



# MADISON AVENUE SECURITIES

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**Form ADV Part 2A  
Firm Brochure**

Date of Brochure  
March 31<sup>st</sup>, 2026

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

Additional information about MAS is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

MAS is a registered investment adviser. Registration as an investment adviser does not imply a certain level of skill or training.

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## *Item 2 - Material Changes*

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This section discusses material changes that have been made to this Brochure since the last amendment. The last amendment was filed on October 3rd, 2025, and since that time, the following material changes have been made:

The language throughout this brochure has been amended for clarity and to make the information easier to read and understand.

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*Item 3 - Table of Contents*

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## ***Item 4 - Advisory Business***

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### **General Description of Our Firm**

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

### **Description of Advisory Services**

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

For advisory services offered by MAS, IARs conduct initial meetings with prospective clients to discuss their financial situation, goals and objectives, risk tolerance, and investment style. It is essential that clients provide accurate, candid, and complete information to the IAR, as failure to do so can affect the quality of services provided. Clients are responsible for promptly informing their IAR of any material changes in their financial circumstances or investment objectives, enabling the IAR to evaluate whether adjustments to account management are necessary. IARs may provide advice on an intermittent or periodic basis, such as in response to a client’s request, notification of a material change in financial circumstances, a significant market event, or on a predetermined date. During these occasions, the IAR will review the account with the client and make appropriate recommendations. If the client accepts these recommendations, the IAR is responsible for arranging or executing the purchase or sale.

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

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

MAS offers multiple types of advisory services designed to meet the unique needs of our clients. Below are descriptions of the primary advisory services we offer. A written investment advisory services agreement detailing the exact services we will provide to you and the fees you will be charged will be executed prior to the commencement of any services.

1. Fee Plus Transaction Charge Program
2. Standard Wrap Program
3. Low-Minimum Wrap Program (no longer accepting new accounts, as of June 30,2020)
4. AE Wealth Management Program

5. Direct Third-Party Manager Programs
6. Investnet Program
7. Financial Planning and Consulting Services Program
8. Pension Consulting and College Savings Services Program

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

Our various programs are described below:

### **Fee Plus Transaction Charge Program**

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

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

### **Standard Wrap Program**

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

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

The minimum investment required to open an account in the MAS Standard Wrap Program is \$15,000. MAS has

discretion to waive the minimum for certain clients. The assets of the Program account will include stocks, bonds, cash, mutual funds, and other securities. The use of margin is not permitted in this Program. Annuities with no sales charges can be transferred into this Program.

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

### Low-Minimum Wrap Program

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

When participating in this Program, you pay a wrap fee, as mentioned in the Standard Wrap Program above. The fees and charges for this program are subject to negotiation depending upon a number of factors, including size of the account. More information on fees in this program is detailed below in **Item 5 – Fees and Compensation**.

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

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

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

### AE Wealth Management Program

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

When participating in this Program, you pay a wrap fee, which is billed in arrears (at the end of the billing period) on a monthly calendar basis and calculated based on the average daily balance of the account for the current billing period. More information on fees in this program is detailed below in ***Item 5 – Fees and Compensation***.

The minimum initial investment required to establish an account through the AE Wealth Management Program is \$10,000. Exceptions to this minimum may be made if approved by your IAR and by MAS. The services under this program continue in effect until terminated by either party by providing written notice of termination to the other party. Any prepaid, unearned fees will be promptly refunded by AEWM to you. If services are terminated at any time other than the last business day of the month, fees for the final billing period will be determined on a pro rata basis using the number of days services are actually provided during the final period.

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

### **Direct Third-Party Manager Programs**

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

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

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

### **Investnet Program**

MAS has hired an unaffiliated third-party SEC-registered investment adviser, Investnet Asset Management, Inc. (“Investnet”) as a “sub-adviser” (similar to AE Wealth Management Program above) to provide a platform for our

IARs that we've titled the "Envestnet Program." Several types of accounts are available in this program including Separately Managed Accounts ("SMAs"), Unified Managed Accounts ("UMAs"), Advisor as Portfolio Manager Accounts, and others. The types of accounts and services provided through this program are managed on a discretionary basis and further described in the Envestnet form ADV 2A Brochure, which can be downloaded from Envestnet's [website](#). In this program, specific investment decisions within your account may be made by either your individual IAR or by your selected strategist. Most commonly, your IAR will assist you with selecting from the list of strategies available within the Envestnet Program. All accounts within this program are held in custody at Schwab through their Institutional Platform. The advisory fee for this Program is a wrap fee. More information about the advisory fee in this Program can be found in **Item 5 – Fees and Compensation**.

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

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

### **Financial Planning and Consulting Services Program**

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

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

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

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You are solely responsible for determining whether to implement our financial planning and consulting recommendations. When providing

financial planning and consulting services, IARs may recommend that you purchase securities or insurance products offered through MAS pursuant to the plan or consultation. IARs receive commissions as registered representatives and/or insurance agents in connection with such transactions. Thus, the IARs have a conflict of interest when providing financial planning services because they and MAS will receive additional compensation if you choose to execute transactions or purchase insurance products through MAS. You have the right to reject recommendations made by an IAR through the IAR or otherwise through MAS or its affiliates. You also have the right to implement the recommendations through another adviser who may charge more or less for the same products and services. If you would like to implement any of our investment recommendations through MAS or retain us to actively monitor and manage your investments, you must execute a separate, written investment advisory agreement with MAS prior to implementation.

The fees for financial planning and consulting services are detailed in **Item 5 – Fees and Compensation**. For more information about our IARs' other financial industry activities, affiliations, and additional compensation, please see **Items 10 – Other Financial Industry Activities and Affiliations** and **14 – Client Referrals and Other Compensation** below.

### **Pension Consulting and College Savings Services Program**

MAS, through some of its IARs, helps employers set up and manage retirement plans for their employees. In this program, our advisors meet with company management to create retirement plans that fit the employer's needs. These plans are usually 401(k), 403(b), 457, or other qualified retirement plans. MAS can provide either fiduciary (acting in your best interest) or non-fiduciary services, and this will be clearly explained in your agreement. The investment options for these plans may include mutual funds, variable annuities, unit investment trusts, or money market accounts. Some investment options may also come from third parties. Our advisors may also work with your company's plan recordkeeper or third-party administrator to help set up and manage your retirement plan.

MAS, through certain IARs, also provides services to individual plan participants. These services include education, help with enrollment, and one-on-one consultations about investment recommendations, as requested. When offering these consulting services, MAS will review the participant's financial situation, goals, and the investment options available in their employer-sponsored retirement plan. MAS will make recommendations from the investment choices the plan offers, based on the participant's stated objectives and risk tolerance. These services do not constitute asset management services for the participant's retirement plan account. The participant is responsible for deciding whether to follow the advice given and for carrying out any trades in their retirement plan account.

