



Truist Advisory Services, Inc.

## **Asset Management Consulting<sup>SM</sup>**

### **Truist Advisory Services, Inc. Wrap Fee Programs**

#### **AMC Advisor Managed Programs**

- AMC Advise
- AMC Allocation Plus
- AMC Annuity

#### **Truist Advisory Services, Inc. and Third-Party Managed Programs**

- AMC Fund Select Tactical<sup>SM</sup>
- AMC Fund Select Tactical Focus<sup>SM</sup>
- AMC Pinnacle<sup>SM</sup>
- AMC Pinnacle – Sleeve Select
- AMC Premier<sup>SM</sup>
  - Envestnet Sentry
- AMC Truist Invest

#### **Truist Advisory Services, Inc. Model Manager, Research and Other Services**

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#### **Truist Advisory Services, Inc.**

303 Peachtree Center Avenue, Suite 140, Atlanta, GA 30303  
SEC File Number 801-107729

March 31, 2024

This wrap fee brochure provides information about the qualifications and business practices of Truist Advisory Services, Inc. If Client has any questions about the contents of this brochure, please contact Truist Advisory Services, Inc. at (855) 815-9688 Option #2, then #4. The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission or any state securities authority.

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

Additional information about Truist Advisory Services, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### **Investment and Insurance Products:**

**•Are not FDIC or any other Government Agency Insured •Are not Bank Guaranteed •May Lose Value**

<https://www.truist.com/wealth/tas-disclosure>

## **MATERIAL CHANGES**

The last update was December 29, 2023.

There have been no material changes since the last update.

February 2, 2024, Sterling Capital Management, LLC, (“Sterling”) an affiliate of Truist Advisory Services and a wholly owned subsidiary of Truist Financial Corporation (“Truist”) (NYSE: TFC) announced that Toronto-based Guardian Capital Group Limited (“Guardian”) (TSX: GCG) (TSX: GCG.A) has reached an agreement under which Guardian’s wholly owned subsidiary Guardian Capital LLC will acquire Sterling from Truist. Following the closing of the transaction (expected to occur later in 2024), subject to normal consents and approvals for transactions of this nature, Guardian plans to operate Sterling as a standalone entity, lead by the current Sterling team of management and senior professionals. This Brochure will be updated upon the closing of the transaction to reflect changes resulting from the sale of Sterling.

Effective April 1, 2024, the AMC Truist Invest program has eliminated the annual Minimum Fee of \$90 for all accounts.

Effective April 1, 2024, Truist Advisory Services Financial Planning Services are offered in connection with the terms of this brochure rather than a separate brochure.

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## Truist Advisory Services, Inc. Wrap Fee Programs Brochure

*Investing in securities and other investment products involves risk of loss that Clients should be prepared to bear. The investment performance and success of any particular investment cannot be predicted or guaranteed, and the value of a Client's investments will fluctuate due to market conditions and other factors. Investments are subject to various risks, including, but not limited to, market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.*

### **SERVICES, FEES AND COMPENSATION**

Truist Advisory Services, Inc. ("TAS" or the "Firm") is an investment adviser registered with the U.S. Exchange Commission ("SEC") and a separate, wholly owned, non-bank subsidiary of Truist Financial Corporation ("TFC") and an affiliate of Truist Bank ("TB"). TAS became an investment adviser under the Investment Advisers Act of 1940 ("the Advisers Act" or "the Act"), as amended, in April 2016. TAS is a fiduciary under the Investment Advisers Act of 1940 and is subject to the fiduciary standard imposed by the Act, SEC Regulations and other applicable laws and regulations.

This Truist Advisory Services, Inc. Wrap Fee Programs Brochure ("brochure") covers information about certain Asset Management Consulting ("AMC") investment advisory Programs described in this brochure ("AMC Programs", each an "AMC Program" or "Program") wrap fee programs offered by TAS. Wrap fee programs are those investment advisory programs in which the Client is charged one fee (the "Program Fee"), based on the assets in a Client's investment advisory account subject to an investment adviser's management services. The total Program Fee includes (i) the investment advisor's compensation for management and the execution and clearing costs associated with the trades the investment adviser recommends or submits on behalf of the Client related to the assets being managed by the investment adviser, and (ii) any additional fees paid to TAS' affiliate, Sterling Capital Management, LLC ("Sterling") and unaffiliated investment managers (each a "Third Party Managers") and Sterling and unaffiliated investment model providers (each a "Third Party Model Providers" or "Third Party Models") and the custody of those assets.

