charter for the plan sponsor's fiduciary investment committee for the plan and assist in the structure and composition of the committee.
- Education services to a fiduciary committee – An investment adviser representative may provide education for selected employees of the plan who are serving on the plan's fiduciary investment committee. Such education may include guidance concerning their fiduciary roles on the committee, including their investment-related duties under the plan, at times mutually agreeable to the parties.
- Performance reports – An investment adviser representative may prepare periodic performance reports for the plan's investments, comparing the performance thereof to benchmarks set forth in the IPS or other such benchmarks as specified in writing by the plan sponsor. The information used to generate the reports will be derived from statements provided by or through the plan sponsor. Investment adviser representatives do not make any investment recommendations, rate of investments or make buy, sell or hold recommendations as part of performance reporting.
- Fee monitoring – An investment adviser representative may assist the plan sponsor with respect to its duties to evaluate the reasonableness of the fees and expenses of the plan's investments or investment managers, as applicable, in accordance with the plan's IPS or other relevant guidelines and ERISA. Upon request, an investment adviser representative may also assist the plan sponsor with respect to its evaluation of the plan's fees and expenses for administrative services.
- Participant education services – An investment adviser representative of the firm may offer investment education to plan participants at scheduled meetings on an annual basis, or such other times as the investment adviser representatives and plan sponsor may mutually agree, in accordance with the Department of Labor's exclusions for investment education from its definition of a recommendation as set forth in 29 CFR Section 2510.3-21(b)(1) and (2). An investment adviser representative may provide non-fiduciary education concerning the availability of withdrawals and rollovers from the plan but will not discuss the advisability of withdrawals or rollovers at such meetings.
- Service provider recommendations – In the event the plan sponsor chooses to select a new recordkeeper or other administrative service provider to the plan, an investment adviser representative may recommend plan service providers for the plan sponsor's consideration. Such recommendations shall not include investment or allocation recommendations by the investment adviser representative. Upon request, an investment adviser representative will assist the plan sponsor in the preparation and evaluation of requests for proposals, finalist interviews and conversion support.

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In performing consulting services, your investment adviser representative and Cetera Advisor Networks are acting solely as an agent and at the plan's direction.

Services not offered as part of the Plan Advice and Consulting Program include:

- Custody and trade execution – Taking custody or possession of any plan assets, ensuring that contributions by the plan or from participants are deposited timely with the trustee or custodian for the plan, or executing orders for trades or securities transactions with respect to the plan's assets.
- Employer stock funds and brokerage windows – Providing advice regarding the prudence of plan investments in any employer stock, or providing guidance to participants concerning investments through any brokerage account window under the plan.
- Proxies – Rendering advice on, or taking action with respect to, the voting of proxies solicited on behalf of securities held in trust by the plan, or the exercise of similar shareholder rights regarding such securities.
- Discretionary plan administration – Interpreting the plan, determining eligibility under the plan, distributing plan assets to pay benefits or expenses, determining benefit claim, or making any other discretionary decisions with respect to the administration of the plan.
- Legal or tax advice – Reviewing or amending plan documents for compliance with changes in tax qualification requirements or providing legal or tax advice on matters relating to the plan, including advising on whether plan investments will result in unrelated business taxable income.
- Participant advice – Furnishing any fiduciary "investment advice" within the meaning of ERISA to participants relating to any participant-directed investments under the plan. Any personal investment-related services provided by Cetera Advisor Networks to individuals, including but not limited to individuals who are plan participants, will be unrelated to the services.
- Regulatory notices and reports – Distributing summary plan descriptions, elections, and any other notices required by law to participants, or filing any governmental reports for the plan or client.

Investment Fiduciary Manager Program
We offer investment fiduciary advisory services to participant directed employer-sponsored plans that are subject to Section 3(38) of ERISA (Plans) in a program entitled the Investment Fiduciary Manager Program (Program). CIM, an investment adviser that is a related entity of ours provides us with a recommended investment lineup for each platform of a recordkeeper that we make available in the Program. Each recordkeeper available in the Program is also a strategic partner (Retirement Partner) in our Retirement Strategic Partner Program (defined below). CIM creates and provides us with the investment lineups, which are composed primarily of Strategic Partner (defined below) Funds. The Strategic Partner funds included in the investment lineups offered at each of the recordkeeping platforms are excluded from the Strategic Partner compensation described in Item 14 below.

We determine whether to make available in the Program the investment lineups recommended by CIM. CIM does not act as an investment adviser to the Plan or any of its participants. One investment lineup will typically be provided per recordkeeper platform. Each Plan grants us the discretion to select the investment lineup at a particular recordkeeper for that Plan. Our ERISA Section 3(38) discretionary advice service is offered only at the Plan level and not at the individual participant or account level, as individual participants ultimately retain the responsibility of selecting their own investments from the designated investment lineup.

ITEM 5 – FEES AND COMPENSATION

The Firm and/or your Advisor are compensated in several ways. We want to ensure that you understand how we, as a Firm, and our Advisors are compensated, as well as the other costs associated with your account. Here are a few important facts about the fees and costs associated with your account:

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

Fees associated with the wrap programs sponsored by our firm and co-sponsored by related firms are described in the appropriate program's Appendix 1 wrap brochure as described in Item 4.

Advisory Fee Schedules

Preferred Fee Schedule	
Account Size	Maximum Annual Fee
First $0 – $250,000	2.50%
Next $250,001 – $500,000	2.25%
Next $500,001 – $1,000,000	1.75%
Next $1,000,001 – $2,500,000	1.50%
Next $2,500,001 – $5,000,000	1.25%
Next $5,000,001 – Over	1.00%

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You will also be responsible for any transaction costs associated with purchasing securities in a Preferred Account. Your executed advisory services agreement lists the transaction costs associated with your account. With the exception of ERISA accounts, we mark up the transaction costs that our clearing firm charges us, which is a source of additional revenue. The more transactions a client enters into, the more compensation the Firm receives. The Firms' transaction charges in non-ERISA accounts represents a conflict of interest due to the fact that we have a financial incentive to establish a Preferred Account because of the additional revenue we receive. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend that you open a Preferred Account.

In addition to the AUM fee, if you close a Preferred Account within the first year, you will pay a separate administrative fee of $200.

Preferred Asset Management and Prime Portfolio Services

Transaction costs are the costs associated with purchasing or selling securities. The Preferred and Prime Programs are materially the same with one important exception. In the Prime Program, your Advisor pays for any transaction costs associated with your account. In the Preferred Program, any transaction charges are paid by you. Because your Advisor pays for transaction costs in the Prime Account, the management fees that you pay may be higher.

Your Advisor has a conflict of interest in recommending that you open a Preferred or a Prime advisory account because in the Prime advisory program, he or she only pays for transaction costs, which vary depending on the type of security being purchased or sold. For example, if it is anticipated that you will trade more frequently, your Advisor would receive less investment advisory compensation. If you were to open a Prime advisory account because in that program, your Advisor pays the transaction costs. If it is anticipated that you will trade infrequently, your Advisor would receive less compensation from your Prime advisory account than if you were to open a Preferred advisory account because while you pay transaction costs in a Preferred advisory account, the maximum fee schedule for the Prime program is 0.25% higher than the maximum fee schedule for the Preferred Program. Additionally, in a Prime account, you should understand that the transaction costs present a conflict of interest to your Advisor when deciding which securities to select and how frequently to place transactions, as the Advisor has a financial incentive to recommend transactions in certain securities that carry transaction costs and to limit the overall number of transactions it recommends.

For both Preferred and Prime Programs, other brokerage account fees and expenses will be charged when applicable and are listed in the Firm's schedule available at www.ceteraadvisornetworks.com/feeschedule/, which is also available from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

Your executed advisory services agreement lists the transaction costs associated with your account. With the exception of ERISA accounts, we mark up the transaction costs that our clearing firm charges us, which is a source of additional compensation. The more transactions a client enters into, the more compensation the Firm receives. The Firms' transaction charges in non-ERISA accounts represents a conflict of interest due to the fact that we have a financial incentive to establish a Preferred Account because of the additional compensation we receive. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend that you open a Preferred Account.

Premier Portfolio Management

In the Premier Program, any transaction costs associated with your account are included or wrapped into your advisory fee. In addition to the transaction costs, IRA maintenance fees, trade confirmations fees, paper surcharge fees, SEC 31 fees, inactivity fees, dividend reinvestment fees, FundVest short-term redemptions fees, and real estate investment trust (REIT) holding fees are also covered by the advisory fees. Other brokerage account fees and expenses will be charged to your account when applicable and some of those additional fees are set forth in the Firm's schedule at www.ceteraadvisornetworks.com/feeschedule/, which is also available from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by Cetera and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

Managed Wealth ADVANTAGE®

In the MWA Program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged is available at www.ceteraadvisornetworks.com/feeschedule/ and can also be obtained from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. However, this compensation is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

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Mutual Fund/Exchange Traded Funds Advisory Program

In the MF/ETF Program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged is available at www.ceteraadvisornetworks.com/feeschedule/ or can be obtained from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

xMA® Program

In the xMA Program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged are available at www.ceteraadvisornetworks.com/feeschedule/ and is also available from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

Consolidated Billing
If you have multiple accounts, you may be able to consolidate account assets for fee billing purposes and performance reporting, while receiving a reduced management fee based on a tiered fee schedule of total advisory assets under management. This tiered fee schedule could have a mix, or "blend," of advisory fees that consist of lower calculated percentage rates for progressively higher investment amounts that exceed each threshold.

You may consolidate, or "household," these accounts (when multiple account holders reside in the same primary residence or household) if within the household there are multiple accounts for the same program with the same fee schedule. The default billing method is to debit advisory fees for each account respectively, although you may be offered the option to have a consolidated management fee deducted from one primary account, instead of having management fees deducted from each account, provided this primary account is not a retirement account and that the accounts have the same fee schedules and advisors. The primary account will have lower performance returns than it would otherwise have, and your other accounts will have higher returns than they would otherwise have. To determine whether or not this election to consolidate household accounts is appropriate, your advisor will review with you its applicableness to your particular situation, so that you may make an informed decision in whether to make this election.

Generally, householding your accounts will result in a financial benefit to you due to reduced overall management fees and should be considered where applicable.

Negotiable Fees
While we have a maximum fee that can be charged to manage your account, you and your Advisor may negotiate a lower fee. Because our fees are negotiated between you and your Advisor, individual clients may pay different fees for receiving the same or similar advisory services.

You Pay Your Advisory Fees in Advance
Unless specifically stated below, our AUM fees are assessed on a quarterly basis in advance. This means that you are charged for the following calendar quarter's advice and not for past advice. Fees are generally automatically deducted from your advisory account. You may also pay your advisory fees by check. If you terminate your account prior to the end of a quarter, we will refund any advisory fees owed to you on a prorated basis. The prorated fee is based on the number of days remaining in the quarter.

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

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

Additional Compensation
These programs may invest in companies, such as our Strategic Partners, that also provide us with additional revenue. Regardless of this additional compensation, these products do not cost you more by purchasing them from us versus another firm. Our Strategic Partner program and the revenue received are described in more detail further in this section.

All accounts may invest in mutual funds that make a distribution payment referred to as a 12b-1 fee. The clearing/custodial firm has been instructed to credit any 12b-1 fees received to the client's account. As a result, neither Cetera nor the Advisor shall receive 12b-1 fees from mutual funds purchased in the accounts.

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Fee Schedules May Change
In general, we may change our standard fee schedules at any time by providing you with 30 days advance notice.

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

Additional Fees and/or Expenses
Products such as certain mutual funds and variable annuities are required to be held by you for a period of time. If you sell a security prior to the required holding period, the issuer may assess a fee. These fees commonly referred to as contingent deferred sales charges (CDSCs) or surrender charges are described in detail within the product's prospectus. Please read the prospectus or statement of additional information carefully so that you fully understand any fees you may incur when selling a security.

In addition to your advisory fee, your accounts may include additional costs. As discussed in Item 4, these costs may include, but are not limited to, account maintenance fees, transaction costs, wire transfer fees, costs associated with exchanging currencies, and return check fees. These other brokerage account fees and expenses defray our costs associated with such services and include a profit to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining your account. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

For a description of transaction and other brokerage related costs charged to your account, see the information specific to your account in Item 4, see a further description of brokerage practices in Item 12, and client referrals and other compensation in Item 14.

Additions and Withdrawals
You may make additions to or withdrawals from an account in any of the Firm's sponsored programs at any time, subject to the Firm's right to terminate the account if it falls below the minimum account value as determined by the Firm from time to time or as otherwise provided in your advisory agreement. Additions may be in cash or securities, provided that the Firm reserves the right to decline to accept particular securities into the account or to impose a waiting period before certain securities may be deposited.

If cash or securities are accepted for management in your account during the quarter, a prorated asset-based fee based on the value of the assets may be charged upon deposit. You may request periodic withdrawals; and alternatively, may withdraw account assets subject to the usual and customary securities settlement procedures. You must acknowledge that your account is responsible for any charges, including contingent deferred sales charges, surrender charges, or redemption fees, that apply to redemptions or liquidations of securities held in the account. No asset-based fee adjustment will be made during any quarter for appreciation or depreciation in account asset value during that period, nor shall any adjustment or refund be made with respect to partial additions or withdrawals, which when aggregated, total less than $10,000 per day.

Financial Planning Fees

Because financial planning can range in complexity, we do not have a fee schedule for financial planning services. During your initial or subsequent meetings with your Advisor, you will discuss an appropriate fee for the services provided to you. Some of the factors used to determine the appropriate fee are the time needed to create a customized plan as well as the complexity of the plan. Your Advisor will charge you either a flat fee or an hourly fee for financial planning work done on your behalf. A flat fee is a specific dollar amount that you will pay for financial planning services. An hourly fee is a fee that is based on an hourly rate (as negotiated between you and your Advisor) multiplied by the number of hours that your Advisor needs to create your plan.

The fee will be collected by your Advisor either at the time that the financial planning contract is signed or when he or she delivers the final plan to you. In either case, all checks should be made payable to the Firm and not your Advisor. You pay your financial planning fee when you sign the financial planning agreement either 100 percent of the total fee up-front, or half of the fee at the time the financial planning agreement is signed, and then pay the remaining half of the total fee when your financial plan is provided to you by your Advisor.

We do not take prepayment of more than $1,200 in fees, six months or more in advance.

Consulting Service Fees

As with financial planning, we do not have a standard fee schedule for consulting services. During your initial or subsequent meetings with your Advisor, you will discuss an appropriate fee for the service. Some of the factors used to determine the appropriate fee are the time needed to review your situation as well as the complexity of your situation. Your fee will be either a flat amount or based on an hourly rate. A flat fee is a specific dollar amount that you will pay for consulting services. An hourly fee is a fee that is based on an hourly rate (as negotiated between you and your Advisor) multiplied by the number of hours that your Advisor needs to spend on your situation.

We do not take prepayment of more than $1,200 in fees, six months or more in advance.

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Plan Participant Advice Program Fees

Advisors charge either an hourly rate payable quarterly in arrears; annual flat dollar fee payable quarterly in arrears; or an annual asset-based fee payable quarterly in arrears.

You may elect an asset-based fee according to the following tiered schedule.

Plan Participant Advice Program Service Fees	
Plan Account Assets	Maximum Annual Fee
First $0 – $250,000	2.25%
Next $250,001 – $500,000	2.00%
Next $500,001 – Over	1.50%

This means that your fees pay for advisory services that you received in the prior quarter. The method for remitting payment may include:

- Invoice
- ACH debit payment
- Journal from another account

The consulting fee may be paid for you by check, or in limited circumstances, by deducting the fee from your bank account by completing an ACH Request form. In either case, the fee should be made payable to the Firm and not your Advisor.

Plan Advice and Consulting Program Fees

We do not have a standard fee schedule for the Plan Advice and Consulting Program. However, the maximum annual fee that may be charged for asset-based fees is 1.5%. In meetings with your Advisor, an appropriate fee for the advisory and/or consulting services to be provided to the Plan will be discussed. Some of the factors used to determine the appropriate fee are the nature of the services being provided, the time related to providing such services, and the complexity of the Plan. Your fee may be either a one-time project fee; an hourly rate fee payable quarterly in arrears; an annual flat fee payable in equal quarterly payments; an annual asset-based fee payable on a quarterly basis; or an annual asset-based tiered schedule fee payable on a quarterly basis. A flat fee is a specific dollar amount that you will pay for services. Tiered fees refer to fee schedules where, as the value of Plan assets reaches a new threshold, the assets above that threshold are charged successively lower percentages.