MAS, through certain IARs, also provides college savings services, typically through a 529 College Savings Plan provided by mutual fund companies. Legally called "qualified tuition plans," 529 plans are sponsored by states, state agencies, or educational institutions and are authorized by Section 529 of the Internal Revenue Code. With this program, IARs meet with clients who wish to invest and save for future educational expenses. They'll discuss your investment objectives, risk tolerance, and estimated timeframe for when you will need to access the funds. Your IAR will help you find a plan that meets your needs, will assist you with paperwork to open the account, and help you choose from the available investments options within the plan.

### **Client Assets Managed by Madison Avenue Securities**

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

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## ***Item 5 - Fees and Compensation***

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

The specific manner in which fees are charged by MAS is established in an Investment Advisory Client Services Agreement (“Client Agreement”). For non-wrap programs, MAS’s advisory fees do not include brokerage commissions, transaction fees, or other related costs and expenses, which the client will be responsible for. Clients may also be charged fees by custodians, brokers, third-party managers, and other service providers. These fees can include custodial fees, deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees or taxes related to brokerage accounts and securities transactions. In addition, mutual funds and exchange-traded funds may charge their own internal management fees, which are explained in the fund's prospectus. All these charges, fees, and commissions are separate from and in addition to MAS’s advisory fee.

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

And you will not necessarily be subject to all fees outlined in this section. You are responsible only for any fees associated with the specific program(s) in which you invest. We encourage you to review the MAS fee schedule for a listing of fees that may be applicable to brokerage accounts at [mas-bd.com/investor-fee-schedule](http://mas-bd.com/investor-fee-schedule).

Outlined below are the fees for our various programs:

### **Fee Plus Transaction Charge Program**

The advisory fee for this Program will be payable quarterly in advance upon deposit of funds or securities in the account. The initial advisory fee is due upon execution of the Client Agreement and will be deducted automatically from your account once the account has been funded. Subsequent advisory fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets (securities, cash and cash equivalents) under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith. These quarterly fees will be deducted directly from your account. Additional deposits of funds and/or securities will be subject to the same quarterly billing procedures. All assets deposited after the inception of a quarter will be billed at the end of the calendar quarter. The fee for these deposits will be prorated based on the number of days invested in the quarter. This includes deposits of stocks, bonds, mutual funds and any other securities approved by Adviser for investment in this type of account. All mid-quarter withdrawals will be subject to a prorated refund, calculated at the end of the calendar quarter. You will be entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter after termination. Such fees will be prorated and credited only to the account from which such fees were debited. Some assets in an account may be excluded from fee billing upon request and subject to MAS’s approval, for example, if you have certain securities that you intend to hold permanently.

Based upon a number of factors, each IAR is allowed to set the advisory fee for their investment advisory services in this Program up to a maximum of 2.00% annually. In the Fee Plus Transaction Charges program, transactions are executed through MAS using the services of its clearing firm, Pershing. The transaction fee paid by the clients will be allocated between MAS and Pershing. The charges for the transactions are reflected in the *Client Transaction Fee Schedule* below. MAS believes that its annual fee is reasonable in relation to services provided



with a tax adviser if you wish to charge all fees to a single advisory account. Any refunds of fees will be credited only to the respective account from which such fees were debited.

### Other Fees

MAS also acts as broker-dealer in connection with third party programs and receives compensation in connection with certain services as set forth in the account opening documentation.

Through this program, MAS and its IARs can recommend that you purchase or sell investment company products from which MAS receives compensation. Certain mutual funds and certain unit investment trusts make payments to broker-dealers. Such payments are distributed pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for distribution or administrative services and is often paid out of the fund's or the trust's assets. In some cases, MAS receives such fees or other compensation to the extent permitted by law. In other cases, especially in the context of No-Transaction-Fee ("NTF") funds, MAS and its IARs will not receive the 12b-1 fees; however, such fees can be payable to other entities, such as the custodian. If MAS receives the 12b-1 fees, it will credit such fees back to the client's account, eliminating any conflict of interest associated with the recommendation of a fund that pays a 12b-1 fee. Pershing shares "shareholder service fees" with MAS related to some NTF funds. In the event MAS receives shareholder service fees, the fees will be credited back to client accounts, similar to 12b-1 fees. In the case of NTF funds, you should discuss with your IAR whether the purchase of the NTF funds, with the elimination of the transaction fee, would be more appropriate than purchasing a non-NTF fund that eliminates the 12b-1 fees or may otherwise have a lower internal expense ratio. Similarly, a fund that imposes a front-end sales load (charge) but which waives that front-end sales load (a front-end load at net asset value) for purchases made on behalf of the account may bear 12b-1 distribution or service fees in excess of 0.25% of the account's net assets invested in such funds (the maximum allowed for no-load funds). The 12b-1 fee and other fee arrangements are disclosed in the applicable fund's or trust's prospectus.

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

### Standard Wrap Program

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

the calendar quarter. The fee for these deposits will be prorated based on the number of days invested in the quarter. This includes deposits of stocks, bonds, mutual funds and any other securities approved by MAS for investment in this type of account. All mid-quarter withdrawals will be subject to a prorated refund, calculated at the end of the calendar quarter. The clearing firm will deduct all advisory fees from your program account as authorized by the Client Agreement. All fees paid from the account will be disclosed on your account statements. Assets can be excluded from fee billing upon request and subject to MAS's approval such as securities you intend to hold permanently.

Based upon a number of factors, each IAR is allowed to set the advisory fee for their investment advisory services in the Standard Wrap Program up to a maximum of 2.25% annually. IARs that place client accounts in this program are subject to a "platform fee." The platform fee reduces the total advisory fee that will be allocated to the IAR for their services to you. IARs have a conflict of interest to encourage larger account sizes because the platform fee is reduced as account sizes become larger, increasing the portion of the client fee allocated to the IAR. The platform fee is allocated between the custodian and MAS. MAS believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that of other investment advisers offering similar services/programs. All fees paid from the account will be disclosed on your account statements. The initial fee is in effect for each client's account at inception and shall continue until thirty (30) days after MAS or your IAR has notified you in writing of any change in the amount of the fees or charges applicable to your account, at which time the new fees or charges will become effective unless you notify MAS in writing that the account is to be closed.

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

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

### Low Balance Fee

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

### Other Fees

In MAS's Standard Wrap Program, transactions are executed through MAS. For certain transactions, MAS receives a portion of the fees paid by you in connection with such transactions. MAS can act as broker-dealer in connection with third-party programs and receive compensation in connection with such services as set forth in

the account opening documentation with Pershing.