**TAS makes a wide variety of securities and other investment products available to AMC Program accounts. TAS, however, does not offer all available investment types and investment products to AMC Program accounts. Instead, each AMC Program offers AMC Program accounts only securities and other investment products reviewed and selected by TAS, a TAS Advisor or another model provider or investment manager and determined to be eligible investments for each Program. The limitation of investment products available to AMC Program accounts creates a conflict of interest for TAS in connection with the management of AMC Program Accounts. See Conflicts of Interest - Other Investment Products Available Section below.**

### **TIS Brokerage Account Enrollment Required**

Unless otherwise expressly permitted by the terms of the applicable AMC Program, investment in any of the AMC Programs described in this brochure requires that Client separately maintain or open an underlying brokerage account with TAS's affiliated broker-dealer and insurance agency, Truist Investment Services, Inc. ("TIS").

Client's TIS brokerage account is governed by a TIS Brokerage Account Customer Agreement ("Brokerage Agreement"). However, under certain circumstances, assets can be held at another financial institution, such as Truist Bank. TIS is a member of the Financial Industry Regulatory Authority ("FINRA") and Securities Investor Protection Corporation ("SIPC"). TIS is an introducing broker-dealer which in the ordinary course of business generally clears its equity and option trade orders related to the AMC Program accounts described in this brochure through National Financial Services LLC ("NFS"). However, in an effort to obtain best execution for Clients, in certain cases TIS may route certain larger equity and option orders and orders with special handling instructions to other market centers and broker-dealers. TIS does not receive any compensation related to the alternative routing of such orders. TIS acts as Non-Bank Custodian for most IRA accounts which are advised and/or managed by TAS and through NFS, acting as TIS' agent, has custody of securities held by AMC Program accounts. Fidelity Management Trust Company, an affiliate of NFS, currently serves as Non-Bank Custodian for all AMC Program IRA accounts not presently serviced by TIS in this capacity ("FMTC Custodian Accounts").

For the AMC Annuity Program TAS has entered into a tri-party agreement with TIS and the selected annuity carrier(s). The annuity carrier provides clearing, custody and execution services for the Client's annuity. The

requirement to open a brokerage account with an affiliated broker is made by TAS for purposes of efficiently administering its Programs and this requirement also provides additional benefits to TAS and its affiliates which creates additional conflicts of interest with respect to TAS's management of AMC Program Accounts. See **Conflicts of Interest –Use of Affiliated Broker Dealer** Section below.

Inconsistent Brokerage Account Risk Tolerance and Investment Objectives

Client risk tolerance and investment objectives of a Client's underlying TIS brokerage account do not in all cases specifically match the investment advisory account risk profile of the Client's AMC Program account within the Investnet system which TAS utilizes to manage how account investment risk classifications are captured and monitored. In the case of any discrepancy in risk ratings, each Client AMC Program account is managed by TAS in accordance with the risk rating applicable to the Client's AMC Program investment advisory relationship and not in accordance with any risk rating applicable to Client's pre-existing brokerage relationship.

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The following chart lists the descriptions of each risk rating Conservative, Income with Growth, Balanced, Growth with Income and Growth in the TAS Envestnet platform (used by all Programs other than the AMC Truist Invest Program).