Fees are paid for in arrears. This means that a Plan's fees pay for services that the Plan received in the Plan Advice and Consulting Program in the prior quarter. Fees may be paid directly from Plan assets or by the client remitting a check from company assets. If fees will be paid from Plan assets, the Plan authorizes the Plan Custodian to calculate the fee appropriate under the executed Agreement and debit the fee from Plan assets and forward the fees to the Firm for payment to the Advisor. It is the Plan's responsibility to verify the accuracy of fee calculations maybe by the Plan Custodian. The value of Plan assets for fee calculations purposes will be reported by the Plan Custodian. The option to pay by check is available with the Plan selects to pay an annual flat fee, hourly rate or one-time project fee.

Program Choice Conflict of Interest

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

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

We do not participate in any programs that charge performance-based fees.

ITEM 7 – TYPES OF CLIENTS

The Firm generally provides advisory services to individuals, tax-qualified retirement plans, and other institutions.

Our advisory accounts all require a minimum opening deposit. Depending on the specific program, the opening deposit may vary between $25,000 and $250,000. The minimum account opening balance required for each program is described in more detail in Item 4 of this brochure.

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

Method of Analysis

Our Advisors may use various methods to determine an appropriate investment strategy for your portfolio. During your initial and subsequent meetings with your Advisor, they will discuss the methods they used. The analysis performed may include the following:

Technical Analysis
This type of analysis utilizes statistics to determine trends in security prices. Technical analysis tends to focus on factors such as trading volume, demand, and security price fluctuations. This type of analysis is also commonly referred to as chart analysis due to the fact that this analysis tends to review various historical charts and graphs.

Fundamental Analysis
This type of analysis concentrates on earnings, a company's financial statements, and the quality of a company's management. These quantitative factors are then used to attempt to determine the financial strength of a company.

Asset Allocation
Asset allocation investment strategies attempt to optimize the risk and reward of your portfolio by investing among several asset classes.

Timing Service
While not a standard analysis method used by our Advisors, some Advisors may offer advisory services that attempt to time security performance. This essentially means they try to purchase or sell immediately preceding an increase or decrease in the security's price. This type of investing can substantially increase the amount of your brokerage transaction costs due to the frequency that transactions are occurring. Also, many mutual funds or variable annuities specifically prohibit excessive buying and selling within their fund in a short period of time. We monitor our accounts for excessive trading activity to ensure that you are aware of and comfortable with the level of trading as well as to ensure that the investments are appropriate for you.

Third-Party Money Manager Programs (TPMM)
Clients should review Form ADV 2A of the investment advisers who provide TPMM programs for information on the investment strategies used.

Types of Investments and Associated Risks

Most of the advisory services we provide involve the purchase or sale of securities. All investing involves some level of risk. In many cases, the risks include the potential to lose your entire principal value. All securities sold have disclosure documents that discuss these risks. This disclosure document is commonly referred to as a prospectus, but may be called something else depending on the type of security you have purchased. In any case, it is extremely important that you read these documents in their entirety. If you have any additional questions regarding your investments, please speak with your Advisor immediately.

Described below are some risks associated with investing and with some types of investments that are available through our advisory programs:

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

Market Risk
This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Cybersecurity Risk
The Firm relies on the use and operation of different computer hardware, software and online systems and to varying degrees by investment program. The following risks are inherent to all such programs and are enhanced for online systems: unauthorized access to or corruption, deletion, theft or misuse of confidential data relating to the Firm and its clients; and compromises or failures of systems, networks, devices or applications used by the Firm or its vendors to support the Firm's operations.

Vendor Risk
The Firm relies on third-party vendors to support certain functions. By relying on a vendor, the Firm reduces its level of control over services rendered. If a vendor fails to perform its obligations in a timely manner or at satisfactory quality levels, the Firm will be unable to provide investment advice in a manner consistent with its disclosures to clients.

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Equity Securities
In general, prices of equity securities are more volatile than those of fixed income securities. The prices of equity securities will rise and fall in response to a number of different factors, including events that affect particular issuers as well as events that affect entire financial markets or industries.

Interest Rate Risk
This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

Credit Risk
This is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

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

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

Exchange-Traded Funds
ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.

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

Alternative Investments
Alternative Investments (as defined in Item 14) are subject to various risks such as limitations on liquidity, pricing mechanisms, and specific risk factors associated with the particular product, which for products associated with real estate, would include, but not be limited to, and property devaluation based on adverse economic and real estate market conditions. Alternative Investments may not be suitable for all investors. A prospectus that discloses all risks, fees and expenses, and risk factors associated with a particular Alternative Investment may be obtained from your Advisor. Read the applicable prospectus(es) or offering document(s) carefully before investing.

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

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ITEM 9 – DISCIPLINARY INFORMATION

On November 23, 2010, the Firm, without admitting or denying the findings, entered into a settlement with the State of Missouri, which alleged that in August and November of 2010, two representatives of the Firm contacted persons within the securities division and offered to sell them securities. The securities division also alleged that neither representative was registered or granted an exemption from registration to transact business as agents in Missouri. As a result of these solicitations, the securities division alleged that the Firm employed unregistered agents who transacted business in Missouri. The Firm's registration was censured. The Firm was also fined $40,000 (of which $20,000 was suspended in recognition of the Firm's cooperation in Missouri's investigation). Further, the Firm was ordered to pay $40,000 (of which $20,000 was suspended in recognition of the Firm's cooperation in Missouri's investigation) to the Missouri Secretary of State's Investor Education and Protection Fund. The Firm also paid $2,260 as the cost of Missouri's investigation.

On December 3, 2012, the Firm, without admitting or denying the findings, executed an Acceptance, Waiver and Consent in which FINRA found that, for over two and half years, the Firm failed to promptly advise FINRA of changes to the information regarding the Firm's branch offices by failing to promptly file amendments to its Form BR (or Uniform Branch Office Registration Form) filings. During the same period, FINRA found that the Firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to FINRA By-laws Article IV, Section 8, FINRA 2010, and NASD Rules 3010(A) and 3010(B) because the Firm did not have a system in place to periodically review the Form BR filings to ensure that the Firm promptly and timely advised FINRA regarding changes to the information for each registered branch office. The Firm was censured, fined $40,000, and required to review its written supervisory procedures with respect to Form BR and determine whether any changes are necessary. Also, the Firm was required to review not less 25% of Forms BR on file with FINRA to determine their accuracy and report to FINRA of the results of its review.

On October 19, 2015, the Firm, without admitting or denying the findings, executed an Acceptance, Waiver and Consent in which FINRA found that, from May 1, 2009 to April 30, 2014, the Firm failed to apply sales charge discounts to certain customers' eligible purchases of unit investment trusts (UITs) in violation of FINRA Rule 2010. In addition, FINRA found that the Firm failed to establish, maintain and enforce a supervisory system and written supervisory procedures reasonably designed to ensure that customers received sales charge discounts on all eligible UIT purchases in violation of NASD Conduct Rule 3010 and FINRA Rule 2010. The Firm was censured, fined $150,000 and required to provide restitution to affected customers in the total amount of $151,108.33.

On April 24, 2017, the Firm, without admitting or denying the findings, executed an Acceptance, Waiver and Consent in which FINRA found that, between July 1, 2009 and January 1, 2017, the Firm failed to identify and apply available sales charge waivers to purchases of certain mutual fund shares by retirement plan and charitable organization customers that were eligible to purchase Class A shares without a front-end sales charge. FINRA found that these eligible customers were instead sold Class A shares with a front-end sales charge or Class B or C shares with back-end sales charges and higher ongoing fees and expenses. In addition, FINRA found that, during this period, the Firm failed to establish and maintain a supervisory system and procedures reasonably designed to ensure that these eligible customers received the benefit of applicable sales charge waivers in violation of NASD Conduct Rule 3010, FINRA Rule 3110, and FINRA Rule 2010. In making this finding, FINRA found that the Firm relied on its financial advisors to determine the applicability of sales charge waivers but failed to maintain adequate written policies or procedures to assist financial advisors in making this determination. The Firm consented to a censure and agreed to pay restitution to affected customers in the total amount of $1,911,080.

On December 5, 2018, Cetera Advisor Networks, without admitting or denying the findings, the firm consented to the sanctions and to the entry of findings that it failed to reasonably respond to red flags of a registered representative's misconduct and failed to establish a reasonable supervisory system in connection with mutual fund switching and stock trading. The findings stated that even though designated supervisors detected and passed on their findings of potentially unsuitable trading via annual audit reports to the firm's home office, the firm did not review the red flags and failed to take disciplinary action against a registered representative. Although the firm tasked the registered representative's designated supervisors with conducting audits that detected the unsuitable trading they were not empowered to fire or take other significant disciplinary action on their own. As a result, given the design of the system, no one at the firm addressed the misconduct raised in those reports. The firm also failed to have a reasonable system overseeing the registered representative's designated supervisors that provided back office and compliance support to the firm's registered representatives. In particular, the firm permitted a non-supervisor employed by an outside company to exercise control over the designated supervisors with respect to supervisory matters. The firm was censured, fined $700,000, ordered to pay $691,755.27, Plus interest, in restitution to customers, undertakes to submit satisfactory proof of payment of restitution, or of reasonable and documented efforts, to FINRA no later than 120 days after acceptance of the Acceptance Waver and Consent (AWC) and shall certify that it has established and implemented policies, procedures, and internal controls reasonably designed to address and remediate the issues identified in the AWC.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Corporate Structure

Cetera Advisor Networks is part of Cetera Financial Group, Inc., a network of independent broker-dealers and investment advisers. We are registered as an investment adviser with the SEC. We are also a broker-dealer with the SEC, FINRA, and with all 50 states, the District of Columbia and Puerto Rico. We are also an investment adviser registered with the SEC. Some of our affiliated companies are also general insurance agencies.

The Firm is part of Cetera Financial Group, Inc., which is wholly-owned by Aretec. Aretec is a wholly-owned subsidiary of GC Two Intermediate Holdings, Inc., and an indirect wholly-owned subsidiary of GC Two Holdings, Inc. Cetera Financial Group, Inc. has a network of independent broker-dealers, investment advisers registered with the SEC, and general insurance agencies.

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Affiliated Products
If assets in a Firm-Sponsored program are invested in shares of one or more mutual funds or variable contract products or similar pooled products (Affiliated Products) for which an affiliate of the Firm serves as investment adviser or other service provider (Affiliated Service Provider), then the Affiliated Service Provider will generally receive a management fee from the Affiliated Product as set forth in the Affiliated Product's prospectus or other offering documents, and it or its affiliates may receive other compensation in connection with the operation and/or sale of the Affiliated Product, to the extent permitted by applicable law. Assets invested in Affiliated Products may be included in the advisory fee assessed by the Firm. If an Affiliated Product is used in a Firm-Sponsored program, and the assets invested in the Affiliated Product are subject to Title I of ERISA or is an IRA, the Firm will waive the advisory fees for the assets invested in the Affiliated Product.

A conflict of interest exists in that the Firm and its Affiliated Service Provider is paid more compensation if you invest in an Affiliated Product instead of a non-Affiliated Product. To mitigate this conflict of interest, we routinely review our client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives.

Broker-Dealer Affiliation
Most of our Advisors are also registered with us or a related broker-dealer as a registered representative, which allows them to perform brokerage services for you by executing specific security transactions. Our Advisors may also be licensed insurance agents appointed with various insurance companies. In their capacity as registered representatives and/or licensed insurance agents, they may offer securities and insurance products and receive commissions as a result of such transactions, which presents a conflict of interest because the Advisor has an interest in making commissions.

The Advisor has an incentive to advise you to purchase such products and the purchase may not be in your best interest and may not be suitable for your account. To mitigate this conflict of interest, we routinely review our client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives.

Due to the fact that your Advisor has the ability to offer advisory and brokerage services, your Advisor is conflicted as to the investment options they recommend. In a brokerage account, your Advisor is paid on a transactional basis. In an advisory account, your Advisor is compensated based on an advisory fee that may be flat, fixed, or a percentage of the assets under management. Your investment needs should influence your decision whether to open an advisory or a brokerage account. An advisory account is likely more suitable if you are looking for a long-term investment strategy, quarterly performance reporting, and an ongoing relationship with your Advisor.

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

Other Affiliations
We have an agreement with Advisors Asset Management, Inc., our trade execution affiliate, whereby we receive a payment based on the number of fixed income trades placed through them. These payments present a conflict of interest as the Firm receives a financial benefit to have fixed income trades placed with Advisors Asset Management, Inc. This compensation is retained by the Firm and is not shared with your Advisor, so it does not cause your Advisor to have a financial incentive to have fixed income trades placed with Advisors Asset Management, Inc.

Our Advisors may operate their own independent companies outside of the Firm. These unaffiliated companies include other investment advisory firms, accounting/tax practices, insurance services and legal and compliance services, among others.

We may also enter into certain arrangements to offer brokerage and advisory services to the clients of independent unaffiliated financial institutions (credit unions, credit union service organizations, banks and savings and loan institutions). A substantial portion of the client advisory fee will be paid by us to the financial institution pursuant to a fee sharing arrangement as long as the client agreement is in effect. Certain financial institutions provide financial incentives to the Advisor to recommend services and products that earn advisory fees over services that earn brokerage commissions, which creates a conflict of interest. To mitigate this conflict of interest, we routinely monitor our advisory programs and client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives and maintain policies, such as minimum account openings, to ensure the account is appropriate for the applicable advisory program or service. Please contact your Advisor if you would like to receive additional information regarding whether your Advisor's financial institution provides the type of financial incentive referenced above.

ITEM 11 – CODE OF ETHICS

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

To help us avoid potential conflicts we have developed a Code of Ethics designed to protect our professional reputation and comply with federal or other applicable securities laws. This Code of Ethics sets forth guidelines and restrictions for personal securities trading, including an absolute prohibition of trading on the basis of "inside" (i.e., material, non-public) information. Adherence to our code of ethics is a condition of employment or affiliation with the Firm. Our Code of Ethics is summarized as follows:

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

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

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

You may request our Code of Ethics at any time by contacting your Advisor.

ITEM 12 – BROKERAGE PRACTICES

Selection of Brokers

Cetera Advisor Networks is also a broker-dealer that provides brokerage services for the advisory accounts in the Firm-Sponsored programs. During the account opening process, you authorize Cetera Advisor Networks to open a custodial account with Pershing, a subsidiary of The Bank of New York Mellon Corporation, One Pershing Plaza, 4th Flr., Jersey City, NJ 07399, and to transfer your account to such other clearing firm as Cetera Advisor Networks may determine, including a clearing broker affiliated with the Firm and Cetera Advisor Networks.

We have negotiated competitive pricing and services with Pershing for the benefit of our clients. Pershing offers their broker-dealer clients substantial financial strength and stability, economies of scale, and reliable, state-of-the-art technology.

We do not receive research or other products or services other than execution from Pershing in connection with client securities transactions (soft dollar benefits). We do not consider, in selecting or recommending broker-dealers, whether we or a related person receives client referrals from a broker-dealer or third party.
In addition, you do not generally have the option to direct securities brokerage transactions to other broker-dealers or other account custodians. If, however, you should request, and we approve, the use of a broker-dealer other than Pershing for securities transaction execution, you should be aware that we will generally be unable to negotiate commissions or other fees and charges for the your account, and we would not be able to combine your transactions with those of other clients purchasing or selling the same securities in a block trade. As a result of your directing trades to a broker-dealer, we would be unable to ensure that your trades receive "best execution". By directing brokerage to a broker, we may be unable to achieve the most favorable execution of your transactions and you may pay more in transaction charges than if you executed trades through Pershing or another broker-dealer. Therefore, directed brokerage may cost you more money. For more information about the brokerage practices of a third-party money manager program, you should refer to the disclosure brochure for the applicable third-party money manager program.