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

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

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

### Low-Minimum Wrap Program

In the legacy Low-Minimum Wrap Program, which is no longer promoted or accepting new accounts, the advisory fee is a “wrap fee,” which means you will generally only pay fees based on assets under management, and, in most circumstances, you will not pay a separate commission, ticket charge, or custodian fee for the execution of transactions in your account. The wrap fee is billed quarterly in advance upon deposit of funds or securities into the account. The initial advisory fee is due upon execution of the Client Agreement and funding of the account. This fee will be deducted automatically from your account. Subsequent advisory fee payments are due and will be assessed at the beginning of each quarter based on the value of the account assets (securities, cash, and cash equivalents) under management as of the close of business on the last business day of the preceding quarter as valued by an independent pricing service, where available, or otherwise in good faith. These quarterly fees will be deducted directly from your

account. All assets deposited after the inception of a quarter will be billed at the end of the calendar quarter. The fee for these deposits will be prorated based on the number of days invested in the quarter. This includes deposits of stocks, bonds, mutual funds and any other securities approved by MAS for investment in this type of account. All mid-quarter withdrawals will be subject to a prorated refund, calculated at the end of the calendar quarter. The clearing firm will deduct all advisory fees from your program account as authorized by the Client Agreement. All fees paid from the account will be disclosed on your account statements.

Based upon a number of factors, each IAR is allowed to set the advisory fee for their investment advisory services in the Standard Wrap Program up to a maximum of 2.25% annually. Pershing will deduct all advisory fees from your account as authorized by the Client Agreement. IARs that place client accounts in this program are subject to a "platform fee." The platform fee reduces the amount of the total advisory fee that will be allocated to the IAR for their services to you. IARs have a conflict of interest to encourage larger account sizes because the platform fee is reduced as account sizes become larger, increasing the portion of the client fee allocated to the IAR. The platform fee is allocated between the custodian and MAS. MAS believes that its annual fee is reasonable in relation to services provided and the fees charged by other investment advisers offering similar services/programs. However, our annual fee may be higher than that of other investment advisers offering similar services/programs. All fees paid from the account will be disclosed on your account statements. The initial fee is in effect for each client's account at inception and shall continue until thirty (30) days after MAS or your IAR has notified you in writing of any change in the amount of the fees or charges applicable to your account, at which time the new fees or charges will become effective unless you notify MAS in writing that the account is to be closed.

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

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

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

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

Other potential charges exist that are not covered by the wrap fee that are imposed by third parties which includes, but is not limited to, no-load mutual fund 12b-1 distribution fees (trail commissions), certain deferred sales charges on previously purchased mutual funds, IRA and Qualified Retirement Plan fees, special product fees, and redemption fees for holding a position too short a length of time. For its administrative services performed on behalf of such third parties with respect to the provision of these services, MAS will retain a portion of certain of the fees and charges imposed by third-parties, including Qualified Retirement Plan fees, which will be in addition to and separate from MAS's investment advisory fees charged by MAS to client accounts. While it is possible for Class B and C share mutual funds to transfer into the account, no new purchases of Class B or C share mutual funds are permitted. Mutual funds and UIT investments subject to 12b-1 distribution fees that are paid to MAS will be subsequently credited back to your account.

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

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

### **AE Wealth Management Program**

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

monthly fee due.

Fees charged for our model portfolio solutions and direct asset management services are negotiable by each IAR based on several factors, including the type of client, the complexity of the client's situation, the composition of the client's account (e.g., equities versus mutual funds), the potential for additional deposits, the client's relationship with the IAR, the total amount of assets under management, and the selected portfolio(s). Based upon those negotiability factors, each investment adviser representative is allowed to set the fee for investment advisory services up to a maximum amount of 2.0% annually. The fee charged to each client includes a portion attributable to MAS, a portion attributable to AEW, a portion attributable to the manager of the selected model portfolio (if applicable), and a portion attributable to the custodian. The annual fee charged in this program will be specified in the Schedule A for AEW Program Managed Accounts. If a minimum platform fee is imposed on your account, we may pass the fee on to you.

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

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

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

### **Direct Third-Party Manager Program**

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

### **Investnet Program**

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

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

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

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

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

### **Financial Planning and Consulting Services**

As outlined in the previous section, certain MAS IARs offer financial planning and consulting services for a fee. In all instances, these fees will be billed directly to you, and payment must be made to Madison Avenue Securities, LLC. Under no circumstances will MAS require that you pay more than \$1,200 six months or more in advance of services rendered. The fee arrangements for the various services are as follows:

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

**Fixed Fee Services:** MAS offers as part of a fixed-fee arrangement, a one-time financial plan, a portfolio analysis, and/or an investment policy statement which will be delivered promptly, or in no more than 90 days. The fee for such services will range from \$1,000 to \$5,000 but may be higher or lower depending

on a variety of factors, including the services provided and the complexity of your financial situation and objectives. The fixed fee will be agreed upon by MAS, you, and your IAR in advance and will be set forth in *Exhibit A - Advisory Services to be Performed* attached to the *Investment Advisory Client Services Agreement – Financial Planning/Consultation*. Under certain circumstances, you may pay a portion of the fee in advance of the provision of any services and will pay the balance upon completion of the agreed upon services.

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

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

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

### **Pension Consulting and College Savings Services Program**

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

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

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

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

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## *Item 7 – Types of Clients*

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

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

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### **Methods of Analysis**

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

**CYCLICAL:** The Cyclical Method analyzes investments whose performance is sensitive to business cycles and is closely linked to the overall economy. Cyclical companies typically produce goods or services that experience lower demand during economic downturns and higher demand during expansions/upswings—examples include the automobile, steel, and housing industries. Stock prices of cyclical companies often rise ahead of economic upturns and decline before downturns. Investors in cyclical stocks aim to maximize gains by purchasing shares near the bottom of a business cycle, just before a recovery, and selling near the top.

While economists and investors generally agree that economic cycles exist and influence investment outcomes, the exact timing and duration of these cycles are unpredictable. Buying at what appears to be the bottom of a business cycle may occur too early or too late, resulting in potential losses or missed gains. Likewise, selling at what seems to be the peak may lead to missed opportunities or losses.

**FUNDAMENTAL:** The Fundamental Method evaluates a security by assessing its intrinsic value through the analysis of economic, financial, and other qualitative and quantitative factors. Fundamental analysts examine all elements that may influence a security's value, including macroeconomic factors—such as overall economic conditions and industry trends—as well as company-specific factors like financial health and management quality. The goal of fundamental analysis is to determine an estimated value for the security, which investors can compare to its current market price to help decide whether to buy (if underpriced) sell, or short (if overpriced). Fundamental analysis relies on real data and can be applied to various types of securities, although it is most commonly used for stocks.

Fundamental analysis involves a degree of subjectivity. While quantitative methods are used, this approach often requires qualitative judgments about how market forces may impact a security's value. These forces can be interpreted differently and may point in conflicting directions, leading to potential misjudgments regarding which factors will predominate. Consequently, incorrect interpretation could result in unfavorable investment decisions.

**TECHNICAL:** The Technical Method evaluates securities by analyzing statistics generated through market activity, such as historical prices and trading volume. Rather than assessing a security's intrinsic value, technical analysts use charts and other tools to identify patterns that can suggest future market behavior. This approach is based on the belief that historic price performance and trends can indicate future movements.