<b>ENVESTNET PLATFORM*</b>	
<b>Risk Rating with Asset Allocation Ranges</b>	<b>Risk Descriptions with Equity (EQ) / Fixed Income (FI) Allocation Ranges</b>
<b><u>Conservative</u></b>	This investment objective is generally focused on the production of current income with some protection of purchasing power expected over the long term. Portfolios will typically be significantly invested in high quality income investments with some equity and non- traditional investment exposure in order to protect capital over the longer term.
<p><u>AMC Pinnacle</u> EQ: 0% - 40% FI: 60% - 100%</p> <p>AMC Advise and AMC Allocation Plus Maximum Equity Exposure 40%</p>	
<b><u>Income with Growth</u></b>	This investment objective is generally focused on providing current income, while also providing an opportunity for modest capital appreciation over the long term. Portfolios will typically have a greater exposure to fixed income securities with some equity and non- traditional investment exposure in order provide growth and diversification over time.
<p><u>AMC Pinnacle</u> Eq: 15% - 55% FI 45% - 85%</p> <p>AMC Advise and AMC Allocation Plus Maximum Equity Exposure 55%</p>	
<b><u>Balanced</u></b>	This investment objective is focused on balancing the goals of both the growth of principal and purchasing power protection with current income production.  Portfolios are typically allocated across major asset categories.
<p><u>AMC Pinnacle</u> EQ: 30% - 70% FI: 25% - 65%</p> <p>AMC Advise and AMC Allocation Plus Maximum Equity Exposure 70%</p>	
<b><u>Growth with Income</u></b>	This investment objective is focused on capital appreciation while providing a low to moderate level of income. Portfolios are typically allocated more heavily to equity investments with some fixed income and non- traditional investment exposure in order to protect capital over the longer term.
<p><u>AMC Pinnacle</u> EQ: 50% - 90% FI: 10% - 50%</p> <p>AMC Advise and AMC Allocation Plus Maximum Equity Exposure 90%</p>	
<b><u>Growth</u></b>	This investment objective is focused on capital appreciation. Portfolios will typically be concentrated in equity investments with portfolio enhancing fixed income and non-traditional investments.
<p><u>AMC Pinnacle</u> EQ: 60% - 100% FI: 0% - 30%</p> <p>AMC Advise and AMC Allocation Plus Maximum Equity Exposure 100%</p>	

\*This chart does not reflect the AMC Truist Invest Program Risk Rating Allocations.

## SERVICES AND PROGRAMS DESCRIBED IN THIS BROCHURE

TAS offers wrap portfolios managed by TAS advisors (AMC Advisor Managed Programs) or TAS and/or affiliated or non-affiliated third-party managers (TAS and Third-Party Manager Programs).

**AMC Advisor Managed Programs** include the following Programs described below in general and in more detail in Section ADVISORY SERVICES below:

- AMC Advise
- AMC Allocation Plus
- AMC Annuity

### **AMC Advise**

The AMC Advise Program is a discretionary, investment management Program offering individualized investment management by approved TAS Advisors for an asset-based fee. Clients do not direct transactions for their accounts enrolled in this Program. Instead, the Client authorizes an approved TAS Advisor to manage the Client's designated assets on a discretionary basis by purchasing and/or selling individual stocks, bonds, mutual funds, closed-end funds, exchange-traded funds, certificates of deposit, money market instruments, depository receipts or other similar instruments relating to any of these securities within guidelines set by the TAS Policy Committee for portfolio construction and limitation of risk. Limited types of options transactions are permitted in the Program.

### **AMC Allocation Plus**

The AMC Allocation Plus is a non-discretionary investment advisory Program offering individualized investment recommendations by TAS Advisors for an asset-based fee. Investment decisions for accounts enrolled in this Program are those of the Client and not their TAS Advisor or TAS. The TAS Advisor will be primarily responsible for making investment management recommendations, in accordance with Client's investment objectives as stated in the Client's Client profile, which the Client can elect to use to invest and reinvest the assets in securities which includes various types of investment vehicles, such as common and preferred stocks, shares of mutual funds, closed-end funds, exchange-traded funds, alternative investments, public and private, including hedge funds and fund of funds, corporate, municipal or governmental bonds, notes, or bills and private equity. Margin and limited types of options transactions are permitted in the Program.

### **AMC Annuity**

The AMC Annuity Program is a non-discretionary investment advisory Program account offering individualized investment recommendations by TAS Advisors. Investment decisions for accounts enrolled in this Program are those of the Client and not their TAS Advisor or TAS. The TAS Advisor will be primarily responsible for making recommendations in accordance with Client's investment objectives as stated in the Client's Client profile, which the Client can elect to use in connection with selecting an annuity product to purchase and investing in investment options made available by the annuity provider.