Although the Firm is able to negotiate competitive pricing from Pershing that it believes is beneficial to its clients, the Firm's clearing relationship with Pershing provides the Firm with certain economic benefits by using itself as the broker-dealer for its advisory program accounts rather than an unaffiliated broker-dealer. For example, as described in Items 4 and 5, the Firm adds a markup to the transaction costs in Preferred Program accounts and marks up certain other brokerage-related account charges and fees that are assessed to all client advisory accounts at Pershing. The charges and fees that are marked up include, but are not limited to, paper delivery surcharge fees for client statements and confirmations, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, inactive account fees, wire fees, legal transfers fees, bond redemption fees, termination fees, and IRA annual custodial maintenance fees.

Most of our Advisors are also registered with our broker-dealer as a registered representative, which allows them to perform brokerage services for you by executing specific security transactions. See the section titled "Broker-Dealer Affiliation" in Item 11 for further discussion of the conflict this presents.

Pershing Relationship
Pershing is the clearing firm for our brokerage business. Due to this business relationship, Pershing shares with us a portion of the transaction costs and fees you pay to Pershing for certain transactions and services as described in Item 4. As described in Item 4, this compensation we receive in connection with certain transactions and services is an additional source of revenue to the Firm and defrays our costs associated with maintaining and servicing client accounts and includes compensation to the Firm and defrays our costs associated with maintaining and servicing client accounts and includes compensation to the Firm, and presents a conflict of interest because the Firm and your Advisor have a greater incentive to make available, recommend, or make investment decisions regarding investments and services that provide additional compensation to the Firm and your Advisor over those investments and services that do not.

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Pershing also pays us, on a quarterly basis, a fixed amount in the form of a Business and Marketing Enhancement Incentive Credit in support of our ongoing investment in various business, marketing and technology initiatives relating to the brokerage services we offer on our platform.

Pershing also provides consulting and other assistance to us. We also participate in other revenue Pershing is paid on the assets held in your account. Your advisory fee is not reduced or offset as a result of any revenue that Pershing shares with us. The following is a brief description of some of the revenue items received from Pershing.

Pershing receives revenue from money market funds that the Firm makes available as a cash sweep option, and for nonretirement accounts that choose to invest cash in such a money market fund Pershing shares some of that revenue with us as described in Item 14 at Cash Sweep Program.

Pershing, to help defray costs associated in transferring certain client accounts onto the Firm's platform custodied at Pershing, reimburses the Firm a portion of the termination and transfer fees incurred by a client account that qualifies for such assistance. The Firm credits such reimbursements to the applicable Client's account. In addition, Pershing may, from time to time, waive or discount certain customary fees and expenses in an effort to help attract client accounts and assets.

Additionally, we receive the short term redemption fees that Pershing charges you for certain FundVest mutual fund shares that are redeemed within six calendar months. This compensation is a source of revenue to the Firm and presents a conflict of interest whenever Advisor recommends that you redeem a FundVest mutual fund within six calendar months because the Firm receives a financial benefit from such transaction. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain FundVest mutual funds be redeemed within six calendar months over other investments.

Pershing also pays us a fixed amount of the service fees it receives from certain fund companies that do not participate in Pershing's FundVest program. These payments are in exchange for certain services the Firm provides to Pershing and to clients that hold positions in such mutual fund companies. This additional compensation presents a conflict of interest because the Firm receives a financial benefit from mutual fund companies that pay this fee as opposed to those that do not. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain mutual funds over other investments.

Agency Cross or Principal Trades
An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlling, controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Principal transactions arise when the Firm acts as an investment adviser and broker in a transaction between an advisory client on one side of a transaction and the Firm (including accounts of Firm representatives) on the other side of the transaction. This includes buying securities from or selling any security to an advisory client from the Firm's own account. The Firm permits agency cross or principal trades in exceptional circumstances with approval from an Advisor's supervisor and the Firm's compliance department. If an exception is approved, the Firm will receive consent from the client prior to executing the transaction and the agency cross and/or principal transactions will be consistent with SEC guidelines. The Firm monitors trading for potential agency and principal trades and reviews every permitted agency cross and principal transaction for suitability. Some of the items that the Firm reviews include, but are not limited to, security pricing and trade volume in order to determine if an agency cross or principal transaction is in the client's best interest. No commission is received for the execution of agency cross or principal transactions.

It is important to note that if you have a retail brokerage account in addition to your advisory account, agency cross transactions executed as a buy and sell between retail brokerage accounts under the control of the same Advisor are permitted without prior approval. Such a transaction will not result in a sales credit or commission payable to the Advisor for the transactions.

Block Trading
Block Trading refers to the aggregation of multiple orders from different clients, for the same securities for submission as a single order for execution. When the purchase or sale of a particular security is appropriate for more than one client account, trades for advisory clients may be aggregated. This is done principally to ensure that clients are treated fairly and that one client is not advantaged at the expense of another client. Trades with advisory clients may be aggregated with those of other clients of your Advisor, the personal trades of supervised persons and trades in proprietary accounts.

Aggregate orders may be filled through multiple executions at different prices during the course of a trading day. If your order is aggregated with other orders, you will receive an average price. Aggregate orders will not reduce your transaction costs.

When an aggregated order is not fully filled (i.e., when an aggregated order is only partially filled), the Firm's trading system will allocate to each account participating in the order the pro-rata amount of shares to each account in accordance with the account's proportion of the overall order.

Block trading in an adviser-directed advisory account is only available if the account is being managed on a discretionary basis, the account is held with Pershing LLC, and the aggregated trades are submitted through SmartWorks Adviser. For accounts where Folio is the overlay manager, Folio will generally block trades when a transaction is appropriate for several client accounts. For accounts managed by your Advisor (Advisor-managed accounts), your Advisor may aggregate all, none or some of his or her client trades in the Preferred, Prime and Premier programs based on, among other things, a client's investment guidelines and restrictions (including those on the use of discretion by the Advisor), the type of securities and the size of the order.

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It is the Firm's policy that the order allocation between participating clients may not be changed after the order has been executed.

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

Clients that are not included in block trading of other client accounts may receive a higher or lower price than clients that have been included in a block trading order. In order to ensure that no client or group of clients is favored over another, the Firm monitors the block trading activity with respect to clients that are not included in block trades with other clients of an Advisor.

Trading Errors
Occasionally, a trading error may occur where either we, or our Advisors, are at fault. If this occurs in your account, the error will be corrected and your account will be restored to where it would have been had the error never occurred. However, in the process of restoring your account, we may realize a profit or suffer a loss in connection with correcting this error. Neither losses nor gains realized by us will be passed on to you.

Best Execution
The Firm is obligated to ensure orders are being sent to the markets in an efficient manner and to execute any transactions in the manner it believes is in the client's best interest. The Firm's primary consideration with regard to purchases and sales for its clients is obtaining the most favorable execution of the transactions needed to implement client's investment strategy. The determinative factor is whether the transaction represents the best qualitative execution for the client account and not whether the lowest possible price is obtained. The Firm reviews reports that help analyze the quality of the executions of the orders that are sent to the market. Most of our Advisors are also registered with our broker-dealer as a registered representative, which allows them to perform brokerage services for you by executing specific security transactions through Pershing. An Advisor can, upon recommending a transaction, direct the affiliated broker-dealer to execute the order in the market. In these situations, a client may be unable to achieve the most favorable execution of a transaction and it may cost the client more money than if the client were able to execute transactions through another broker-dealer.

The Firm periodically and systematically reviews its executing broker-dealer's execution quality and the Firm' processes to ensure that it continues to meet its best execution obligations for its clients. A number of judgmental factors are utilized by the Firm in analyzing overall trade execution quality. Such factors include, but are not necessarily limited to:

- The nature of the securities being purchased or sold;
- Access to market participants, which may be limited due to thin or no trading activity for a particular security;
- The size of the transaction;
- The speed of the execution;
- The size of the spread;
- The ability to obtain price improvement;
- The desired timing of the transaction;
- The activity existing and anticipated in the market for the particular security;
- The executing broker-dealer's execution, clearance, and settlement capabilities;
- The executing broker-dealer's overall trade execution quality as compared with other leading executing broker-dealers; and
- The efficiency and reliability of the executing broker-dealer's systems and technologies.

ITEM 13 – REVIEW OF ACCOUNTS

We review your account in several ways. Our account reviews include:

Annual Client Contact – On at least an annual basis, your Advisor will contact you to arrange a review of your advisory accounts with you. In general, this review includes any Firm-Sponsored programs and certain third-party money manager programs.

Supervision – Your Advisor's designated supervisor periodically reviews client accounts of any Advisor who he or she supervises. If this review raises any issues associated with your account, they will investigate the issue to determine if any further action is needed or warranted.

Home Office Oversight – Cetera Advisor Networks utilizes a series of surveillance, exception, trade, and other transaction reports that are designed to help facilitate the ongoing review of Cetera Advisor Networks managed accounts.

Quarterly Performance Reports – We may send you a written quarterly performance report, which among other things, lists your account holdings.

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ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

We have individuals who are not affiliated with us introduce prospective clients to us. The individuals (called Solicitors) are paid a fee that is based on the advisory fee that you pay. If you are introduced to us through a Solicitor, we will provide you with a separate written disclosure statement indicating that a referral fee is being paid to an individual who is unaffiliated with our Firm. Please refer to Item 5 of this brochure for additional information on our sources of revenue.

Our Advisors may receive compensation from Third-Party Money Managers (TPMMs) that creates a conflict of interest. This compensation may include training, educational meetings, training events, industry conferences and entertainment for our Advisors and/or clients, as permitted by industry rules. The conflict of interest exists in that this compensation may provide your Advisor with an incentive to recommend one TPMM versus another TPMM. However, clients do not pay more to purchase TPMM products through us than clients would pay to purchase the same TPMM products.

In addition to advisory fees, your Advisor may earn sales incentives or awards based on the value of assets under management, investment products sold, number of sales, client referrals, amount of new deposits or amount of new accounts. Your Advisor may also receive forgivable loans from Cetera, which are conditioned on your advisor retaining Cetera's broker-dealer and/or registered investment advisor services. This additional economic benefit creates a conflict of interest for your Advisor to retain affiliation with Cetera in order to avoid re-payment on a loan.

The Firm offers its IARs a financial benefit (an "Enhanced Payout") based on an IAR's assets under management in the advisory programs that comprise the My Advice Architect Platform (MAA Platform). Your IAR is eligible to receive an Enhanced Payout on advisory assets in the MAA Platform that exceed certain fixed levels. Whenever compensation changes based on an IAR's level of assets under management, the IAR has a financial incentive to meet those asset levels. The Enhanced Payouts provide an incentive for your IAR to select the Firm for your accounts because compensation the Firm pays to the IAR may be more than that of another firm. The Enhanced Payouts also provide an incentive for the IAR to select the MAA Platform over other advisory programs at the Firm and to place more assets in the MAA Platform.

Although the Firm is able to negotiate competitive pricing from Pershing that it believes is beneficial to its clients, the Firm's clearing relationship with Pershing provides the Firm with certain economic benefits by using itself as the broker-dealer for its advisory program accounts rather than an unaffiliated broker-dealer. For example, as described in Items 4 and 5, the Firm adds a markup to the transaction costs in Preferred Program accounts and marks up certain other brokerage-related account charges and fees that are assessed to all client advisory accounts at Pershing. The charges and fees that are marked up include, but are not limited to, paper delivery surcharge fees for client statements and confirmations, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, inactive account fees, wire fees, legal transfers fees, bond redemption fees, termination fees, and IRA annual custodial maintenance fees.

Cetera Advisor Networks maintains a Code of Ethics requiring your Advisor to always act in your best interest, and maintains a supervisory structure to monitor the advisory activities of your Advisor in order to reduce potential conflicts of interest.

Cash Sweep Program

The Firm also maintains two bank deposit sweep programs that create financial benefits for the Firm as described below. The Firm also receives additional compensation from Pershing for non-retirement account assets that are swept into a money market fund sweep option as described below. The additional compensation received by the Firm creates a conflict of interest with the Firm' clients.

FDIC Insured Bank Deposit Sweep Account. The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. Under two Cetera programs, the FlexInsured Account Program and the Insured Deposit Sweep Account Program (FDIC-Insured Programs), the Firm enables clients' available cash balances awaiting investment or reinvestment in eligible accounts, including cash balances derived from the sale of securities, dividend payments, interest credited from bonds, and cash deposits, to be automatically deposited (swept) into interest bearing deposit accounts offered through one or more participating program banks (Program Banks). Deposits at an individual Program Bank are covered by FDIC insurance up to a maximum of $250,000 and an aggregate total across all Program Banks of up to $2,500,000. For purposes of calculating the available FDIC coverage at each Program Bank, cash deposited at a Program Bank is aggregated with all other deposits held by you outside of the FDIC-Insured Programs in the same insurable capacity at that Program Bank. It is your responsibility to monitor any deposits that you have at each Program Bank including deposits outside of the FDIC-Insured Programs so that you do not exceed the applicable limits on FDIC insurance coverage as described above. Funds deposited through the FDIC-Insured Programs are not eligible for SIPC protection.

FlexInsured Account Program. The FlexInsured Account is the default sweep vehicle for non-retirement advisory accounts. For its role in offering the FlexInsured Account Program, the Firm earns additional compensation in the form of a payment of a portion of the earned interest received from a Program Bank (payment) which is based on the amount of money on deposit by all FlexInsured Account Program participants and the applicable interest rate paid at that time by that Program Bank. The amount of a payment to the Firm will vary but will not exceed 4.00% on an annualized basis as applied across all FlexInsured Accounts. The maximum annual percentage to be received by the Firm may be changed upon 30 days' prior notice to participants in the FlexInsured Account Program. In our discretion, we may reduce the amount of a payment and vary the reductions among clients which would result in some clients getting paid a higher interest rate, and, therefore, earning more interest than other clients. Additionally, the payments the Firm receives generally vary by Program Bank and will affect the interest rate paid to you. The interest rate you earn will generally be lower than interest rates available to depositors in interest-bearing accounts held directly at a Program Bank or other FDIC-insured depository institutions, but such institutions could require a minimum amount to establish an interest-bearing deposit account that is maintained outside of the FDIC-Insured Programs.

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Insured Deposit Sweep Account (IDSA) Program. The IDSA is the default sweep vehicle for advisory IRAs. For its role in offering the IDSA Program, the Firm receives a per account fee each month. The compensation paid to the Firm under the IDSA Program does not vary among IDSA Program participants and is not affected by the amounts deposited through the IDSA Program. The Firm's compensation under the IDSA Program is determined by a fee schedule indexed to the current Federal Funds Target (FFT) Rate. The monthly fee paid to the Firm increases and decreases by $0.07 with every 1 basis point (a basis point is equal to 0.01%) change in the FFT Rate. In cases where the FFT Rate is a range of rates, the FFT Rate will be deemed to be the midpoint of the range rounded to the nearest thousandth of a decimal. The monthly per account fee paid to the Firm under the IDSA Program will not exceed $22.00, regardless of changes in the FFT Rate. The maximum monthly per account fee may only be changed upon 30 days' prior notice to participants in the IDSA Program. Although it is generally anticipated that the Firm's fee under the IDSA Program will be offset by amounts paid by the Program Banks, the Firm reserves the right to withdraw the monthly account fee, or a portion thereof, from participants' accounts in the event that the amount received from the Program Banks and paid over to the Firm is less than the Firm's fee for the same period.

Program Banks do not have a duty to offer the highest rates of return available or comparable to those offered in money market funds. The FDIC-Insured Programs should not be viewed as an investment option nor as a long-term holding. If you desire to maintain a cash position in your account for something other than a short-term position awaiting investment and/or seek the highest yields currently available in the market for your cash balances, then you should contact your Advisor about your options outside the FDIC-Insured Programs.

Money Market Mutual Fund. Some non-retirement accounts established before May 21, 2018 utilize a money market mutual fund previously designated as an alternative sweep option for non-retirement accounts (Prior MMF). The Prior MMF is no longer available as a new sweep selection; however, clients that previously chose the Prior MMF as a sweep option may continue to use it until a new election is made. The Firm receives distribution assistance from Pershing in the form of annual compensation of up to 0.78% for assets held in the Prior MMF.