Technical analysis is highly subjective, relying on the interpretation of price and trading volume data, as well as quantitative assessments of market sentiment (the general bullishness or bearishness among traders). A contrarian may act on sentiment signals, selling when most traders are bullish or buying when most are bearish. However, sentiment readings are not always predictive, and extreme market sentiment can continue further than expected, resulting in missed opportunities or premature trades.

Charting is a core technique of technical analysis, involving the plotting of price movements, volume, and other indicators to anticipate market direction. Interpretation of chart patterns carries the risk that new data may invalidate previous conclusions or that larger, unforeseen patterns may emerge.

Technical analysis depends heavily on pattern recognition and interpretation, which can be influenced by subjective judgment and unforeseen changes in market trends. Therefore, there is a risk that trading decisions based on technical analysis may be incorrect or mistimed, leading to losses or missed investment opportunities.

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

### **Investment Strategies**

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

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

**TACTICAL ASSET ALLOCATION:** A tactical asset allocation strategy allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable

percentages that permit the investor to take advantage of market conditions within these parameters. Certain tactical strategies may also trade frequently, which may cause tax implications. However, MAS does not hold itself out as an accountant or tax advisor and does not provide such services. Therefore, MAS recommends consulting with a tax advisor as it relates to this investment strategy.

### **Risk of Loss**

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

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

**ALTERNATIVE INVESTMENTS RISK:** Alternative investments typically have low correlation to the stock market, allowing them to provide diversification and potentially reduce portfolio volatility. These investments may be illiquid, often due to transfer restrictions and the absence of a secondary trading market. They may also lack transparency regarding share price, valuation, and portfolio holdings. Additionally, complex tax structures can lead to delayed tax reporting. Compared to mutual funds, private funds are generally subject to less regulation and often impose higher fees. Alternative investments comprise a wide range of strategies, each with distinct return and risk characteristics that should be evaluated on a case-specific basis.

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

**COMPANY RISK:** When investing in stocks, there is always a degree of company- or industry-specific risk inherent in each investment. This is known as unsystematic risk and can be mitigated through proper diversification. Such a risk may arise if a company performs poorly or loses value due to factors specific to that company or its industry. For example, a strike by employees or unfavorable media coverage can negatively impact the company’s stock value.

**CRYPTOCURRENCY:** Cryptocurrency is a digital or virtual currency used as an alternative payment method and for speculative investment. It is not backed by real assets or tangible securities, is traded directly between consenting parties without a broker, and most cryptocurrencies are tracked on decentralized digital ledgers using blockchain technology. Cryptocurrencies are subject to—and have experienced—rapid surges and declines in value. In addition to the market risk common to speculative assets, cryptocurrency investments carry several other risks, making them highly volatile. Although MAS does not permit direct investment in cryptocurrencies, some models offered on MAS’s platform may include underlying cryptocurrency investments or components.

**CYBERSECURITY RISK:** With increased reliance on technology to conduct business, AEWMM faces operational, information security, and related risks. Information and cyber incidents can result from

deliberate attacks or unintentional events, originating from either external or internal sources. Cyber-attacks may involve unauthorized access to digital systems—such as hacking or malicious software—to misappropriate assets or sensitive information, corrupt data, equipment, or systems, or disrupt operations. Some attacks, like denial of service, can occur without unauthorized access and may render network services unavailable to intended users. Such incidents can disrupt business operations, potentially leading to financial losses, trading impediments, inability to transact business, damage to equipment and systems, violations of privacy and other laws, regulatory fines and penalties, reputational harm, reimbursement or compensation costs, and increased compliance expenses.

**DURATION RISK:** Duration measures a bond's price sensitivity to changes in interest rates. It is determined by factors such as the bond's maturity date, coupon rate, and call features. Duration provides a way to compare how different bonds will respond to interest rate fluctuations. For example, a bond with a duration of five (5) years will decrease in value by approximately five percent (5%) for every one percent (1%) increase in interest rates.

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

**EQUITY (STOCK) MARKET RISK:** Common stocks are subject to general market fluctuations and can experience significant increases or decreases in value as investor confidence and perceptions of their issuers change. Holding common stock or common stock equivalents of a given issuer generally exposes you to greater risk than holding preferred stocks or debt obligations of the same issuer. Because investment portfolio values fluctuate, there is a risk that you will lose money, and your investment may be worth more or less upon liquidation.

**ETF, CLOSED-END FUND, AND MUTUAL FUND RISK:** When investing in an ETF or mutual fund, you will incur additional expenses based on your pro rata share of the fund's operating costs, including the potential duplication of management fees. The risks associated with owning an ETF or mutual fund generally reflect the risks of the underlying securities the fund holds. If an ETF, closed-end fund, or mutual fund fails to achieve its investment objective, the account's investment in that fund may adversely affect performance. The value of ETF shares depends on market demand, which may affect your ability to liquidate holdings at an optimal time, potentially impacting performance. Closed-end funds not publicly offered provide limited liquidity to investors and are generally not obligated to repurchase shares upon request. Listed closed-end funds may trade at a discount to their NAVs. Spot Cryptocurrency ETFs involve additional risk due to the volatility of Bitcoin and other cryptocurrencies. Buffered ETFs (defined-outcome ETFs) are designed to offer downside protection in exchange for a cap on potential upside gains, presenting a tradeoff between limiting upside potential and mitigating some downside risk in market performance. Returns from defined outcome ETFs can vary based on when you invest during the outcome period. Investing at the start of the period gives you maximum upside and buffer protection. If you invest partway through the outcome period, the upside, downside, or buffer protection will reflect the performance and remaining term since the ETF's launch.

**FIXED-INCOME RISK:** When investing in bonds, there is a risk that the issuer may default and be unable to make payments. Individuals who rely on fixed, periodic income payments also face the risk that inflation will reduce their spending power, making set payments from some fixed-income products vulnerable to inflation. Fixed-income instruments are subject to interest rate risk, meaning that as interest rates rise, the market values of bonds declines, which can be more pronounced for securities with longer durations

Additionally, fixed-income securities are exposed to reinvestment risk—the possibility that cash flows (such as coupon payments or interest) cannot be reinvested in new securities at a rate comparable to their original rate of return.

**INTERNATIONAL INVESTING RISK:** International investing, especially in emerging markets, involves special risks, such as currency exchange and price fluctuations and political and economic risks.

**INTERVAL FUND RISK:** Interval funds are a type of closed-end fund, but unlike traditional closed-end funds, their shares do not trade on the secondary market. Instead, the fund periodically offers to repurchase a percentage of outstanding shares at net asset value, making these funds largely illiquid. There is no guarantee that investors will be able to sell their shares at any given time or in the desired amount. In addition, repurchases are conducted on a pro-rata basis, meaning there is no assurance that you will be able to redeem the full number of shares you wish during a given redemption period.

**LACK OF DIVERSIFICATION RISK:** Concentrated portfolios—including portfolios with a concentration in one asset class—typically result in increased risk and volatility and decreased diversification, which could result in losses.