Variable annuities ("VAs" each a "VA") are deferred annuities offered by insurance companies that provides investment returns based on the performance of market-based subaccounts or indexed-linked segments. VAs are flexible contracts that can provide Clients with variety of solutions, including the option to provide for guaranteed living and death benefits. VAs are market based and can lose value based on market performance. Before purchasing a VA, Clients are encouraged to review each VA's prospectus in detail for a complete description of all the features, risks, and benefits associated with the product. Annuities are not FDIC insured and all guarantees are subject to the claims paying ability of the issuing insurance company. Annuity contracts are subject to federal income tax penalties for withdrawals prior to age 59 ½. Additionally, VAs held in a tax-qualified account (including IRAs) receive the same tax benefits as those held outside of a tax-qualified account. No additional tax benefits result from purchasing or holding an annuity in a tax qualified account.

Fixed Index Annuities ("FIAs" each a "FIA") are deferred annuities offered by insurance companies that provide investment returns based on the performance of an underlying index. FIAs are flexible contracts that can provide Clients with variety of solutions, including the option to provide for guaranteed living and death benefits. FIAs are market based but offer a floor to protect a Client against market-related losses if contracts are held for the entirety of the surrender period. If contracts are liquidated prior to the end of a surrender period or if partial withdrawals are taken prior to the end of a surrender period, Clients can experience a loss. Before purchasing a FIA, Clients are encouraged to review each FIA's offering document in detail for a complete description of all the features, risks,

and benefits associated with the product. Annuities are not FDIC insured and all guarantees are subject to the claims paying ability of the issuing insurance company. Annuity contracts are subject to federal income tax penalties for withdrawals prior to age 59 ½. Additionally, FIs held in a tax-qualified account (including IRAs) receive the same tax benefits as those held outside of a tax-qualified account. No additional tax benefits result from purchasing or holding an annuity in a tax qualified account.

**TAS and Third-Party Managed Programs** include the following Programs described below in general and in more detail in Section ADVISORY SERVICES below:

- AMC Fund Select Tactical and AMC Fund Select Tactical Focus
- AMC Pinnacle
- AMC Pinnacle – Sleeve Select
- AMC Premier
  - Investnet Sentry
- AMC Truist Invest

#### **AMC Fund Select Tactical**

The AMC Fund Select Tactical Program is a discretionary investment management Program offering Client accounts enrolled in the Program an array of Exchange Traded Fund (“ETF”) portfolios, mutual fund portfolios and Third Party Models based on risk-based modeling using asset allocation for an asset-based fee. Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, Client accounts will be invested in accordance with Client’s investment objectives as stated in the Client’s Client profile on a discretionary basis utilizing ETF asset allocation model portfolios provided by TAS’ IAG or Third Party Model Providers which reflect differing risk profiles. Third-Party Models may also include mutual funds, as well as other securities. TAS is granted discretionary investment authority over account assets.

#### **AMC Fund Select Tactical Focus**

The AMC Fund Select Tactical Focus Program is a discretionary investment management Program offering Client accounts enrolled in the Program an array of Exchange Traded Fund (“ETF”) portfolios or Third Party Model Provider model portfolios and are based on risk-based modeling using asset allocation for an asset-based fee. Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, Client accounts will be invested in accordance with Client’s investment objectives as stated in the Client’s Client profile on a discretionary basis utilizing ETF asset allocation model portfolios provided by TAS’ IAG or Third Party Model Providers which reflect differing risk profiles. Third-Party Models may also include mutual funds, as well as other securities. TAS is granted discretionary investment authority over account assets. TAS is granted discretionary investment authority over account assets.

The principal difference between the AMC Fund Select Tactical Program and the AMC Fund Select Tactical Focus Program are that the Fund Select Tactical Focus Program 1) offers fewer available models/investment options and 2) has a lower minimum required funding amount than the AMC Fund Select Tactical Program.