For ERISA advisory accounts, the Firm offers a money market mutual fund, which provides a return on your account balances, as a cash sweep default option. The Firm and Advisor do not receive any sweep-related compensation in connection with cash in ERISA advisory accounts that are swept into any money market mutual fund that the Firm designates for ERISA advisory accounts.

The compensation the Firm receives from the FDIC-Insured Programs and the Prior MMF defrays its costs of providing and administering these sweep programs and is also a source of revenue. This compensation presents a conflict of interest to the Firm because the Firm receives a greater financial benefit when cash is swept into the FDIC-Insured Programs and the Prior MMF than it otherwise would if your cash balance is held elsewhere, and any compensation the Firm receives reduces the interest you receive. This compensation is retained by the Firm and is not shared with your Advisor, so your Advisor does not have an additional financial incentive that is tied to the compensation from the cash sweep program to recommend that cash be held in the FDIC-Insured Programs or the Prior MMF rather than investing in securities. The asset-based fee charged in your advisory account includes cash held in the cash sweep program.
An investment in a money market mutual fund, unlike Program Bank deposits, is not insured or guaranteed by the FDIC or any other governmental agency, and it is possible to lose money by investing in a money market mutual fund. The Prior MMF, money market mutual funds held in ERISA advisory accounts, and uninvested cash held by the Firm as a "free credit balance" in all client accounts are covered by the Securities Investor Protection Corporation (SIPC), a non-profit, non-government, membership corporation, funded by member broker- dealers. SIPC's coverage protects against the custodial risk (not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of $500,000 of which $250,000 may be in cash per customer in each separate capacity under SIPC rules.

A money market mutual fund generally seeks to achieve a competitive rate of return (less fees and expenses) consistent with its investment objective(s), which is described in its prospectus. Average annual rates of return of the money market mutual fund option offered as the cash sweep option will vary over time and will generally be higher than the interest rate paid on deposits to you through the FDIC-Insured Programs. The Firm will earn more money by designating the FlexInsured Account or the IDSA as the default sweep option for eligible accounts. Accordingly, the Firm has a financial incentive and conflict of interest in selecting cash sweep options.

For detailed information regarding the terms and conditions of the cash sweep options, see the Firm's FlexInsured Account Program Disclosure Statement, the Firm's Insured Deposit Sweep Account Disclosure Statement available https://www.ceteraadvisornetworks.com/ clients, or the applicable money market mutual fund prospectus. You can obtain copies of such product disclosures from your Advisor. Generally, each account will be eligible for a single cash sweep option, such as a FDIC-Insured Program or a money market mutual fund, based on account type. We may change the products available for your selection. Your Advisor can provide a current list of available options.

Compensation from Strategic Partners

Although we offer thousands of mutual funds from more than 250 mutual fund companies, and hundreds of variable life and annuity contracts from more than 100 insurance companies, we concentrate our marketing and training efforts on those investments offered by a much smaller number of select and well-known companies (Strategic Partners). Strategic Partners are selected, in part, based on the competitiveness of their products, their technology, their customer service and their training capabilities. Strategic Partners have more opportunities than other companies to market and educate our Advisors on the investments and products they offer. We also provide Strategic Partners with additional opportunities to make their products available in programs or services offered by the Firm. For a current list of our Strategic Partners, please see the below list of Strategic Partners.

Our Strategic Partners pay extra compensation to us and/or our affiliates in addition to the usual product compensation described in the applicable prospectus. The additional amounts that Strategic Partners pay us vary from one Strategic Partner to another and from year to year. Some Strategic Partners pay Advisors up to 0.45% of your total purchase amount of a mutual fund or variable insurance product.

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So, for example, if you invest $10,000 in a mutual fund, we could be paid up to $45. Additionally, some Strategic Partners make a quarterly payment or additional quarterly payment based on the assets you hold in the fund or variable insurance product over a period of time of up to 0.15% per year. For example, on a holding of $10,000, we could receive up to $15.

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

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

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

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

Mutual Fund Ticket Charges
When you purchase a mutual fund of a Strategic Partner in a Pershing brokerage account, we may absorb the nominal “ticket charge” for each transaction of approximately $30 which would normally be paid by you or your registered representative. Generally, the mutual fund families that participate in the Strategic Partner Program subsidize some of these ticket charges through the compensation mentioned above or by paying us a per trade fee of up to $10. The type of transaction in a Strategic Partner mutual fund purchase that qualifies for a ticket charge waiver varies depending on the particular Strategic Partner. In general, the ticket charge will be waived for the purchase of certain mutual funds in an amount of $2,500 or more. Every mutual fund offered by us may be purchased without a ticket charge by processing the transaction with a check and application sent directly to the mutual fund company. We believe that these ticket charge waivers do not result in a conflict of interest between you and your Advisor.

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

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

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

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

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

Mutual Fund Companies:

• Allianz Global Investors • American Funds Distributors1 • Blackrock Investments, LLC • Columbia Management • DWS Securities • Eaton Vance Distributors, Inc • Federated • Fidelity Investments2 • Franklin Templeton Distributors, Inc. • Goldman Sachs Asset Management • Invesco • Ivy Funds • John Hancock Funds	• JP Morgan Investment Management • Lord, Abbett & Co. LLC • New York Life Mainstay • Pacific Life • PGIM • PIMCO • Pioneer Funds Distributor, Inc. • Principal Funds • Putnam Investments • Transamerica • Virtus Investment Partners, Inc. • Voya Investment Management (ING Funds)

[1]For American Funds, the ticket charges are waived for purchases over $10,000.
[2]For Fidelity Investments, ticket charges are waived on Fidelity Advisor Funds. Fidelity Direct Funds are not included in this program.

Please note that fee waivers do not apply on ERISA Title I Advisory accounts where the advisor is paying the ticket charges.

Annuity Carriers:

• AIG Annuities • Allianz Life Financial Services • Athene • AXA Distributors • Brighthouse • CUNA • Delaware Life • Eagle Life • Global Atlantic • Great American • Jackson National	• Lincoln Financial Distributors • Nationwide Financial • Pacific Life Insurance Company • Principal Financial Group • Protective Life • Prudential Annuities Distributors • Sammons Financial Group • Securian Financial Group • Security Benefit • Symetra • Transamerica Capital

Exchange Traded Products Partner Program

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

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

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

These payments help compensate us and our affiliates for maintaining our platform and providing ongoing marketing, administration and education to our employees and representatives. The payments are paid by the ETP Partner and/or their affiliates out of the assets or earnings of the ETP Partner or their affiliates. You do not pay more to purchase an ETP Partner's product through us than you would pay outside of the ETP Partner Program, and your representative does not receive additional compensation for selling an ETP Partner product. For the most current description of the compensation we receive from ETP Partners, please refer to the Firm's website at https://www.ceteraadvisornetworks.com/clients/strategic-partner-list.

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

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When you purchase an ETP Partner product, we absorb the nominal "ticket charge" (sometimes referred to as a transaction charge) for each transaction, which would normally be paid by you or your representative. In general, the ticket charge will be waived for the purchase of certain ETPs in an amount of $2,500 or more. These ticket charge waivers result in a conflict of interest between you and your Advisor in a Prime Account because your Advisor has a financial incentive to recommend an ETP Partner product that does not assess transaction charges over an ETP that does.

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

List of Exchange Traded Products Partners

- First Trust Advisors L.P.
- WisdomTree Asset Management, Inc.

Direct Participation Programs and Other Alternative Investments

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

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

If the Alternative Investment is not on the advisory approved products list, the representative has the ability to:

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

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

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

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

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

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

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The following table lists our Approved TPMMs:

• Advisors Capital Management • AssetMark • BNY Wealth Management • Brinker Capital • BTS Asset Management • Clarke Lanzen Skalla (CLS) • Dunham • Envestnet • EQIS • Flexible Plan Investments Ltd • FTJ FundChoice, LLC	• Gemmer Asset Management • Hanlon Investment Management • Howard Capital Management • Lockwood • Loring Ward • Manning & Napier Advisors, LLC • Mount Yale Investment Advisors • Pacific Financial Group, Inc. • SEI • Stonebridge • WBI (Wealth Builders Inc.)

We may, from time to time, update our Approved TPMMs. Please refer to our most recent ADV Part 2A for the most up to date listing of our Approved TPMMs.

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

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

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

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

Unified Program Fund Strategist Portfolio Featured List

The Unified Program offered through the MAA Platform, which is co-sponsored by our related investment adviser, CAS, and is described in CAS's ADV, offers fund strategist portfolios (comprised of both mutual funds and ETPs) from over 100 strategists, comprising over 1,000 strategies. We have created a smaller list of strategies across various investment disciplines and implementation styles (Featured List), that are offered by a number of strategists that have agreed to pay us some form of additional compensation (Featured Strategists) to help cover costs associated with marketing and education. The Featured List consists of strategies from both Strategic Partners (or affiliates of a Strategic Partner) and non-Strategic Partners. The current Featured List is provided below.

As discussed above, all Strategic Partners pay us additional compensation and receive more opportunities (such as being a Featured Strategist) than other companies to market and educate our Advisors about their products and services. Strategic Partners do not pay us any additional compensation for being a Featured Strategist, other than the overall compensation set forth previously in this Item.

For any non-Strategic Partner to be included on the Featured List, they pay us typically based on the following calculation: the greater of (1) an annual fixed flat fee or (2) up to eight basis points on client assets under management in the Featured Strategists' (or its affiliates') proprietary funds, and up to five basis points on non-proprietary funds' assets under management. As a result, the compensation paid by Featured Strategists varies from one Featured Strategist to another and from year to year, and possibly from quarter to quarter.

It is important to note that you do not pay us more to either invest in a strategy that is on the Featured List, or to purchase the underlying investment products included in the strategies on the Featured List in the Unified Program than you would pay to purchase those same products through a strategy not included on the Featured List. Your Advisor does not receive additional direct compensation for utilizing a strategy offered by a Featured Strategist.

Conflicts of Interest in Receiving Revenue Sharing from Featured Strategists
Because we receive compensation from Featured Strategists, a conflict of interest exists in that we are paid more revenue-sharing fees if your account uses a Featured Strategist and whenever Strategic Partner funds are part of a Featured Strategist's model portfolios. Your Advisor also indirectly benefits from Featured Strategist payments when the payments are used to support costs relating to product review, marketing or training. Our Advisors do not receive any direct compensation associated with these revenue sharing payments.

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List of Featured Strategists
The Featured Strategists currently include:

- American Funds
- Auour
- BlackRock
- Columbus Macro
- Fidelity
- Goldman Sachs
- Horizon Investments
- Meeder
- New Frontier
- Russell Investments
- WisdomTree

Retirement Strategic Partners Program

The Firm also receives certain revenue sharing payments from third-party firms, including plan recordkeeping platforms as well as investment managers of mutual funds and the issuers of annuities (each a "Retirement Partner"). Retirement Partners participate in activities that are designed to help facilitate the distribution of their products and services, such as marketing activities and educational programs, including attendance at conferences and presentations to the Firm's Advisors. Additionally, Retirement Partners have the opportunity to provide services in programs offered by Firm, such as the Investment Fiduciary Manager Program as described more fully above. We do not receive any additional compensation from Retirement Partners that participate in the Investment Fiduciary Manager Program.

These revenue sharing payments are in the form of a fixed dollar amount that does not depend on the amount of the plan's investment in any product or utilization of any Retirement Partner's services. Retirement Partners also pay the Firm's expenses, or provide non-cash items and services, to facilitate training and educational meetings for the Firm's Advisors, which similarly do not depend on the amount of the plan's investment in any product or utilization of any Retirement Partners' services. Our Advisors do not receive any portion of these payments.

Retirement Partners currently include:

- American Funds
- Ameritas
- Ascensus
- Empower Retirement
- John Hancock
- J.P. Morgan Asset Management
- Lincoln Financial Group
- Mutual of Omaha
- Nationwide Financial
- Principal Financial Group
- Transamerica Retirement Solutions
- Voya

It is important to note that you do not pay more to purchase Retirement Partner products or services through the Firm, than you would pay to purchase those products or services through another broker-dealer, and your representative does not individually receive additional compensation for selling or recommending a Retirement Partner product or service.

529 Plans

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

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ITEM 15 – CUSTODY

For certain types of client accounts we are considered to have custody of your funds, and in certain instances, your securities, even though Pershing, our clearing firm, maintains those assets as the qualified custodian. Pershing will send you account statements, which you should carefully review. In addition to the account statements Pershing sends you, we may send you a quarterly performance report, which among other things, lists your account holdings and performance. You should compare our report to the account statements you receive from Pershing. In the event of any discrepancy between our report and any statement you receive from Pershing regarding the same investment, you should rely on the statement from Pershing. The Firm relies on the custodian to price and value assets and provide cost basis information for tax reporting of client assets. You should contact the custodian for the cost basis accounting method applicable to your account. Initial cost basis is the value at deposit. The Firm's quarterly report information should not be relied upon for tax purposes.

Pershing's mailing address is:
Pershing LLC
One Pershing Plaza
Jersey City, NJ 07399

ITEM 16 – INVESTMENT DISCRETION

As discussed in more detail in Item 4 of this brochure, in certain programs you may authorize your Advisor to have investment discretion over your account. An Advisor must receive written approval from us prior to offering investment discretion services to you. If we approve an Advisor to offer investment discretion to clients, they must also obtain written authorization from you prior to exercising such discretionary authority over your account. You may place reasonable restrictions on the management of your account, whether it is discretionary or non-discretionary, including restrictions on the type of securities that can be purchased in your account.

Our Advisors are prohibited from having the ability to withdraw funds and/or securities from your account without your express permission.

ITEM 17 – VOTING CLIENT SECURITIES (I.E., PROXY VOTING)

For all the advisory services and programs offered through our Firm, neither we, nor our Advisors, have any authority to vote proxies on your behalf. You are solely responsible for receiving and voting proxies for the securities that you maintain within your account. You will receive proxies or other solicitations directly from the custodian and/or transfer agent.

For TPMM Accounts – Depending on the TPMM's proxy voting policies and procedures, the TPMM may require that you appoint them as your agent and attorney-in-fact with discretion to vote proxies on your behalf. Please carefully review the TPMM's disclosure brochure to understand their proxy voting policies and procedures.

ITEM 18 – FINANCIAL INFORMATION

We do not take prepayment of more than $1,200 in fees, six months or more in advance or have a financial condition that could impair our ability to meet our contractual obligations. Therefore, we are not required to provide our audited balance sheets.

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PART 2A – APPENDIX 1
WRAP FEE PROGRAM BROCHURE

Cetera Advisor Networks LLC
200 N. Pacific Coast Highway
Suite 1300
El Segundo, California 90245
310.326.3100
www.ceteraadvisornetworks.com

April 24, 2020

This brochure provides information about the qualifications and business practices of Cetera Advisor Networks LLC (Firm, us, our, or we) and about the wrap programs we sponsor. You should use this brochure to understand the relationship between you, the Firm, and your investment adviser representative (Advisor). If you have any questions about the contents of this brochure, contact us at 310.326.3100. 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 Cetera Advisor Networks LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Cetera Advisor Networks LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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Member FINRA/SIPC

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ITEM 2 – SUMMARY OF MATERIAL CHANGES

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

This is the firm's initial Appendix 1 Wrap Brochure, so there are no material changes to report.

Securities and investment advisory services offered through Cetera Advisor Networks LLC (doing insurance business in CA as CFGAN Insurance Agency), member FINRA/SIPC. Cetera and Cetera Investment Management LLC are affiliated entities and are under separate ownership from any other named entity. Advisory services may only be offered by investment adviser representatives in conjunction with an advisory services agreement and disclosure brochure as provided. Investments are: *Not FDIC/NCUSIF insured *May lose value *Not financial institution guaranteed *Not a deposit *Not insured by any federal government agency.

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ITEM 4 – SERVICES, FEES AND COMPENSATION

Description of Firm

Cetera Advisor Networks LLC is a full-service, independent investment advisor/broker-dealer who utilizes a unique regional director model to support financial Advisors through the entire life cycle of their business. For more than a quarter century, Cetera Advisor Networks has been able to build and support regional teams through local service, regional offices and a national home office, facilitating the success of its nearly 2,000 financial professionals. The Firm is a wholly-owned subsidiary of Cetera Financial Group, Inc. (Cetera), a Delaware corporation, which is wholly owned by Aretec Group, Inc. (Aretec). Aretec is a wholly-owned subsidiary of GC Two Intermediate Holdings, Inc., and an indirect wholly-owned subsidiary of GC Two Holdings, Inc..