**LIQUIDITY RISK:** Liquidity refers to how easily an asset or security can be bought or sold in the market and converted to cash. Generally, the less liquid an asset is, the greater the risk that it will be sold at a loss if the investor needs to liquidate quickly. Simple assets tend to be more liquid, especially if they represent standardized products or securities with many active traders. Conversely, complex assets and private investments, such as Qualified Opportunity Zone Funds, are illiquid because no public market exists for these investment types. This risk of liquidity increases the risk of loss if the asset must be sold quickly. Similarly, investment properties involved in Internal Revenue Code Section 1031 exchanges (“1031 exchange”), where one property is swapped for another like-kind property to defer capital gains taxes, also carry liquidity risk. This tax strategy may involve holding the property for several years, often through a Delaware Statutory Trust, per IRS requirements, which further limits liquidity. With respect to these strategies, MAS does not offer qualified tax or legal advice, nor does it hold itself out as a tax advisor. MAS recommends consulting with a tax advisor for any tax-related questions.

**MANAGEMENT RISK:** The value of your investment with a registered investment adviser depends on the success of its investment strategies, research, analysis, and selection of portfolio securities. If our investment strategies do not produce the expected returns, the value of your investment may decrease.

**MARGINS RISK:** A margin transaction occurs when an investor borrows assets to purchase financial instruments, using other securities as collateral. Buying securities on margin amplifies both gains and losses associated with those investments. Margin trading involves interest charges and additional risks, including the possibility of losing more than the amount deposited or the need to provide extra collateral in a declining market.

**NON-TRADED BUSINESS DEVELOPMENT COMPANIES:** Non-traded business development companies (“non-traded BDC(s)”) are closed-end investment companies that invest in small- and medium-sized businesses. Because they are not traded on an exchange, non-traded BDCs are subject to additional risks, such as high-net-worth requirements, higher initial investments, increased sales commissions and fees, limited liquidity, longer investment horizons, and restrictions or suspensions on redemptions. Non-traded BDCs are available only to accredited investors and typically invest in businesses that are still developing or may be experiencing financial difficulties. As a result, these companies are more likely to go out of business or default on their debts. BDCs frequently use leverage or debt to enhance potential returns, though leverage can increase the potential for losses as well. In addition to management fees, fund managers may also

charge performance fees.

**OPTIONS RISK:** Options on securities and indexes may experience greater value fluctuations than investments in the underlying securities. Buying and selling put and call options are highly specialized activities that involve higher-than-usual investment risks. Options, like other securities, offer no guarantees, and it is possible for investors to lose all of their initial investment, and sometimes more. Options derive their value from an underlying asset, such as a stock or securities index, so any risk factors affecting the price of the underlying asset will also impact the price and value of the option. Extreme market volatility, especially near an option's expiration date, can cause significant price changes and may result in the option expiring worthless. Options can be traded using covered or uncovered (naked) strategies. A covered strategy means the seller of a call option owns the underlying assets. In an uncovered or naked strategy, the seller does not own the underlying securities. Selling naked options is a very risky approach and should be reserved for experienced traders proficient in managing their exposure and risk.

**PRIVATE INVESTMENTS RISK:** A private investment is a financial asset that is not listed on a public exchange. Investors typically access private investments through private investment funds, which are investment companies that do not solicit capital from the general public. Hedge funds and private equity funds are among the most common types of private investment funds. Private equity investing often requires high investment minimums and carries greater liquidity risk, as investors are generally expected to commit their funds for several years. Private investments are often used to diversify portfolios and reduce overall risk exposure across specific sectors. However, because these assets are not traded on major public exchanges, fund managers may face challenges liquidating investments during periods of economic stress. Private funds are limited to investors who meet eligibility requirements such as investors who are high net worth, accredited investors, qualified clients, or qualified purchasers.

**PUBLICLY TRADED BUSINESS DEVELOPMENT COMPANIES:** Business Development Companies ("BDC(s)") are a type of closed-ended fund that offer retail investors the opportunity to invest in small and medium-sized private companies and, to a lesser extent, other investments including public companies. BDCs are complex and carry unique risks. Publicly traded BDCs can be bought and sold on national securities exchanges and are not limited to qualified investors. BDCs generally invest in companies that are developing and/or financially distressed, making these investments more likely to face bankruptcy or default on debts. Additionally, BDCs frequently use leverage or debt to enhance potential returns; however, leverage can also increase the risk of losses.

**REGULATORY RISK:** Market participants are subject to rules and regulations imposed by one or more regulators. Changes to these rules and regulations could have an adverse effect on the value of an investment.

**REINVESTMENT RISK:** Reinvestment risk is the risk that future interest and principal payments may be reinvested at lower yields due to declining interest rates.

**REITS AND REAL ESTATE RISK:** Real estate investment trusts (REITs) are popular investment vehicles that pay dividends to investors. The value of an investment in REITs may fluctuate based on changes in the real estate market. REITs may expose investors to additional risks, including declines in real estate values, changes in interest rates that may limit access to mortgage funds or other financing, extended property vacancies, increases in property taxes and operating expenses, and changes in zoning laws and regulations. When traded on exchanges like stocks, REITs offer exposure to diversified real estate holdings.

**SECURITIES LENDING:** Securities lending involves loaning shares of stock, commodities, derivative

contracts, or other securities to other investors or firms. The borrower must provide collateral—such as cash, other securities, or a letter of credit—which the lender holds until the agreement ends or the securities are liquidated. Typically, the lender receives a lending fee based on an interest rate applied to the market value of the securities on loan. This interest rate depends on the relative value of the individual securities in the securities-lending market and may change based on market conditions and borrowing demand. Loaned securities are sometimes considered “hard to borrow” due to short selling activity, limited lending supply, or corporate events affecting a security’s liquidity. Securities lending also exposes the lender to the risk of borrower or counterparty default.

**SMALL- AND MEDIUM-CAPITALIZATION COMPANIES:** Publicly traded companies are often categorized by their market capitalization—the total value of their shares in the market. Small-cap investing is typically selected by investors seeking growth opportunities. Although small-cap stocks have historically outperformed large-cap stocks, they carry higher risks. Prices of small-cap stocks are generally more volatile than those of large-cap stocks, and this increased volatility can also apply to some mid-cap stocks. Additionally, smaller companies face greater risk of bankruptcy or insolvency compared to larger companies.

**STRUCTURED NOTES RISK:** Structured notes are complex financial instruments comprising a bond component and an embedded derivative component that alters the security’s risk-return profile. Structured notes can be either principal-at-risk or principal-protected. Principal-protected notes provide full principal protection, subject to the credit risk of the issuer, even if the market is down at the note’s maturity. Principal-at-risk notes offer no principal protection, meaning investors can lose some or all of their invested principal at maturity. A structured note will result in loss of principal if the reference asset declines by more than the stated buffer or barrier level, either at maturity or on a scheduled observation date. Structured notes are considered senior unsecured debt and are therefore subject to default risk. They typically lack liquidity, are not listed on securities exchanges, and do not pay dividends. Although issuers may maintain a secondary market, there is no obligation to do so, and secondary market availability may be limited. If structured notes are sold in the secondary market before maturity, they may be subject to significant discounts, potentially resulting in principal loss. Structured notes are also exposed to credit and call risks. Credit risk means that if the issuer defaults on payment obligations, investors may not receive any amounts owed and could lose their entire principal investment. Certain notes can be callable automatically or at the issuer’s discretion, with investors forfeiting future interest payments for the remainder of the note’s term if it is called. Depending on the nature of the linked asset or index, market risks may include changes in equity or commodity prices, fluctuations in interest or foreign exchange rates, and market volatility. After issuance, structured notes may not be resold daily, and their complexity can make them difficult to value.