#### **AMC Pinnacle**

The AMC Pinnacle Program is a unified managed account program, (“UMA”) that allows Clients to open and/or maintain multiple advisory strategies in one underlying TIS brokerage account resulting in one investment account for reporting the Client’s assets, performance and management fee processing. Clients elect the investment transactions for their accounts enrolled in the Advisor Managed Non-Discretionary Sleeve Program but do not direct investment transactions for their accounts enrolled in the Advisor Managed Discretionary or SMA Sleeves of this Program. Client accounts enrolled in the Program can select multiple advisory strategies (each a “Sleeve”) from the following: Strategist Sleeve, Advisor Managed Sleeves, Manager Model Sleeve and Fixed Income Manager Sleeve (each described more fully below). Clients can move assets from one Sleeve to another within the Program without having to complete additional account documentation.

For certain previously established AMC Pinnacle accounts, Advisors may, in the exercise of their discretion (1) elect to allocation contributions or make withdrawals from a specific Sleeve and/or (ii) elect to allocate contributions or make withdrawals from the entire portfolio based on the overall weights to each Sleeve.



### **AMC Pinnacle – Sleeve Select**

All accounts in the AMC Pinnacle – Sleeve Select Program grant Advisors discretion to (i) elect to allocate contributions or make withdrawals from a specific Sleeve and/or (ii) allocate contributions or make withdrawals from the entire portfolio based on the overall weights to each Sleeve.

### **AMC Premier**

The AMC Premier Program is a discretionary investment management Program offering Client accounts enrolled in the Program the portfolio management services of a select, pre-screened group of investment managers, including TAS and TAS' affiliate, Sterling Capital Management, LLC ("Sterling"), which are made available to Client Program accounts through TAS which contracts both directly with some investment manager(s) to provide separate account management services to Client Program accounts and with Envestnet who contracts directly with additional investment managers. In either instance, Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, TAS manages each Client's designated assets in accordance with Client's investment objectives as stated in the Client's Client profile on a discretionary basis utilizing affiliated and unaffiliated investment managers selected by each Client. Program Clients grant discretionary portfolio management authority to the investment manager(s) they select. Each Third-Party Investment Manager(s) offered to Clients, including TAS's affiliate, Sterling, is evaluated by either TAS' due diligence and research process in an identical manner or Envestnet.

One or more Third-Party Investment Managers ("Options Managers") offer concentrated stock, index call and put writing (income), Put Buying (protection) and/or Enhanced Income Yield option overlay management services to Program Clients. Options Managers only trade in option contracts and do not manage the underlying stock or other securities contained in the Client's Program account. Clients electing Options Managers services will need to contact their TAS Advisor when transaction in underlying securities are needed for cash flow to support option contract margin requirements, settle options transactions or for other investment reasons. Enrollment in Options Managers services will require Clients to complete additional documentation and acknowledge their understanding of the risks associated with option investing. Clients must also agree to the terms of an options account agreement and will receive separate options disclosure material. Both TIS and Clearing Broker must approve the Client's account for option trading prior to the implementation of Options Managers services. If margin loan capabilities are required in connection with the establishment of Client's options account Client must enter into a margin agreement with the Clearing Broker. Clients should carefully review the margin disclosure in the **Program Fees Section of the General Terms and Conditions** before electing margin capabilities.

Upon termination of an advisory agreement with an Options Manager or a change to a different Options Manager that does not utilize overlay portfolios, the applicable option and/or margin agreements may be removed from the Program account. To employ an option strategy at a later date, either in the TIS brokerage account or a TAS advisory account, new agreements would need to be submitted for review and approval.

Program Fees applicable to Client's option positions will be charged based on collateral value rather than the market value of the options held in Client's account.

### AMC Fund Select Tactical and AMC Premier and Sentry– Fidelity Investments® Charitable Gift Fund

TAS has entered into an agreement with Fidelity Investments® Charitable Gift Fund ("Fidelity Charitable®") to offer charitable "Giving Accounts" established with Fidelity Charitable to its Clients. In accordance with the terms of the agreement with Fidelity Charitable, the TAS AMC Fund Select Tactical and AMC Premier Programs are presently the only AMC Programs eligible for investment of Giving Accounts.