As used in this brochure, the words "we," "our," and "us" refer to Cetera Advisor Networks LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person in this brochure. Our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm. The term Advisors refers to the investment adviser representatives offering advice on behalf of our firm.

We offer portfolio management services through various programs described in our ADV Part 2 brochure including but not limited to various wrap-fee programs ("Programs") as described in this wrap-fee program brochure. We are the sponsor and investment adviser for the Programs. A wrap-fee program is a type of investment program that provides clients with asset management and brokerage services for one all-inclusive fee. If you participate in our wrap fee programs, you will pay our firm a single fee, which includes money management fees, certain transaction costs, and custodial and administrative costs. You are not charged separate fees for the respective components of the total services. We receive a portion of the wrap fee for our services.

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

Prior to becoming a client under the Programs, you will be required to enter into a separate written agreement with us that sets forth the terms and conditions of the engagement and describes the scope of the services to be provided, and the fees to be paid. Most advisory relationships begin with an initial client meeting. Typically, meetings are done in person, over the telephone, or through email communications. The purpose of this initial meeting is to discuss with your Advisor your investment history, goals, objectives, and concerns as it relates to the management of your account.

The investment advisory services provided by Cetera Advisor Networks depend largely on the personal information you provide to your Advisor. For Cetera Advisor Networks to provide appropriate investment advice to, or, in the case of discretionary accounts, make appropriate investment decisions for you, it is very important that you provide accurate and complete responses to your Advisor's questions about your financial condition, needs and objectives, and any reasonable restrictions you wish to apply to the securities or types of securities to be bought, sold, or held in the managed account. It is also important that you inform your Advisor of any changes in your financial condition, investment objectives, personal circumstances, and reasonable investment restrictions on the account, if any, which may affect your overall investment goals and strategies.

Services, Fees and Compensation

The Firm is the sponsor of many wrap-fee programs that include advisory, custody and brokerage execution services, to give you as much flexibility as possible. The specific wrap-fee program selected by you may cost you more or less than purchasing the services offered in each program separately. Factors that bear upon the cost of a particular advisory program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account, the historical and/or expected size or number of trades for the account, and the number and range of supplementary advisory and client-related services provided to the account.

The following is a list of our wrap-fee programs (note: programs indicated with an asterisk (*) have limited availability and may only be offered by select Advisors with existing clients in the programs):

1. Prime Portfolio Services
2. Premier Portfolio Management
3. Managed Wealth ADVANTAGE®
4. Mutual Fund/Exchange Traded Funds Advisory Program
5. xMA® Next Generation Managed Account Program

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Prime Portfolio Services

We sponsor the Prime Portfolio Services (Prime). In this program, your Advisor will create a mix of investments that are appropriate for your investment goals. The benefit of opening this type of account includes:

- Individualized management of your account
- Annual reviews of your account

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

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

Minimum Account Opening Balance
In general, we require a minimum deposit of $25,000 to open a Prime Account. Your opening balance may include both cash and securities.

Depending on a number of factors, we may waive the minimum required balance, including whether or not you have other accounts with us.

Prime Fee Schedule	
Account Size	Maximum Annual Fee
First $0 – $250,000	2.75%
Next $250,001 – $500,000	2.50%
Next $500,001 – $1,000,000	2.00%
Next $1,000,001 – $2,500,000	1.75%
Next $2,500,001 – $5,000,000	1.50%
Next $5,000,001 – Over	1.25%

In addition to the AUM fee, if you close a Prime Account within the first year, you will pay a separate administrative fee of $200. Although you do not pay a transaction charge for the purchase and sale of securities in a Prime account, you should be aware your Advisor pays us transaction costs for those transactions. Because your Advisor pays the transaction costs in a Prime Account, there is a conflict of interest as the Advisor has an incentive to recommend fewer transactions in an account than may have been made if the Advisor was not subject to these costs. Clients should understand that the cost to your Advisor for transactions is a factor that your Advisor considers when deciding which securities to select and how frequently to place transactions in a Prime account.

Premier Portfolio Management

We sponsor a wrap-fee program called Premier Portfolio Management (Premier). In this program, your Advisor will create a mix of investments that are appropriate for your investment goals. The benefit of opening this type of account includes:

- Individualized management of your account
- Annual reviews of your account

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

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

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Minimum Account Opening Balance
In general, we require a minimum deposit of $25,000 to open a Premier Account. Your opening balance may include both cash and securities. Depending on a number of factors, we may waive the minimum required balance, including whether or not you have other accounts with us.

Premier Fee Schedule	
Account Size	Maximum Annual Fee
First $0 – $250,000	2.75%
Next $250,001 – $500,000	2.50%
Next $500,001 – $1,000,000	2.00%
Next $1,000,001 – $2,500,000	1.75%
Next $2,500,001 – $5,000,000	1.50%
Next $5,000,001 – Over	1.25%

In addition to the AUM fee, if you close a Premier Account within the first year, you will pay a separate administration fee of $200.

Transaction costs are the costs associated with purchasing or selling securities. In Premier, transaction costs for up to 25 transactions per year associated with your account are included or wrapped into your advisory fee. If you have more than 25 transactions in a year, you will pay transactions costs for the additional transactions. In addition to the transaction costs, IRA maintenance fees, trade confirmations fees, paper surcharge fees, SEC 31 fees, inactivity fees, dividend reinvestment fees, FundVest short-term redemption fees, and real estate investment trust (REIT) holding fees are also covered by the advisory fees. Other brokerage account fees and expenses will be charged to your account when applicable and some of those additional fees are set forth in the Firm's schedule at www.ceteraadvisornetworks.com/feeschedule/, which is also available from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by Cetera and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

Additional Information for Prime and Premier Accounts

FundVest Mutual Funds
The FundVest Mutual Fund Program offers a wide range of mutual funds. This program is maintained by our clearing/custodial firm, Pershing. Pershing, at its sole discretion, may add or remove mutual funds from the FundVest Program without prior notice. In the FundVest Program, transaction costs are waived on certain purchases that would normally carry a transaction charge, which presents a conflict of interest to your Advisor in a Prime Account because your Advisor has a financial incentive to recommend a FundVest mutual fund that does not assess transaction costs over a mutual fund that does assess transaction costs.

Additionally, the Firm receives the short-term redemption fees that you pay for certain FundVest mutual fund shares that are redeemed within six calendar months. This compensation is a source of revenue to the Firm and presents a conflict of interest whenever your Advisor recommends that you redeem a FundVest mutual fund within six calendar months because the Firm receives a financial benefit from such transaction. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain FundVest mutual funds be redeemed within six calendar months over other investments.

Borrowing Money (Margin Accounts)
A margin account is an account where you may borrow funds for the purpose of purchasing additional securities. You may also use a margin account to borrow money to pay for fees associated with your account or to withdraw funds. If you decide to open a margin account, please carefully consider that: (i)if you do not have available cash in your account and use margin, you are borrowing money to purchase securities, pay for fees associated with your account or withdraw funds; and (ii)you are using the securities that you own as collateral.

Money borrowed in a margin account is charged an interest rate that is subject to change over time. This interest rate is in addition to other fees associated with your account. The Firm retains a portion of the margin interest charged, which is a source of revenue. This compensation represents a conflict of interest as the Firm has a financial benefit when you maintain a margin debt balance. However, this compensation is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend that you maintain a margin balance. Your Advisor does have a conflict of interest when recommending that you purchase or sell securities using borrowed money. This conflict occurs because your advisory fee is based on the total market value of the securities in your account. If you have a margin debit balance (in other words, you have borrowed and owe money to the Firm), your margin debit balance does not reduce the total market value of your account. In fact, since you have borrowed money to purchase additional shares, the total market value of your account will be higher, which results in a higher advisory fee.

Please also carefully review the margin disclosure document for additional risks involved in opening a margin account.

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Loan Advance Accounts
A Tri State Capital Bank (Tri State) pledged account is collateral for a loan held through Tri State. A customer may borrow money from Tri State by pledging securities held and custodied in their Pershing brokerage account. Unlike a margin account, these borrowed funds cannot be used to purchase additional securities.

If you decide to enter into a loan arrangement with Tri State, then you will be charged an interest rate that is subject to change. The Firm and your Advisor receive a portion of the interest charged on the loan. The amount the Firm and your Advisor receive varies (but in aggregate never exceeds 1% of the loan amount on an annualized basis). This compensation presents a conflict of interest because both the Firm and your Advisor have a financial incentive for you to enter into a loan arrangement with TriState. The Firm monitors this conflict by reviewing the borrower's accounts to determine whether or not the use of Tri State is appropriate and in line with the borrower's goals and objectives.

If you decide to enter into loan arrangement with this banking entity, you should carefully consider the following:

- You are borrowing money that will have to be repaid to the TriState.
- Pledge arrangement arrangements are only available for non-qualified accounts.
- You, as the borrower, are using the cash and securities that you own in the account as collateral.
- You will be charged an interest rate that is subject to change.
- TriState can force the sale of securities or other assets in the pledged account at any time and without notice to cover any deficiency in the value of the securities pledged for the loan. Tri State can decide which securities to sell without consulting you.
- Tri State is responsible for reviewing the loan application and any other documents that Tri State may require to obtain the loan. Tri State, in its sole discretion, will determine the credit worthiness of the applicant, including the amount of the loan.
- Prior to establishing a loan with Tri State, you should carefully review the loan agreement, loan application and any other forms required by the bank in order to process your loan as well as the disclosure form provided by the Firm.

Managed Wealth ADVANTAGE®

We offer the Managed Wealth ADVANTAGE (MWA) wrap-fee program. MWA offers asset allocation models that have been developed for the Firm by Columbus Macro. Cetera Investment Management LLC ("CIM"), an affiliated investment adviser, will independently select and add or remove the mutual funds and/or exchange-traded funds that the Firm will make available through MWA (Available Funds). Columbus Macro and CIM make the investment allocation decisions for client accounts under the MWA program.

MWA Program Profile and Proposal Process
The process with the Firm begins with you completing an Investment Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon, and other pertinent information. The information we gather will also be used to determine your suitability for the program and to assist you in setting an appropriate investment objective and selecting an asset allocation model.

You and/or your Advisor will build an investment portfolio consistent with your asset allocation model, using Available Funds. Your Advisor will provide ongoing advice on the selection or replacement of mutual funds and/or ETFs in your account based on your individual needs and the investment choices available in the program.

Investment Management Philosophy
MWA provides you with the opportunity to participate in an asset allocation program using selected mutual funds and/or exchange traded funds.

Trading Authorization
By completing the account opening documentation, you authorize us to implement transactions on a discretionary basis. You also authorize us to act as Overlay Manager and to delegate this authority to FDX Advisors, Inc. (Folio), an independent investment adviser. Folio, as the Overlay Manager, will have full discretion to place orders for the purchase and sales of securities in accordance with your selected portfolio and to rebalance your account whenever it moves up or down 25% from the target allocation.

Minimum Account Opening Balance
MWA generally requires a minimum deposit of $25,000. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into a money market fund until the minimum opening balance requirements are met. Your balance in the money market fund is not insured or guaranteed against loss.

Transaction Costs
Transaction costs are the costs associated with purchasing or selling securities. In the MWA Program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged is available at www.ceteraadvisornetworks.com/feeschedule/ and can also be obtained from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. However, this compensation is retained by the Firm and is not shared

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with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

Managed Wealth ADVANTAGE® Fee Schedule	
Account Size	Maximum Annual Fee
First $0 – $250,000	2.75%
Next $250,001 – $500,000	2.50%
Next $500,001 – $750,000	2.00%
Next $750,001 – $1,000,000	1.75%
Next $1,000,001 – $2,000,000	1.50%
Next $2,000,001 – Over	1.25%

Mutual Fund/Exchange Traded Funds Advisory Program

We offer a portfolio management service known as the Mutual Fund/Exchange Traded Funds Advisory Program (MF/ETF Program). The following advisors currently serve as "Strategists" for the MF/ETF Program:

- Wilshire Associates (Wilshire)
- Sage Advisory (Sage)
- Columbus Macro, LLC (Columbus)

MF/ETF Program Profile and Proposal Process
Your MF/ETF relationship begins with you completing an Investor Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information. The information that we gather will also be used to propose an appropriate asset allocation model for your account in the MF/ETF Program. Once you receive the proposal and meet with your Advisor, you will determine whether to adopt, modify or reject the recommended asset allocation model.

Investment Management Philosophy
Our MF/ETF Program provides you with the opportunity to participate in an asset allocation program using a tactical model, a strategic model, or a combination of tactical and strategic models, which are discussed in more detail below.

Strategic Asset Allocation
Strategic asset allocation is a portfolio strategy provided by Wilshire only that involves the periodic rebalancing of your portfolio in order to maintain a long-term goal of a chosen asset allocation mix. The initial investments are chosen based on expected returns and your risk tolerance. Because the value of the assets can change based on market conditions, the portfolio constantly needs to be re-adjusted to meet the policy. This is often called rebalancing.

The emphasis is on preserving this initial chosen asset allocation mix because the mix ultimately relates to a larger performance objective based on historical data.

Tactical Asset Allocation
Tactical asset allocation is a portfolio strategy provided by Columbus and Sage only, which involves the rebalancing of assets held in various categories in order to take advantage of market pricing anomalies or strong market sectors, as chosen by the applicable Strategist. This strategy allows the Strategist the opportunity to try and create extra value by taking advantage of these potential situations in the markets. It is a moderately active strategy and may use short-term trading methods.

The investment philosophy is usually based on the belief that investor psychology and market forces can lead to periods when certain securities or classes of securities are not efficiently valued by the market. A tactical allocation process attempts to capture these pricing inefficiencies. It is not a fixed asset weight mix and the allocation and risk level of the portfolio may change quite dramatically.

Trading Authorization
Your Advisor will assist you in determining an appropriate investment strategy to follow. By completing the account opening documentation, you authorize us to execute transactions on a discretionary basis and appoint a discretionary advisor to execute transactions on your behalf. We, in turn, utilize FDX Advisors, Inc. (Folio), an independent investment adviser, to execute the transactions on your behalf. Folio will use discretionary authority to execute securities transactions that are recommended by the models developed by the Strategist.

For both Strategic and Tactical Asset Allocations, Folio will rebalance your account whenever the account moves up or down 25% from the target allocation designed by the Strategists.

Minimum Account Opening Balance
In general, the MF/ETF Program requires a minimum deposit of $25,000 for accounts consisting of mutual funds or $50,000 for accounts utilizing ETF securities.

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In-Kind Transfers
Accounts may be funded with both securities and cash. The MF/ETF Program can only accept mutual funds, equities and ETFs that are approved by the Firm. Any mutual funds, equities and ETFs that are transferred into the MF/ETF Program that are not accepted by the Firm will incur a fee charged to the Advisor. This creates a conflict of interest for the Advisor as they bear the cost if this option is used.

Transaction Costs
Transaction costs are the costs associated with purchasing or selling securities. In the MF/ETF Program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged is available at www.ceteraadvisornetworks.com/feeschedule/ or can be obtained from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

MF/ETF Fee Schedule	
Account Size	Maximum Annual Fee
First $0 – $250,000	2.75%
Next $250,001 – $500,000	2.50%
Next $500,001 – $750,000	2.00%
Next $750,001 – $1,000,000	1.75%
Next $1,000,001 – Over	1.50%

xMA® Program

We offer a portfolio management service known as Next Generation Managed Account (xMA), which is a wrap fee program. xMA provides access to independent investment manager(s) to design models based on investment styles. The models may consist of multiple types of securities but typically utilize some or all of the following: fixed income, open-end mutual funds, exchange-traded funds, and general securities.

xMA Proposal and Investment Policy Statement Process
Your xMA relationship begins with you completing an Investor Profile Questionnaire (IPQ). The purpose of this questionnaire is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information. The information that we gather will also be used to recommend an appropriate xMA Manager.

Based on the answers provided to the Firm, an IPS will be generated. The IPS will present to you one of several investment styles for consideration.

Trading Authorization and Discretionary Management
This program is a discretionary program. The type of discretionary authority exercised depends on the model portfolio that you invest in. Your Advisor will have discretion to choose the xMA Manager.