**TENDER OFFER FUND RISK:** A tender offer fund is a closed-end registered investment company that can continuously offer shares at net asset value to an unlimited number of investors. Unlike interval funds, which buy back shares from investors at predetermined intervals, a tender offer fund repurchases shares at its discretion, typically at net asset value. Tender offer funds are considered semi-liquid because they are not traded on securities exchanges and share repurchases are determined by the Fund Board. Investors cannot redeem shares on demand and must wait for periodic tender offers. Tender offer funds often invest in illiquid or alternative assets such as private equity, real estate, or distressed securities. If the underlying investments are restricted to accredited investors, then the tender offer fund itself will also only be available to accredited investors.

**VARIABLE ANNUITIES RISK:** A variable annuity is a long-term investment primarily intended for retirement or other long-range goals, offering the opportunity to accumulate assets on a tax-deferred basis. The sub-accounts within a variable annuity are subject to investment risk, and it is possible for the annuity to lose

value, much like mutual funds. Additionally, annuity assets depend on the claims-paying ability and financial strength of the issuing insurance company. You should consider your capacity to absorb investment losses during periods of market volatility. The annuity prospectus contains important information relevant to your investment decision, including details on fees and charges, risks, death and living benefits, and variable annuity income options. Variable annuities have unique fees and charges that may apply beyond your investment advisory fee.

Fee-based variable annuities differ from commission-based products in that an adviser charges an ongoing, asset-based advisory fee on the annuity's assets, similar to other advisory accounts. These fee-based annuities are generally designed for clients who desire ongoing investment advice for their sub-accounts from their IAR, who is compensated through the advisory fee. Because variable products are long-term investments, paying an advisory fee over the life of the annuity or variable life insurance may be more expensive than purchasing a commission-based variable annuity. Alternative investment strategies may also be available within variable annuity subaccounts. These alternatives carry unique investment risks; please review the disclosure for Alternative Investment Risks above.

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## ***Item 9 – Disciplinary Information***

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

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

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

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

On September 3, 2025, MAS signed an order of Acceptance, Waiver, and Consent ("AWC") with FINRA whereby without admitting or denying the findings the firm was censured and fined \$125,000. The disciplinary event related

to consolidated reports inaccurately reporting on, or omitting, certain assets not held through MAS either due to manual entry errors or inaccurate automated data feeds from product sponsors. Additionally, some consolidated reports that included held away assets did not disclose that the assets may not be covered by the Securities Investor Protection Corporation (SIPC). MAS also did not have a supervisory system designed to review consolidated reports, as well as a system to maintain records of which consolidated reports were distributed or made available to which clients. As part of the Order, MAS agreed to a fine of \$125,000 and agreed to an undertaking to remedy the issues named in the AWC and to improve upon its supervisory system and procedures. MAS paid the \$125,000 fine in full on September 12, 2025.

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## ***Item 10 – Other Financial Industry Activities and Affiliations***

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

### **Related Broker Dealers**

MAS is under common control and ownership and shares a Chief Compliance Officer ("CCO") with AE Financial Services, LLC ("AEFS"). MAS, as a dually registered firm, typically does not utilize the services of AEFS.

### **Registered Representative of a Broker-Dealer**

Some MAS IARs are also registered representatives of a broker-dealer, including AEFS or MAS. If you choose to engage your IAR in their capacity as a registered representative, be aware that they can sell general securities products to you, for which the IAR, in their capacity as an RR, will earn a commission. Your IAR, if registered as an RR with a broker dealer, can recommend that you purchase securities through a commission-based brokerage account in addition to, or instead of, a fee-based investment advisory account, or vice versa. Compensation received as a result of such recommendations will differ as between a commission-based brokerage account and fee-based advisory account. Additionally, registered representatives typically receive periodic payments from mutual fund companies for mutual fund share purchases while you maintain the investment. These dual roles and different compensation amounts and arrangements create a financial incentive to make particular recommendations or to recommend a particular account type, and for registered representatives of AEFS and MAS, financial benefits will inure to the benefit of principal owners of MAS due to common control and ownership. We address this conflict by disclosing it to you in this brochure and by requiring your IAR, whether acting in their advisory or brokerage capacity, to only make recommendations that are in your best interest.

### **Related Investment Advisers**

MAS is under common control and ownership with AE Wealth Management, LLC ("AEWM") MAS's CCO reports to AEWM's CCO. MAS utilizes AEWM's platform to assist in providing investment advisory services to MAS clients. MAS compensates AEWM for such services. Clients of AEWM and MAS clients invested in the AE Wealth Management Program should refer to its Firm Brochure(s) for a description of conflicts of interest related to MAS.

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

MAS is under common control and ownership with Impact Partnership Wealth, LLC ("IPW"), an investment adviser registered with the SEC. MAS's CCO reports to IPW's CCO. MAS does not utilize the services of IPW. Clients of

IPW should refer to its Firm Brochure(s) for a description of conflicts of interest related to IPW.

### **Related Insurance Marketing Organizations**

MAS is under common control and ownership with Advisors Excel, LLC (“AE”) and Asset Marketing Systems Insurance Services, LLC (“AMS”). MAS’s CCO reports to AE’s CCO. AE and AMS are insurance agencies that market/wholesale life and health insurance and fixed annuities to third-party insurance agents in exchange for a marketing and/or override fee from the product issuer. MAS IARs, in a separate capacity as insurance agents, utilize the marketing and wholesaling services of AE and AMS. The commissions and other compensation paid to insurance agents on insurance and annuity products can be substantial and can exceed the amounts an IAR would earn on client investments in advisory services, depending (in part) on how long the IAR provides the investment advisory services to the client. When your IAR (acting in their separate capacity as an insurance agent) sells you an insurance product through AE and/or AMS, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure and ensuring no advisory fee is charged on insurance products/fixed annuities, which are held outside of the advisory relationship, in addition to the commission or fee the representative earns from the sales of those same products. When you purchase insurance products, the issuing insurance carrier is responsible for reviewing and supervising the sale of the product and whether the recommendation complies with the relevant standard of care under state insurance laws.

MAS is also under common control and ownership with The Impact Partnership, LLC (“Impact”). Impact is an insurance agency that markets/wholesales life and health insurance and fixed annuities to third-party insurance agents in exchange for a marketing and/or override fee from the product issuer. MAS IARs, in a separate capacity as insurance agents, can utilize the marketing and wholesaling services of Impact. When your IAR sells you an insurance product through Impact, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure and ensuring no advisory fee is charged on insurance products/fixed annuities, which are held outside of the advisory relationship, in addition to the commission or fee the representative earns from the sales of those same products. The issuing insurance carrier is responsible for reviewing and supervising the sale of an insurance product and suitability of the product as it relates to your financial situation.

MAS is under common control and ownership with Innovation Design Group, LLC (“IDG”), an insurance agency that provides services to insurance companies concerning the product design and distribution of annuities. When your IAR, in their separate capacity as an insurance agent, sells you an annuity that was designed by or distributed through IDG, the principal owners of MAS benefit. We address this conflict of interest by disclosing it to you in this brochure. Additionally, fixed annuities are held outside the advisory relationship.

### **Insurance Agents**

Many of MAS’s IARs also serve in a separate capacity as insurance agents, and in that capacity, they can sell you life insurance, annuities, and other insurance products. These agents receive commissions and other compensation for the sale of insurance products. Commissions are paid by insurance carriers, vary from carrier to carrier and can change daily, and presently range from 1% to 9% based on various factors, including the type of product, the term of the product, and the initial investment value of the insurance contract. Additionally, agents can qualify for incentives, bonuses, and other compensation from their insurance marketing organization, including AE and AMSIS, insurance companies, or related organizations based on insurance transactions. These incentives include, but are not limited to, gifts, meals, entertainment, participation in bonus programs, forgivable loans, reimbursement for training, marketing assistance, educational efforts, advertising, and travel expenses to conferences and events. This creates a conflict of interest or incentive to offer or recommend insurance products instead of investment advisory services or securities products, to recommend certain insurance products over other insurance products, and to recommend the replacement of insurance or annuity products. We address this conflict by disclosing it in this brochure and charging no advisory fee on insurance products, which are held outside of the advisory relationship, in addition to commissions and other compensation earned from the sale of those products.

When acting in their capacity as an insurance agent, your IAR is not subject to the fiduciary standards under the Investment Advisers Act of 1940 but is subject to a best interest standard under state insurance law and regulations. To the extent a representative is recommending both securities investments and insurance products for clients, they are acting in the capacity of an investment adviser representative when offering securities and as an insurance agent when offering insurance products, and those recommendations are subject to different standards of care and different disclosure requirements under applicable law. You are under no obligation to implement any insurance or annuity transaction through your IAR in their capacity as an insurance agent. When you purchase insurance products, the issuing insurance carrier is responsible for reviewing and supervising the sale of the product (aside from variable insurance products sold through our broker-dealer which our Firm does supervise), including the sale of a replacement product, some of which result in surrender charges, and whether the recommendation complies with the relevant standard of care under state insurance laws.

### **Certified Public Accountants**

Some MAS IARs serve as CPAs, providing tax services to individuals and corporations in a separate capacity. These IARs may receive compensation for the tax services they provide, and any fees earned through tax services do not offset advisory fees paid for MAS's advisory services. Clients have the choice to engage the CPA firm for tax services. This arrangement creates a potential conflict of interest between your interests and MAS's interests. However, MAS and its IARs will always act in your best interest and as fiduciaries when providing advisory services. Because CPA services are not advisory services and are not offered by MAS, MAS does not supervise or oversee this activity. Any CPA activity is separate and distinct from, and not affiliated with, MAS.

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

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### **Code of Ethics Summary**

MAS has established a Code of Ethics that applies to all of its supervised individuals. As a fiduciary, an investment adviser's responsibility includes providing fair and full disclosure of all material facts and to always act solely in the best interest of each of our clients. This fiduciary duty is the core underlying principle for our Code of Ethics, which also covers our personal securities transactions policies and procedures. MAS has the responsibility to ensure that all clients' interests are placed ahead of MAS's own investment interests. MAS discloses material facts as well as potential and actual conflicts of interest to clients. MAS seeks to conduct business honestly, ethically, and fairly and will take reasonable steps to avoid circumstances that might negatively affect our duty of loyalty to clients. This section is intended to provide clients with a summary of MAS's Code of Ethics. Clients or prospective clients may request a copy of the firm's Code of Ethics by e-mailing [info@mas-bd.com](mailto:info@mas-bd.com) or by calling 888-627-7323.

### **Affiliate and Employee Personal Securities Transactions Disclosure**

The firm does not make a market in any securities and does not buy or sell securities for its own account. MAS offers brokerage services to clients separate from the advisory services described herein. IARs provide brokerage services to clients as broker-dealer registered representatives. MAS and its registered representatives receive transaction-based compensation in connection with such brokerage services. Transactions may not be executed through MAS if to do so would result in a breach of its fiduciary duties. Refer to *Item 10* for more information about conflicts associated with IARs who are also registered representatives.

At times, MAS or associated persons of the firm will buy or sell investment products identical to those recommended to clients for their personal accounts. In some instances, such transactions by MAS or associated persons of the firm will be executed at the same time a transaction in the identical investment product recommended to clients is executed. This creates a conflict of interest. It is the express policy of MAS that all people associated with our firm in any manner must place clients' interests ahead of their own when implementing personal investments. MAS and

its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, from information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

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

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

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

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## *Item 12 – Brokerage Practices*

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MAS has a duty to seek best execution for client transactions. Best execution does not necessarily mean achieving the lowest possible commission costs; rather, it refers to obtaining the most favorable qualitative execution. In other words, considering all relevant factors, the transaction must be executed in your best interest. When considering best execution, we consider a number of factors other than prices and rates, including, but not limited to:

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

In seeking best execution, MAS's primary objective is to seek prompt execution of orders at the most reasonably obtainable favorable prices.

MAS is a dual-registered broker-dealer and registered investment adviser. Advisory clients may have transactions executed through our affiliated broker-dealer. This arrangement creates a conflict of interest because the Firm or its affiliates may receive compensation from brokerage commissions generated by advisory client transactions.

Certain advisory programs require clients to maintain brokerage accounts with our affiliated broker-dealer. Clients should understand that this requirement limits the Firm's ability to obtain execution through other broker-dealers that may offer more favorable pricing or execution. Sub-managers in various MAS programs may have discretion to cause trades to be executed by broker-dealers other than MAS if the investment sub-manager reasonably determines in good faith that using another broker-dealer is likely to result in better execution than if the trades were executed by MAS. Occasionally, in order to seek best execution and minimize market impact, trades can be "stepped out" in order to gain best execution and minimize market impact. In some instances, stepped-out trades are executed by the other firms without any additional commission or markup or markdown, but in other instances, the executing firm imposes a commission or a markup on the trade. If a client's investment sub manager steps-out trade orders for the client's account with a broker-dealer other than MAS, and the other broker-dealer imposes a commission or equivalent fee on the trade (including a commission embedded in the price of the investment), the client will incur trading costs in addition to the advisory fee, even if the account is a wrap fee account. MAS is not a party to step-out trades and is not in a position to negotiate the price or transaction-related cost(s) with a broker, dealer, or bank selected by the sub-manager for these trades.