By completing the account opening documentation, you authorize us, or as applicable, the manager of a fixed income model (Fixed Income Model), to act as your agent and attorney-in-fact to direct the investment and reinvestment of the assets in your account. For accounts that do not utilize a Fixed Income Model, we, in turn, authorize Folio, an independent investment adviser, to act as Overlay Manager to have full discretionary trading authority to place orders for the purchase and sale of securities recommended by the models developed by such xMA Managers.

Use of Independent Investment Managers
Your Advisor may recommend models designed by one or more xMA Managers. The xMA Manager will independently select the securities for the model selected. With the exception of Fixed Income Models, the securities that comprise the model will be sent to Folio for trading. Pershing is currently utilized for clearing and trade execution services.

Fixed Income Models
Your Advisor may recommend models designed by managers who invest in fixed income securities. If a Fixed Income Model is selected, the fixed income manager will have investment and trading discretion over the trades for that account.

Minimum Account Opening Balance
In general, we require a minimum deposit of:

1. $100,000 for equities only
2. $100,000 for fixed income managers who use equities and ETF investments
3. $250,000 for managers who use individual fixed income issues, such as individual bonds

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The minimum deposit may consist of both cash and securities. Managers may have different account minimums, restrictions on the types of investments they manage, and other pertinent details. Please refer to the manager's Form ADV Part 2A Brochure for additional information.

Transaction Costs
Transaction costs are the costs associated with purchasing or selling securities. In the xMA Program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges, such as stop payment fees, Fed Fund Wire Fees and margin interest will be charged to your account when applicable; a list of those fees that may be charged are available at www.ceteraadvisornetworks.com/feeschedule/ and is also available from your Advisor. These other brokerage account fees and expenses defray our costs associated with maintaining and servicing client accounts and includes compensation to the Firm. The additional compensation the Firm receives represents a conflict of interest because the Firm receives a financial benefit when it provides services in connection with maintaining and servicing your account. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain transactions or for the Firm to provide such additional services.

xMA® Standard Fee Schedule	
Account Size	Maximum Annual Fee
First $0 – $250,000	2.90%
Next $250,001 – $500,000	2.90%
Next $500,001 – $1,000,000	2.70%
Next $1,000,001 – $2,000,000	2.00%
Next $2,000,001 – Over	1.50%

Client Investment Process

Our annual portfolio management fee is billed and payable based on the account.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro-rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

As a client, you should be aware that the wrap fee charged by our firm may be higher (or lower) than those charged by others in the industry, and that it may be possible to obtain the same or similar services from other firms at lower (or higher) rates. A client may be able to obtain some or all of the types of services available through our firm's wrap fee program on an individual basis through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower or higher than the annual fees shown above.

Important Considerations Prior to Opening an Account
The list below is meant to provide you with general overviews of several important facts that are common with the advisory programs that we offer. While the list below is not meant to include every possible situation, we do consider and take into account the following:

Reasonable Restrictions
By stating in the Investment Policy Statement (IPS) proposal or sending a written request to your Advisor, you may impose reasonable restrictions on the management of your account. For example, a reasonable restriction may indicate your desire that we do not invest in a certain sector or industry. Your Advisor will also proactively reaffirm with you any modifications you may have to these restrictions at least on an annual basis during your normally scheduled client review meetings. Pursuant to any restriction(s) you may suggest, your Advisor will document this upon receipt.

However, your Advisor may refuse to accept or manage your account if he/she determines that such restrictions are unreasonable. In the event that your Advisor is unable to accept your restriction, he/she will give you the opportunity to modify or withdraw the restriction.

Deposits and/or Withdrawals
Unless specifically stated, you may make additions to or withdrawals from your account at any time. If your account falls below the stated minimum required account value, we may terminate your account. You may also add securities to your account; however, note that we reserve the right to not accept particular securities into your account.

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

Trade Confirmations
You will receive trade confirmation from your account custodian for each security transaction placed in your account. Trade confirmation suppression is available upon client request.

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

Minimum Account Opening Balance
Each wrap-fee program requires a program-specific minimum account opening balance. At its sole discretion, the Firm may waive the minimum account size. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into the Cash Sweep Program as discussed below until the minimum opening balance requirements are met.

Cash Sweep Program
FDIC Insured Bank Deposit Sweep Account. Under two programs, the FlexInsured Account Program and the Insured Deposit Sweep Account Program, (FDIC-Insured Programs) the Firm permits available cash balances in eligible accounts, including cash balances derived from the sale of securities, dividend payments, interest credited from bonds and cash deposits, to be automatically deposited (swept) into interest bearing deposit accounts at one of more participating program banks (Program Banks). Deposits made through a FDIC-Insured Program are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 at each Program Bank and up to $2,500,000 for combined deposits at Program Banks. For the purposes of determining available FDIC coverage, funds deposited in a particular Program Bank are aggregated with all other deposits held by you (outside of the FDIC-Insured Programs) in the same insurable capacity at that Program Bank. It is your responsibility to monitor the insurable deposits that you may have with any Program Bank (including deposits outside of the FDIC-Insured Programs). Funds deposited through the FDIC-Insured Programs are not eligible for SIPC protection.

Some non-retirement accounts established before May 21, 2018, utilize a money market fund previously designated as an alternative sweep option for non-retirement accounts (Prior MMFs). These Prior MMFs are no longer available as a new sweep selection; however, clients that previously chose the Prior MMFs may continue to use them until a new selection is made. The Firm receives from Pershing distribution assistance in the form of annual compensation up to .78% for assets held in a Prior MMF. For a list of the money market fund options available in the cash sweep program, please consult your Advisor.

Cash in ERISA accounts is not eligible for investment in the FDIC-Insured Programs. For ERISA advisory accounts, the Firm offers a specific money market fund or funds, which provide a yield on your daily account balances, as a cash sweep default option. The Firm and Advisor do not receive any compensation in connection with cash in ERISA accounts that are swept into any money market fund that the Firm designates for ERISA accounts.

For detailed information regarding the terms and conditions of the products, including balance limitations, see the Firm's cash sweep disclosure document entitled Sweep Program General Terms and Conditions or your applicable money market fund prospectus. We may change the products available for your selection.

Withdrawal of Assets
You may withdraw account assets on notice to our firm, and subject to the usual and customary securities settlement procedures. However, we design our portfolios as long-term investments and asset withdrawals may impair the achievement of your specific investment objectives.

Termination of Advisory Relationship
You may terminate the wrap-fee program agreement pursuant to the terms of the agreement. You will incur a pro-rata charge for services rendered prior to the termination of the wrap fee program agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Upon termination of your accounts, the custodian will deliver securities and funds held in the account per your instructions unless you request that the account be liquidated. After the wrap-fee program agreement has been terminated, transactions are processed at the prevailing brokerage rates/fees. You become responsible for monitoring your own assets and our firm has no further obligation to act upon or to provide advice with respect to those assets.

Wrap Fee Program Disclosures

- The benefits under a wrap-fee program depend, in part, upon the size of the Account, the management fee charged, and the number of transactions likely to be generated in the Account. For example, a wrap-fee program may not be suitable for Accounts with little trading activity. In order to evaluate whether a wrap-fee program is suitable for you, you should compare the Program Fee and any other costs of the Program with the amounts that would be charged by other advisers, broker-dealers, and custodians, for advisory fees, brokerage and other execution costs, and custodial services comparable to those provided under the Program.
- In considering the investment programs described in this brochure, you should be aware that participating in a wrap-fee program may cost more or less than the cost of purchasing advisory, brokerage, and custodial services separately from other advisers or broker-dealers.
- Our firm and your Advisor receive compensation as a result of your participation in the Program. This compensation may be more than the amount our firm or the Advisors would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because our firm and our Advisors have a financial incentive to recommend a wrap-fee program.
- Similar advisory services may be available from other registered investment advisers for lower fees.

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Additional Fees And Expenses

The wrap-fee program fees include the costs of brokerage commissions for transactions executed through the specified custodian (or a broker-dealer designated by the custodian), and charges relating to the settlement, clearance, or custody of securities in the account. The wrap-fee program fee does not include mark-ups and mark-downs, dealer spreads or other costs associated with the purchase or sale of securities, interest, taxes, or other costs, such as national securities exchange fees, charges for transactions not executed through the custodian, costs associated with exchanging currencies, wire transfer fees, or other fees required by law or imposed by third parties. The account will be responsible for these additional fees and expenses.

The wrap program fees that you pay to our firm for portfolio management services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

Brokerage Practices

Cetera Advisor Networks is also a broker-dealer that provides brokerage services for the advisory accounts in the Firm sponsored programs. During the account opening process, you authorize Cetera Advisor Networks to open a custodial account with Pershing, a subsidiary of The Bank of New York Mellon Corporation, One Pershing Plaza, 4th Flr., Jersey City, NJ 07399, and to transfer your account to such other clearing firm as Cetera Advisor Networks may determine, including a clearing broker affiliated with the Firm and Cetera Advisor Networks.

We have negotiated competitive pricing and services with Pershing for your benefit. Pershing offers their broker-dealer clients substantial financial strength and stability, economies of scale, and reliable, state-of-the-art technology.

In addition, you do not generally have the option to direct securities brokerage transactions to other broker-dealers or other account custodians. If, however, you should request, and we approve, the use of a broker-dealer other than Pershing for securities transaction execution, you should be aware that we will generally be unable to negotiate commissions or other fees and charges for the your account, and we would not be able to combine the your transactions with those of other clients purchasing or selling the same securities. As a result, we would be unable to ensure that you receive "best execution" with respect to such directed trades. By directing brokerage to a broker, we may be unable to achieve the most favorable execution of your transactions and you may pay more in transaction charges than other broker-dealers. Therefore, directed brokerage may cost you more money.

Although the Firm is able to negotiate competitive pricing from Pershing that it believes is beneficial to its clients, the Firm's clearing relationship with Pershing provides the Firm with certain economic benefits by using itself as the broker-dealer for its advisory program accounts rather than an unaffiliated broker-dealer. For example, the Firm marks-up certain brokerage-related account charges and fees that are assessed to all client advisory accounts at Pershing. The charges and fees that are marked up include, but are not limited to, paper delivery surcharge fees for client statements and confirmations, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, inactive account fees, wire fees, legal transfers fees, bond redemption fees, termination fees, and IRA annual custodial maintenance fees.

The Firm also maintains two bank deposit sweep programs described above. These programs create financial benefits for the Firm. The Firm also receives additional compensation from Pershing for non-retirement account assets that are swept into a money market fund sweep option as described above. The additional compensation received by the Firm creates a conflict of interest with the Firm' clients.

Pershing Relationship

Pershing is the clearing firm for our brokerage business. Due to this business relationship, Pershing shares with us a portion of the transaction costs and fees you pay to Pershing for certain transactions and services as described above. As described, this compensation we receive in connection with certain transactions and services is an additional source of revenue to the Firm and defrays our costs associated with maintaining and servicing client accounts and includes compensation to the Firm, and presents a conflict of interest because the Firm and your Advisor have a greater incentive to make available, recommend, or make investment decisions regarding investments and services that provide additional compensation to the Firm and your Advisor over those investments and services that do not.

Pershing also pays us, on a quarterly basis, a fixed amount in the form of a Business and Marketing Enhancement Incentive Credit in support of our ongoing investment in various business, marketing and technology initiatives relating to the brokerage services we offer on our platform.

Pershing also provides consulting and other assistance to us. We also participate in other revenue Pershing is paid on the assets held in your account. Your advisory fee is not reduced or offset as a result of any revenue that Pershing shares with us. The following is a brief description of some of the revenue items received from Pershing.

Pershing receives revenue from money market funds that the Firm makes available as a cash sweep option, and for nonretirement accounts that choose to invest cash in such a money market fund. Pershing shares some of that revenue with us as described above for the Cash Sweep Program.

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To help defray costs associated in transferring certain client accounts onto the Firm's platform custodied at Pershing, Pershing reimburses the Firm a portion of the termination and transfer fees incurred by a client account that qualifies for such assistance. The Firm credits such reimbursements to the applicable Client's account. In addition, Pershing may, from time to time, waive or discount certain customary fees and expenses in an effort to help attract client accounts and assets.

Additionally, we receive the short-term redemption fees that Pershing charges you for certain FundVest mutual fund shares that are redeemed within six calendar months. This compensation is a source of revenue to the Firm and presents a conflict of interest whenever Advisor recommends that you redeem a FundVest mutual fund within six calendar months because the Firm receives a financial benefit from such transaction. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain FundVest mutual funds be redeemed within six calendar months over other investments.

Pershing also pays us a fixed amount of the service fees it receives from certain fund companies that do not participate in Pershing's FundVest program. These payments are in exchange for certain services the Firm provides to Pershing and to clients that hold positions in such mutual fund companies. This additional compensation presents a conflict of interest because the Firm receives a financial benefit from mutual fund companies that pay this fee as opposed to those that do not. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain mutual funds over other investments.

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

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

It is important to note that if you have a retail brokerage account in addition to your advisory account, agency cross transactions executed as a buy and sell between retail brokerage accounts under the control of the same Advisor are permitted without prior approval. Such a transaction will not result in a sales credit or commission payable to the Advisor for the transactions.

Block Trading
Block Trading refers to the aggregation of multiple orders from different clients, for the same securities for submission as a single order for execution. When the purchase or sale of a particular security is appropriate for more than one client account, trades for advisory clients may be aggregated. This is done principally to ensure that clients are treated fairly and that one client is not advantaged at the expense of another client. Trades with advisory clients may be aggregated with those of other clients of your Advisor, the personal trades of supervised persons and trades in proprietary accounts.

Aggregate orders may be filled through multiple executions at different prices during the course of a trading day. If your order is aggregated with other orders, you will receive an average price. Aggregate orders will not reduce your transaction costs.

When an aggregated order is not fully filled (i.e., when an aggregated order is only partially filled), the Firm's trading system will allocate to each account participating in the order the pro-rata amount of shares to each account in accordance with the account's proportion of the overall order.

Block trading in an advisor-directed advisory account is only available if the account is being managed on a discretionary basis, the account is held with Pershing LLC, and the aggregated trades are submitted through SmartWorks Advisor. For accounts where Folio is the overlay manager, Folio will generally block trades when a transaction is appropriate for several client accounts. For accounts managed by your Advisor (Advisor-managed accounts), your Advisor may aggregate all, none or some of his or her client trades in the Prime and Premier programs based on, among other things, a client's investment guidelines and restrictions (including those on the use of discretion by the Advisor), the type of securities and the size of the order.

It is the Firm's policy that the order allocation between participating clients may not be changed after the order has been executed.

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

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Clients that are not included in block trading of other client accounts may receive a higher or lower price than clients that have been included in a block trading order. In order to ensure that no client or group of clients is favored over another, the Firm monitors the block trading activity with respect to clients that are not included in block trades with other clients of an Advisor.

Trading Errors
Occasionally, a trading error may occur where either we, or our Advisors, are at fault. If this occurs in your account, the error will be corrected and your account will be restored to where it would have been had the error never occurred. However, in the process of restoring your account, we may realize a profit or suffer a loss in connection with correcting this error. Neither losses nor gains realized by us will be passed on to you.

Best Execution
The Firm is obligated to ensure orders are being sent to the markets in an efficient manner and to execute any transactions in the manner it believes is in the client's best interest. The Firm's primary consideration with regard to purchases and sales for its clients is obtaining the most favorable execution of the transactions needed to implement client's investment strategy. The determinative factor is whether the transaction represents the best qualitative execution for the client account and not whether the lowest possible price is obtained. The Firm reviews reports that help analyze the quality of the executions of the orders that are sent to the market. Most of our Advisors are also registered with our broker-dealer as a registered representative, which allows them to perform brokerage services for you by executing specific security transactions through Pershing. An Advisor can, upon recommending a transaction, direct the affiliated broker-dealer to execute the order in the market. In these situations, a client may be unable to achieve the most favorable execution of a transaction and it may cost the client more money than if the client were able to execute transactions through another broker-dealer.