### Brokerage Recommendations

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

MAS makes a basic assumption that the IAR will recommend that you use the IAR in his or her capacity as a registered representative to complete the purchase or sale of recommended transactions. The client would normally be introduced to MAS by the IAR. In most, if not all cases, the IAR will be a registered representative of MAS. The value of products, research, and services given to a client are not a factor in suggesting a broker. When doing business with MAS, you may pay commissions higher than those obtainable from other brokers. MAS does not direct client transactions to a particular broker in return for products and research services it may receive. Client is also free to implement the recommendations of MAS IARs through whomever they choose.

### Support Products and Services

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

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

services to MAS clients.

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

In the Standard Wrap Program, the Fee Plus Transaction Charge Program, and the Low-Minimum Wrap Program, the Custodian offers to invest the uninvested cash in certain advisory accounts that meet criteria established by the Custodian into overnight securities instruments. Some of these overnight securities instruments pay the Custodian a participation payment on accounts that have uninvested cash in excess of certain minimums established by the Custodian. Others do not. While the Custodian pays the interest that is earned by the uninvested cash to you, in some cases, the Custodian also pays the broker dealer of the investment adviser that introduced the client to the issuer of the particular overnight instrument used by the fund. In the Standard Wrap Program, the Fee Plus Transaction Charge Program, and the Low-Minimum Wrap Program, MAS previously utilized a default mechanism to automatically select an overnight investment instrument that generally paid the highest interest rate to the clients but that also paid a participation payment to MAS. This created a conflict of interest for MAS. Accordingly, MAS notified clients that it will continue to allow them to select the overnight investment instrument in these programs, but that MAS has changed its default mechanism to an overnight investment instrument that does not pay a participation payment to MAS. Clients that decide to select an overnight investment instrument that is not the default overnight investment and that pays a participation payment to MAS will provide written acknowledgment that they selected the investment instrument with full awareness that payments are made to MAS. MAS is tasked with ensuring that the selected overnight investment instrument is in your best interest.

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

In addition, because these additional benefits are provided at no cost to MAS or to you, including for any research received, it may be construed as receipt of an economic benefit by MAS. Additionally, our recommendation that you maintain your assets in accounts at the Custodians will be based in part on the benefit to us in the availability of some of the foregoing products and services and not solely on the nature, cost, or quality of custody and brokerage services provided by the custodian. Therefore, a conflict of interest exists.

### **Soft Dollar Benefits**

Except as described above, MAS does not receive "soft dollar" benefits, which are research products or services in exchange for commissions generated by transactions in client accounts. Soft dollar benefits are not limited to those clients who may have generated a particular benefit although certain soft dollar allocations are connected to particular clients or groups of clients.

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## *Item 13 – Review of Accounts*

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

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

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

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

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

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### **Referral and Promoter Arrangements**

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

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

### **Other Compensation**

Many of MAS’s IARs also serve in a separate capacity as insurance agents, and in that capacity, they can sell you life insurance, annuities, and other insurance products. These agents receive commissions and other compensation for the sale of insurance products. Commissions are paid by insurance carriers, vary from carrier to carrier and can change daily, and presently range from 1% to 9% based on various factors, including the type of product, the term of the product, and the initial investment value of the insurance contract. Additionally, agents can qualify for incentives, bonuses, and other compensation from their insurance marketing organization, including AE and AMSIS, insurance companies, or related organizations based on insurance transactions. These incentives include, but are not limited to, gifts, meals, entertainment, participation in bonus programs, forgivable loans,

reimbursement for training, marketing assistance, educational efforts, advertising, and travel expenses to conferences and events. This creates a conflict of interest or incentive to offer or recommend insurance products instead of investment advisory services or securities products, to recommend certain insurance products over other insurance products, and to recommend the replacement of insurance or annuity products. We address this conflict by disclosing it in this brochure and charging no advisory fee on insurance products, which are held outside of the advisory relationship, in addition to commissions and other compensation earned from the sale of those products. When acting in their capacity as an insurance agent, your IAR is not subject to the fiduciary standards under the Investment Advisers Act of 1940 but is subject to a best interest standard under state insurance law and regulations. To the extent a representative is recommending both securities investments and insurance products for clients, they are acting in the capacity of an investment adviser representative when offering securities and as an insurance agent when offering insurance products, and those recommendations are subject to different standards of care and different disclosure requirements under applicable law. You are under no obligation to implement any insurance or annuity transaction through your IAR in their capacity as an insurance agent. When you purchase insurance products, the issuing insurance carrier is responsible for reviewing and supervising the sale of the product (aside from variable insurance products sold through our broker-dealer which our Firm does supervise), including the sale of a replacement product, some of which result in surrender charges, and whether the recommendation complies with the relevant standard of care under state insurance laws.

At times, IARs receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements typically result from attending due diligence or investment training events hosted by product sponsors. Marketing expense reimbursements are associated with informal expense-sharing arrangements, where product sponsors underwrite costs for marketing activities such as client appreciation events, advertising, publishing, and seminar expenses. Although these reimbursements are not contingent upon specific sales quotas, product sponsors typically provide them for products that have been sold or are expected to be sold by the IAR. This creates a conflict of interest, as there may be an incentive to recommend certain products based on potential compensation rather than solely on what is in the client's best interest. MAS seeks to mitigate this conflict by enforcing a policy that requires our IARs to base investment recommendations on the unique needs of each client.

MAS will consider extending business loans to IARs on a case-by-case basis. Sometimes MAS will forgive a portion or all of such loans based on certain factors, such as the IAR agreeing to remain with MAS for a specified period.

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## ***Item 15 – Custody***

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Custody refers to having access or control over client funds and/or securities and is not limited to physically holding them. Under the Advisers Act, an investment adviser is considered to have custody if it can access or control client funds or securities and must implement appropriate procedures as required by regulators. Authorization to trade in client accounts is not considered custody. MAS does not have physical custody of client funds or securities and does not take physical custody of client accounts at any time. However, MAS is deemed to have limited custody whenever a client authorizes MAS to (1) deduct fees directly from client accounts or (2) act upon Standing Letters of Authorization for transferring funds or securities to a pre-designated third-party or account. Account statements from the qualified custodian are available for each client at least quarterly. Clients should carefully review those statements and compare them with reports received from MAS. If you have questions about your account statements, please contact either MAS or the qualified custodian that prepared the statement.

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## ***Item 16 – Investment Discretion***

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

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

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

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

MAS offers clients the ability to participate in third-party managed programs in our Direct Third-Party Money Manager Program. Regardless of your choice of manager, you will receive a brochure from the third-party manager if you invest in one of these programs. The brochure or other applicable disclosure documents will contain a description of limitations on the authority of the third-party money managers and their discretion (if any) over your account.

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## ***Item 17 – Voting Client Securities***

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

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## ***Item 18 – Financial Information***

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