The Firm periodically and systematically reviews its executing broker-dealer's execution quality and the Firm' processes to ensure that it continues to meet its best execution obligations for its clients. A number of judgmental factors are utilized by the Firm in analyzing overall trade execution quality. Such factors include, but are not necessarily limited to:

- The nature of the securities being purchased or sold;
- Access to market participants, which may be limited due to thin or no trading activity for a particular security;
- The size of the transaction;
- The speed of the execution;
- The size of the spread;
- The ability to obtain price improvement;
- The desired timing of the transaction;
- The activity existing and anticipated in the market for the particular security;
- The executing broker-dealer's execution, clearance, and settlement capabilities;
- The executing broker-dealer's overall trade execution quality as compared with other leading executing broker-dealers; and
- The efficiency and reliability of the executing broker-dealer's systems and technologies.

Research and Other Soft Dollar Benefits
We do not receive research or other products or services other than execution from Pershing in connection with your securities transactions (soft dollar benefits). We do not consider, in selecting or recommending broker-dealers, whether we or a related person receives client referrals from a broker-dealer or third party.

Brokerage for Client Referrals
We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

The Firm generally provides advisory services to individuals, tax-qualified retirement plans, and other institutions.

Our advisory accounts may require a minimum opening deposit. Depending on the specific program, the opening deposit may vary between $25,000 and $250,000. The minimum account opening balance required for each program is described in more detail in Item 4 of this brochure and may be waived at the Firm's sole discretion.

ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

We offer both Advisor-directed and turnkey wrap-fee programs. For the Advisor-directed programs (Prime, Premier), your Advisor will determine the portfolio allocation and will evaluate, select and monitor the performance of the investments selected for the account. Advisors use industry-standard research and performance reports to determine which investments to include in a portfolio. You should rely on the skill and experience of your Advisor in selecting investments within your stated objectives and risk tolerance. In addition, Advisors may consider manager turnover, among other factors, in determining whether to include a particular investment. In the turnkey programs (Managed Wealth ADVANTAGE®, Mutual Fund/Exchange Traded Funds Advisory Program, xMA® Next Generation Managed Account Program), we evaluate, select and monitor the performance of managers and/or investments in the platforms using an internal

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due diligence process and, as applicable, or by contracting with Envestnet or FolioDynamix to conduct due diligence on our behalf. In outsourcing fund and, as applicable, or manager selection to either Envestnet or FolioDynamix, we rely on each firm's expertise in using objective and transparent methodologies consistent with industry fiduciary standards, to provide a broad-based universe of investment managers and investment options across various investment styles. Each firm utilizes a rigorous approach for researching and selecting managers and/or investments. Among the types of information analyzed are historical performance, investment philosophy, investment style, historical volatility and correlation across asset classes. This review is on-going.

Clients should also refer to any applicable disclosure documents (Form ADV Part 2 or other disclosure document) for any portfolio manager selected to manage all or a portion of a client's assets.

For each of the Programs described in this brochure, neither the Firm nor any affiliate serves as portfolio manager.

We review your account in several ways. Our account reviews include:

Annual Client Contact – On at least an annual basis, your Advisor will contact you to arrange a review of your advisory accounts with you. In general, this review includes any Firm-Sponsored programs.

Supervision – Your Advisor's designated supervisor periodically reviews client accounts of any Advisor who he or she supervises. If this review raises any issues associated with your account, they will investigate the issue to determine if any further action is needed or warranted.

Home Office Oversight – Cetera Advisor Networks utilizes a series of surveillance, exception, trade, and other transaction reports that are designed to help facilitate the ongoing review of Cetera Advisor Networks managed accounts.

Quarterly Performance Reports – We may send you a written quarterly performance report, which among other things, lists your account holdings and performance.

Performance-Based Fees and Side-by-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Methods of Analysis, Investment Strategies and Risk of Loss

Our Advisors may use various methods to determine an appropriate investment strategy for your portfolio. During your initial and subsequent meetings with your Advisor, they will discuss the methods they used. The analysis performed may include the following:

Technical Analysis
This type of analysis utilizes statistics to determine trends in security prices. Technical analysis tends to focus on factors such as trading volume, demand, and security price fluctuations. This type of analysis is also commonly referred to as chart analysis due to the fact that this analysis tends to review various historical charts and graphs.

Fundamental Analysis
This type of analysis concentrates on earnings, a company's financial statements, and the quality of a company's management. These quantitative factors are then used to attempt to determine the financial strength of a company.

Asset Allocation
Asset allocation investment strategies attempt to optimize the risk and reward of your portfolio by investing among several asset classes.

Timing Service
While not a standard analysis method used by our Advisors, some Advisors may offer advisory services that attempt to time security performance. This essentially means they try to purchase or sell immediately preceding an increase or decrease in the security's price. This type of investing can substantially increase the amount of your brokerage transaction costs due to the frequency that transactions are occurring. Also, many mutual funds or variable annuities specifically prohibit excessive buying and selling within their fund in a short period of time. We monitor our accounts for excessive trading activity to ensure that you are aware of and comfortable with the level of trading as well as to ensure that the investments are appropriate for you.

Tax Considerations
Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

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Moreover, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the FIFO (First-In First-Out) accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

The wrap-fee programs we offer involve the purchase or sale of securities. All investing involves some level of risk, which you should be prepared to bear. In many cases, the risks include the potential to lose your entire principal value. All securities sold have disclosure documents that discuss these risks. This disclosure document is commonly referred to as a prospectus, but may be called something else depending on the type of security you have purchased. In any case, it is extremely important that you read these documents in their entirety. If you have any additional questions regarding your investments, please speak with your Advisor immediately.

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential loses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

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

Market Risk
This is the risk that the value of securities owned by an investor may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

Equity Securities
In general, prices of equity securities are more volatile than those of fixed income securities. The prices of equity securities will rise and fall in response to a number of different factors, including events that affect particular issuers as well as events that affect entire financial markets or industries.

Interest Rate Risk
This is the risk that fixed income securities will decline in value because of an increase in interest rates; a bond or a fixed income fund with a longer duration will be more sensitive to changes in interest rates than a bond or bond fund with a shorter duration.

Credit Risk
This is the risk that an investor could lose money if the issuer or guarantor of a fixed income security is unable or unwilling to meet its financial obligations.

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

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

Exchange-Traded Funds (ETFs)
ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the

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trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.

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

A money market mutual fund generally seeks to achieve a competitive rate of return (less fees and expense) consistent with the fund's investment objectives, which can be found in the fund's prospectus. Rates in the money market fund option offered as a cash sweep option will vary over time and may be higher or lower than the rate paid on other sweep options (including the FDIC-Insured Programs) or other money market mutual funds not offered as a cash sweep option. The Firm may earn more by designating the Flex Insured Account or the IDSA as the default sweep option for your account. Accordingly, the Firm has a conflict in selecting cash sweep options.

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

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

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

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment.

Proxy Voting

For all the advisory services and programs offered through our Firm, neither we, nor our Advisors, have any authority to vote proxies on your behalf. You are solely responsible for receiving and voting proxies for the securities that you maintain within your account. You will receive proxies or other solicitations directly from the custodian and/or transfer agent.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

In order to provide the Program services, we will share your private information with your account custodian. We may also provide your private information to mutual fund companies and/or private managers as needed to construct appropriate portfolios for you. Any selected strategist or portfolio manager would have access to all information provided by you to your Advisor. We will only share the information necessary in order to carry out our obligations to you in servicing your account. We share your personal account data in accordance with our privacy policy provided to you at the time you open your account.

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ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Without restriction, you should contact our firm or your advisory representative directly with any questions regarding your Program account. You should contact your advisory representative with respect to changes in your investment objectives, risk tolerance, or requested restrictions placed on the management of your Program assets. You may not have direct access to outside strategists or portfolio managers.

ITEM 9 – ADDITIONAL INFORMATION

Disciplinary Information

On November 23, 2010, the Firm, without admitting or denying the findings, entered into a settlement with the State of Missouri, which alleged that in August and November of 2010, two representatives of the Firm contacted persons within the securities division and offered to sell them securities. The securities division also alleged that neither representative was registered or granted an exemption from registration to transact business as agents in Missouri. As a result of these solicitations, the securities division alleged that the Firm employed unregistered agents who transacted business in Missouri. The Firm's registration was censured. The Firm was also fined $40,000 (of which $20,000 was suspended in recognition of the Firm's cooperation in Missouri's investigation). Further, the Firm was ordered to pay $40,000 (of which $20,000 was suspended in recognition of the Firm's cooperation in Missouri's investigation) to the Missouri Secretary of State's Investor Education and Protection Fund. The Firm also paid $2,260 as the cost of Missouri's investigation.

On December 3, 2012, the Firm, without admitting or denying the findings, executed an Acceptance, Waiver and Consent in which FINRA found that, for over two and half years, the Firm failed to promptly advise FINRA of changes to the information regarding the Firm's branch offices by failing to promptly file amendments to its Form BR (or Uniform Branch Office Registration Form) filings. During the same period, FINRA found that the Firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to FINRA By-laws Article IV, Section 8, FINRA 2010, and NASD Rules 3010(A) and 3010(B) because the Firm did not have a system in place to periodically review the Form BR filings to ensure that the Firm promptly and timely advised FINRA regarding changes to the information for each registered branch office. The Firm was censured, fined $40,000, and required to review its written supervisory procedures with respect to Form BR and determine whether any changes are necessary. Also, the Firm was required to review not less 25% of Forms BR on file with FINRA to determine their accuracy and report to FINRA of the results of its review.

On October 19, 2015, the Firm, without admitting or denying the findings, executed an Acceptance, Waiver and Consent in which FINRA found that, from May 1, 2009 to April 30, 2014, the Firm failed to apply sales charge discounts to certain customers' eligible purchases of unit investment trusts (UITs) in violation of FINRA Rule 2010. In addition, FINRA found that the Firm failed to establish, maintain and enforce a supervisory system and written supervisory procedures reasonably designed to ensure that customers received sales charge discounts on all eligible UIT purchases in violation of NASD Conduct Rule 3010 and FINRA Rule 2010. The Firm was censured, fined $150,000 and required to provide restitution to affected customers in the total amount of $151,108.33.

On April 24, 2017, the Firm, without admitting or denying the findings, executed an Acceptance, Waiver and Consent in which FINRA found that, between July 1, 2009 and January 1, 2017, the Firm failed to identify and apply available sales charge waivers to purchases of certain mutual fund shares by retirement plan and charitable organization customers that were eligible to purchase Class A shares without a front-end sales charge. FINRA found that these eligible customers were instead sold Class A shares with a front-end sales charge or Class B or C shares with back-end sales charges and higher ongoing fees and expenses. In addition, FINRA found that, during this period, the Firm failed to establish and maintain a supervisory system and procedures reasonably designed to ensure that these eligible customers received the benefit of applicable sales charge waivers in violation of NASD Conduct Rule 3010, FINRA Rule 3110, and FINRA Rule 2010. In making this finding, FINRA found that the Firm relied on its financial advisors to determine the applicability of sales charge waivers but failed to maintain adequate written policies or procedures to assist financial advisors in making this determination. The Firm consented to a censure and agreed to pay restitution to affected customers in the total amount of $1,911,080.

Other Financial Industry Activities and Affiliations

Corporate Structure
Cetera Advisor Networks is part of Cetera Financial Group, Inc., a network of independent broker-dealers and investment advisers. We are registered as an investment adviser with the SEC. We are also a broker-dealer with the SEC, FINRA, and with all 50 states, the District of Columbia and Puerto Rico. We are also an investment adviser registered with the SEC. Some of our affiliated companies are also general insurance agencies.

The Firm is part of Cetera Financial Group, Inc., which is wholly- owned by Aretec. Aretec is a wholly-owned subsidiary of GC Two Intermediate Holdings, Inc., and an indirect wholly-owned subsidiary of GC Two Holdings, Inc. Cetera Financial Group, Inc. has a network of independent broker-dealers, investment advisers registered with the SEC, and general insurance agencies.

Affiliated Products
If assets in a Firm-Sponsored program are invested in shares of one or more mutual funds or variable contract products or similar pooled products (Affiliated Products) for which an affiliate of the Firm serves as investment adviser or other service provider (Affiliated Service Provider), then the Affiliated Service Provider will generally receive a management fee from the Affiliated Product as set forth in the Affiliated Product's prospectus or other offering documents, and it or its affiliates may receive other compensation in connection with the

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operation and/or sale of the Affiliated Product, to the extent permitted by applicable law. Assets invested in Affiliated Products may be included in the advisory fee assessed by the Firm. If an Affiliated Product is used in a Firm-Sponsored program, and the assets invested in the Affiliated Product are subject to Title I of ERISA or is an IRA, the Firm will waive the advisory fees for the assets invested in the Affiliated Product.

A conflict of interest exists in that the Firm and its Affiliated Service Provider is paid more compensation if you invest in an Affiliated Product instead of a non-Affiliated Product. To mitigate this conflict of interest, we routinely review our client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives.

Broker-Dealer Affiliation
Most of our Advisors are also registered with us or a related broker-dealer as a registered representative, which allows them to perform brokerage services for you by executing specific security transactions. Our Advisors may also be licensed insurance agents appointed with various insurance companies. In their capacity as registered representatives and/or licensed insurance agents, they may offer securities and insurance products and receive commissions as a result of such transactions, which presents a conflict of interest because the Advisor has an interest in making commissions.

The Advisor has an incentive to advise you to purchase such products and the purchase may not be in your best interest and may not be suitable for your account. To mitigate this conflict of interest, we routinely review our client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives.

Due to the fact that your Advisor has the ability to offer advisory and brokerage services, your Advisor is conflicted as to the investment options they recommend. In a brokerage account, your Advisor is paid on a transactional basis. In an advisory account, your Advisor is compensated based on an advisory fee that may be flat, fixed, or a percentage of the assets under management. Your investment needs should influence your decision whether to open an advisory or a brokerage account. An advisory account is likely more suitable if you are looking for a long-term investment strategy, quarterly performance reporting, and an ongoing relationship with your Advisor.

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

Other Affiliations
We have an agreement with Advisors Asset Management, Inc., our trade execution affiliate, whereby we receive a payment based on the number of fixed income trades placed through them. These payments present a conflict of interest as the Firm receives a financial benefit to have fixed income trades placed with Advisors Asset Management, Inc. This compensation is retained by the Firm and is not shared with your Advisor, so it does not cause your Advisor to have a financial incentive to have fixed income trades placed with Advisors Asset Management, Inc.

Our Advisors may operate their own independent companies outside of the Firm. These unaffiliated companies include other investment advisory firms, accounting/tax practices, insurance services and legal and compliance services, among others.

We may also enter into certain arrangements to offer brokerage and advisory services to the clients of independent unaffiliated financial institutions (credit unions, credit union service organizations, banks and savings and loan institutions). A substantial portion of the client advisory fee will be paid by us to the financial institution pursuant to a fee sharing arrangement as long as the client agreement is in effect. Certain financial institutions provide financial incentives to the Advisor to recommend services and products that earn advisory fees over services that earn brokerage commissions, which creates a conflict of interest. To mitigate this conflict of interest, we routinely monitor our advisory programs and client accounts to ensure that the recommended services and products are consistent with your stated goals and objectives and maintain policies, such as minimum account openings, to ensure the account is appropriate for the applicable advisory program or service. Please contact your Advisor if you would like to receive additional information regarding whether your Advisor's financial institution provides the type of financial incentive referenced above.

Description of Our Code of Ethics

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

To help us avoid potential conflicts we have developed a Code of Ethics designed to protect our professional reputation and comply with federal or other applicable securities laws. This Code of Ethics sets forth guidelines and restrictions for personal securities trading, including an absolute prohibition of trading on the basis of "inside" (i.e., material, non-public) information. Adherence to our code of ethics is a condition of employment or affiliation with the Firm. Our Code of Ethics is summarized as follows:

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

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

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

You may request a copy of our Code of Ethics at any time by contacting your Advisor.

Client Referrals and Other Compensation

We have individuals who are not affiliated with us introduce prospective clients to us. The individuals (called Solicitors) are paid a fee that is based on the advisory fee that you pay. If you are introduced to us through a Solicitor, we will provide you with a separate written disclosure statement indicating that a referral fee is being paid to an individual who is unaffiliated with our Firm.

In addition to advisory fees, your Advisor may earn sales incentives or awards based on the value of assets under management, investment products sold, number of sales, client referrals, amount of new deposits or amount of new accounts. Your Advisor may also receive forgivable loans from Cetera, which are conditioned on your advisor retaining Cetera's broker-dealer and/or registered investment advisor services. This additional economic benefit creates a conflict of interest for your Advisor to retain affiliation with Cetera in order to avoid re-payment on a loan.

Training and Education Compensation
We and our Advisors also receive additional compensation from mutual fund and insurance companies, including Strategic Partners that is not related to individual transactions or assets held in accounts. This money is paid, in accordance with regulatory rules, to offset up to 100% of the costs of training and education of our Advisors and employees. In some instances, mutual fund and insurance companies pay a flat fee in order to participate in our training and educational meeting. These meetings or events provide our Advisors with comprehensive information on products, sales materials, customer support services, industry trends, practice management education, and sales ideas.

It is important to note that due to the number of mutual fund and variable insurance products we offer, not all product sponsors have the opportunity to participate in these training and educational events. In general, our Strategic Partners have greater access to participation in these events and therefore greater access to, and opportunity to build relationships with, our Advisor.
Some of the training and educational meetings for which we or our Advisors receive reimbursement of costs include client attendance. If you attend a training or educational meeting with your Advisor and a product sponsor is present, you should assume that the product sponsor has paid for all or a portion of the costs of the meeting or event.

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

Although the Firm is able to negotiate competitive pricing from Pershing that it believes is beneficial to its clients, the Firm's clearing relationship with Pershing provides the Firm with certain economic benefits by using itself as the broker-dealer for its advisory program accounts rather than an unaffiliated broker-dealer. For example, the Firm adds a markup to certain other brokerage-related account charges and fees that are assessed to all client advisory accounts at Pershing. The charges and fees that are marked up include, but are not limited to, paper delivery surcharge fees for client statements and confirmations, clearance and execution fees, outgoing account transfer fees, mandatory reorganization fees, checking account fees, inactive account fees, wire fees, legal transfers fees, bond redemption fees, termination fees, and IRA annual custodial maintenance fees.

The Firm also maintains two bank deposit sweep programs that create financial benefits for the Firm as described below. The Firm also receives additional compensation from Pershing for non-retirement account assets that are swept into a money market fund sweep option as described below. The additional compensation received by the Firm creates a conflict of interest with the Firm' clients.

FDIC Insured Bank Deposit Sweep Account. The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. Under two Cetera programs, the FlexInsured Account Program and the Insured Deposit Sweep Account Program (FDIC-Insured Programs), the Firm enables clients' available cash balances awaiting investment or reinvestment in eligible accounts, including cash balances derived from the sale of securities, dividend payments, interest credited from bonds, and cash deposits, to be automatically deposited (swept) into interest bearing deposit accounts offered through one or more participating program banks (Program Banks). Deposits at an individual Program Bank are covered by FDIC insurance up to a maximum of $250,000 and an aggregate total across all Program Banks of up to $2,500,000. For purposes of calculating the available FDIC coverage at each Program Bank, cash deposited at a Program Bank is aggregated with all other deposits held by you outside of the FDIC-Insured Programs in the same insurable capacity at that Program Bank. It is your responsibility to monitor any deposits that you have at each Program Bank including deposits outside of the FDIC-Insured Programs so that you do not exceed the applicable limits on FDIC insurance coverage as described above. Funds deposited through the FDIC-Insured Programs are not eligible for SIPC protection.

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FlexInsured Account Program. The FlexInsured Account is the default sweep vehicle for non-retirement advisory accounts. For its role in offering the FlexInsured Account Program, the Firm earns additional compensation in the form of a payment of a portion of the earned interest received from a Program Bank (payment) which is based on the amount of money on deposit by all FlexInsured Account Program participants and the applicable interest rate paid at that time by that Program Bank. The amount of a payment to the Firm will vary but will not exceed 4.00% on an annualized basis as applied across all FlexInsured Accounts. The maximum annual percentage to be received by the Firm may be changed upon 30 days' prior notice to participants in the FlexInsured Account Program. In our discretion, we may reduce the amount of a payment and vary the reductions among clients which would result in some clients getting paid a higher interest rate, and, therefore, earning more interest than other clients. Additionally, the payments the Firm receives generally vary by Program Bank and will affect the interest rate paid to you. The interest rate you earn will generally be lower than interest rates available to depositors in interest-bearing accounts held directly at a Program Bank or other FDIC-insured depository institutions, but such institutions could require a minimum amount to establish an interest-bearing deposit account that is maintained outside of the FDIC-Insured Programs.

Insured Deposit Sweep Account (IDSA) Program. The IDSA is the default sweep vehicle for advisory IRAs. For its role in offering the IDSA Program, the Firm receives a per account fee each month. The compensation paid to the Firm under the IDSA Program does not vary among IDSA Program participants and is not affected by the amounts deposited through the IDSA Program. The Firm's compensation under the IDSA Program is determined by a fee schedule indexed to the current Federal Funds Target (FFT) Rate. The monthly fee paid to the Firm increases and decreases by $0.07 with every 1 basis point (a basis point is equal to 0.01%) change in the FFT Rate. In cases where the FFT Rate is a range of rates, the FFT Rate will be deemed to be the midpoint of the range rounded to the nearest thousandth of a decimal. The monthly per account fee paid to the Firm under the IDSA Program will not exceed $22.00, regardless of changes in the FFT Rate. The maximum monthly per account fee may only be changed upon 30 days' prior notice to participants in the IDSA Program. Although it is generally anticipated that the Firm's fee under the IDSA Program will be offset by amounts paid by the Program Banks, the Firm reserves the right to withdraw the monthly account fee, or a portion thereof, from participants' accounts in the event that the amount received from the Program Banks and paid over to the Firm is less than the Firm's fee for the same period.

Program Banks do not have a duty to offer the highest rates of return available or comparable to those offered in money market funds. The FDIC-Insured Programs should not be viewed as an investment option nor as a long-term holding. If you desire to maintain a cash position in your account for something other than a short-term position awaiting investment and/or seek the highest yields currently available in the market for your cash balances, then you should contact your Advisor about your options outside the FDIC-Insured Programs.

Money Market Mutual Fund. Some non-retirement accounts established before May 21, 2018 utilize a money market mutual fund previously designated as an alternative sweep option for non-retirement accounts (Prior MMF). The Prior MMF is no longer available as a new sweep selection; however, clients that previously chose the Prior MMF as a sweep option may continue to use it until a new election is made. The Firm receives distribution assistance from Pershing in the form of annual compensation of up to 0.78% for assets held in the Prior MMF.

For ERISA advisory accounts, the Firm offers a money market mutual fund, which provides a return on your account balances, as a cash sweep default option. The Firm and Advisor do not receive any sweep-related compensation in connection with cash in ERISA advisory accounts that are swept into any money market mutual fund that the Firm designates for ERISA advisory accounts.

The compensation the Firm receives from the FDIC-Insured Programs and the Prior MMF defrays its costs of providing and administering these sweep programs and is also a source of revenue. This compensation presents a conflict of interest to the Firm because the Firm receives a greater financial benefit when cash is swept into the FDIC-Insured Programs and the Prior MMF than it otherwise would if your cash balance is held elsewhere, and any compensation the Firm receives reduces the interest you receive. This compensation is retained by the Firm and is not shared with your Advisor, so your Advisor does not have an additional financial incentive that is tied to the compensation from the cash sweep program to recommend that cash be held in the FDIC-Insured Programs or the Prior MMF rather than investing in securities. The asset-based fee charged in your advisory account includes cash held in the cash sweep program.

An investment in a money market mutual fund, unlike Program Bank deposits, is not insured or guaranteed by the FDIC or any other governmental agency, and it is possible to lose money by investing in a money market mutual fund. The Prior MMF, money market mutual funds held in ERISA advisory accounts, and uninvested cash held by the Firm as a "free credit balance" in all client accounts are covered by the Securities Investor Protection Corporation (SIPC), a non-profit, non-government, membership corporation, funded by member broker-dealers. SIPC's coverage protects against the custodial risk (not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of $500,000 of which $250,000 may be in cash per customer in each separate capacity under SIPC rules.

A money market mutual fund generally seeks to achieve a competitive rate of return (less fees and expenses) consistent with its investment objective(s), which is described in its prospectus. Average annual rates of return of the money market mutual fund option offered as the cash sweep option will vary over time and will generally be higher than the interest rate paid on deposits to you through the FDIC-Insured Programs. The Firm will earn more money by designating the FlexInsured Account or the IDSA as the default sweep option for eligible accounts. Accordingly, the Firm has a financial incentive and conflict of interest in selecting cash sweep options.

For detailed information regarding the terms and conditions of the cash sweep options, see the Firm's FlexInsured Account Program Disclosure Statement, the Firm's Insured Deposit Sweep Account Disclosure Statement available https://www.ceteraadvisornetworks.com/clients, or the applicable money market mutual fund prospectus. You can obtain copies of such product disclosures from your Advisor. Generally, each account will be eligible for a single cash sweep option, such as a FDIC-Insured Program or a money market mutual fund, based on account type. We may change the products available for your selection. Your Advisor can provide a current list of available options.

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Compensation from Strategic Partners

Although we offer thousands of mutual funds from more than 250 mutual fund companies, and hundreds of variable life and annuity contracts from more than 100 insurance companies, we concentrate our marketing and training efforts on those investments offered by a much smaller number of select and well-known companies (Strategic Partners). Strategic Partners are selected, in part, based on the competitiveness of their products, their technology, their customer service and their training capabilities. Strategic Partners have more opportunities than other companies to market and educate our Advisors on the investments and products they offer. We also provide Strategic Partners with additional opportunities to make their products available in programs or services offered by the Firm. For a current list of our Strategic Partners, please see the below list of Strategic Partners.

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

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

It is important to note that you do not pay more to purchase Strategic Partner mutual funds or insurance products through us than you would pay to purchase those products through another broker-dealer, and your Advisor does not receive additional compensation for selling a Strategic Partner product. For the most current list of our Strategic Partners, please refer to our website at https://www.ceteraadvisornetworks.com/clients/strategic-partner-list.

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

Conflicts of Interest in Receiving Revenue Sharing From Strategic Partners

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

Mutual Fund Ticket Charges
When you purchase a mutual fund of a Strategic Partner in a Pershing brokerage account, we may absorb the nominal “ticket charge” for each transaction of approximately $30 which would normally be paid by your Advisor. Generally, the mutual fund families that participate in the Strategic Partner Program subsidize some of these ticket charges through the compensation mentioned above or by paying us a per trade fee of up to $10. The type of transaction in a Strategic Partner mutual fund purchase that qualifies for a ticket charge waiver varies depending on the particular Strategic Partner. In general, the ticket charge will be waived for the purchase of certain mutual funds in an amount of $2,500 or more. Most mutual funds offered by us may be purchased without a ticket charge by processing the transaction with a check and application sent directly to the mutual fund company. We believe that these ticket charge waivers do not result in a conflict of interest between you and your Advisor.

Pershing Relationship
Pershing is the clearing firm for our brokerage business. Due to this business relationship, Pershing shares with us a portion of the transaction costs and fees you pay to Pershing for certain transactions and services as described in Item 4. This compensation we receive in connection with certain transactions and services is an additional source of revenue to the Firm and defrays our costs associated with maintaining and servicing client accounts and includes compensation to the Firm and defrays our costs associated with maintaining and servicing client accounts and includes compensation to the Firm, and presents a conflict of interest because the Firm and your Advisor have a greater incentive to make available, recommend, or make investment decisions regarding investments and services that provide additional compensation to the Firm and your Advisor over those investments and services that do not.

Pershing also pays us, on a quarterly basis, a fixed amount in the form of a Business and Marketing Enhancement Incentive Credit in support of our ongoing investment in various business, marketing and technology initiatives relating to the brokerage services we offer on our platform.

Pershing also provides consulting and other assistance to us. We also participate in other revenue Pershing is paid on the assets held in your account. Your advisory fee is not reduced or offset as a result of any revenue that Pershing shares with us. The following is a brief description of some of the revenue items received from Pershing.

Pershing receives revenue from money market funds that the Firm makes available as a cash sweep option, and for nonretirement accounts that choose to invest cash in such a money market fund Pershing shares some of that revenue with us as described in Item 4 at Cash Sweep Program.

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Pershing, to help defray costs associated in transferring certain client accounts onto the Firm's platform custodied at Pershing, reimburses the Firm a portion of the termination and transfer fees incurred by a client account that qualifies for such assistance. The Firm credits such reimbursements to the applicable Client's account. In addition, Pershing may, from time to time, waive or discount certain customary fees and expenses in an effort to help attract client accounts and assets.

Additionally, we receive the short term redemption fees that Pershing charges you for certain FundVest mutual fund shares that are redeemed within six calendar months. This compensation is a source of revenue to the Firm and presents a conflict of interest whenever Advisor recommends that you redeem a FundVest mutual fund within six calendar months because the Firm receives a financial benefit from such transaction. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain FundVest mutual funds be redeemed within six calendar months over other investments.

Pershing also pays us a fixed amount of the service fees it receives from certain fund companies that do not participate in Pershing's FundVest program. These payments are in exchange for certain services the Firm provides to Pershing and to clients that hold positions in such mutual fund companies. This additional compensation presents a conflict of interest because the Firm receives a financial benefit from mutual fund companies that pay this fee as opposed to those that do not. This compensation, however, is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend certain mutual funds over other investments.

Training and Education Compensation
We and our Advisors also receive additional compensation from mutual fund and insurance companies, including Strategic Partners that is not related to individual transactions or assets held in accounts. This money is paid, in accordance with regulatory rules, to offset up to 100% of the costs of training and education of our Advisors and employees. In some instances, mutual fund and insurance companies pay a flat fee in order to participate in our training and educational meeting. These meetings or events provide our Advisors with comprehensive information on products, sales materials, customer support services, industry trends, practice management education, and sales ideas.

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

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

Exchange-Traded Products Partner Program
Cetera Advisor Networks offers an exchange-traded products partner program (ETP Partner Program), which has similar features to the Firm's Strategic Partner Program. The Firm currently has entered into agreements with certain ETP Partners and intends to add additional ETP Partners on an ongoing basis. For the most current list of our ETP Partners, please refer to our website at https://www.ceteraadvisornetworks.com/clients/strategic-partner-list or call your Advisor.

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

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

These payments help compensate us and our affiliates for maintaining our platform and providing ongoing marketing, administration and education to our employees and representatives. The payments are paid by the ETP Partner and/or their affiliates out of the assets or earnings of the ETP Partner or their affiliates. You do not pay more to purchase an ETP Partner's product through us than you would pay outside of the ETP Partner Program, and your representative does not receive additional compensation for selling an ETP Partner product. For the most current description of the compensation we receive from ETP Partners, please refer to the Firm's website at https://www.ceteraadvisornetworks.com/clients/strategic-partner-list.

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

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When you purchase an ETP Partner product, we absorb the nominal "ticket charge" (sometimes referred to as a transaction charge) for each transaction, which would normally be paid by you or your representative. In general, the ticket charge will be waived for the purchase of certain ETPs in an amount of $2,500 or more. These ticket charge waivers result in a conflict of interest between you and your Advisor in a Prime Account because your Advisor has a financial incentive to recommend an ETP Partner product that does not assess transaction charges over an ETP that does.

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

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

If a client purchases an Alternative Investment from the advisory approved products list, it will be sold in an advisory program without a commission and will be included in the billing and reporting of the account assets.

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

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

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

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

Trading Errors

Occasionally, a trading error may occur where either we, or our Advisors, are at fault. If this occurs in your account, the error will be corrected and your account will be restored to where it would have been had the error never occurred. However, in the process of restoring your account, we may realize a profit or suffer a loss in connection with correcting this error. Neither losses nor gains realized by us will be passed on to you.

Cetera Advisor Networks maintains a Code of Ethics requiring your Advisor to always act in your best interest, and maintains a supervisory structure to monitor the advisory activities of your Advisor in order to reduce conflicts of interest.

Class Action Lawsuits

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

Financial Information

We do not take prepayment of more than $1,200 in fees, six months or more in advance or have a financial condition that could impair our ability to meet our contractual obligations. Therefore, we are not required to provide our audited balance sheets.

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