Giving Accounts established with Fidelity Charitable are irrevocable charitable gifts to the Fidelity Investments Charitable Gift Fund. The assets of each Giving Account are held and remain the sole property of the Trustees of Fidelity Investments Charitable Gift Fund, who have exclusive ownership and legal control over the balances, as well as complete and sole discretion over investment decisions regarding each Giving Account. However, Fidelity Charitable allows the donor of a Giving Account or their designee ("Account Holder") to have certain advisory privileges over the Giving Account with respect to distributions and investments.

### **Envestnet Sentry**

TAS has contracted directly with Third Party Managers and with Envestnet, which contracts directly with additional Third Party Managers, to offer Envestnet's or TAS' separate managed account program, Envestnet Sentry.

In connection with the AMC Premier, Envestnet Sentry, AMC Pinnacle and AMC Pinnacle – Sleeve Select Programs. Envestnet's services include:

- Providing access to SMA investment managers ("Envestnet Managers"). These managers have entered into sub- management agreements with Envestnet to provide discretionary account management services;
- Providing administrative and /or trading services as directed by an Envestnet Manager;
- Rebalancing services to maintain an account's asset allocation; and
- Acting on any reasonable restrictions that a Client elects to impose on the management of an account including designation of particular securities or types of securities that Client does not want purchased.

TAS will recommend an appropriate asset allocation among the investment managers in the Envestnet Sentry Program and recommend investment manager(s) for Client's Program accounts. In recommending investment managers for the Program accounts, TAS will consider factors it deems relevant, including but not limited to, the investment goals and objectives of Client, and any reasonable restrictions imposed by Client on management of the Program accounts, including the designation of particular securities or types of securities that should not be purchased for the Program accounts, or that should be sold if held in Program accounts.

### **AMC Truist Invest**

The AMC Truist Invest Program is an automated electronic discretionary investment advisory program offering individualized investment recommendations by TAS Advisors for an asset-based fee. Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, the AMC Truist Invest Program is offered by a Truist Advisor and utilizes a computer algorithm ("Algorithm") to generate projections and make discretionary investment decisions separately for each Program account. The TAS Advisor is primarily responsible for making investment management recommendations, in accordance with Client's investment objectives related to one of the following goals: Retirement, Major Purchase or General Investing and the type of portfolio which is limited in number and based on the Client's risk tolerance. Each Program account may only have a single selected goal.

In order to participate in the AMC Truist, Invest Program, Clients are required to agree that all records and disclosures for the Program will be delivered, and all account agreements will be signed, electronically.

### **Financial Planning Services**

Clients invested in AMC program accounts may also request that TAS and their TAS Advisor provide them with additional complimentary Financial Planning Services ("Financial Planning Services") utilizing Firm approved computerized financial planning software. Clients with advanced financial planning needs may also separately contract with the Firm for additional services. Financial Planning Services are also in certain circumstances provided by the Firm's affiliate, Truist Bank.

In preparing a financial plan or report for Clients, information deemed relevant to the particular service is gathered through personal interviews and through documents and/or other information supplied by the Client. Each service includes an analysis of the Clients' information which may, but is not necessarily required, to include such things as their current assets and investments, liabilities,

The results and other information generated by the Firm's financial planning software regarding the likelihood of various investment outcomes ("Reports") are educational and hypothetical in nature, are not reflective of any specific product, do not include any fees or expenses that may be incurred by investing in specific products, do not reflect actual investment results, are not specific investment advice or recommendations and are not guarantees of future results. The Reports are dependent on information provided by each Client with respect to the Client's income, current assets and investment, retirement and or spending goals, as applicable.

The actual returns of a specific investment product may be more or less than the returns used in the Reports forecasts, rates of return, risk, inflation, and other assumptions may be used as the basis for illustrations contained in the Reports and should not be considered a guarantee of future performance or a guarantee of achieving overall financial objectives. Past performance is not a guarantee or a predictor of future results of any specified investment index or any particular investment. Report results may vary with each use and over time.

Truist Wealth

Information presented in the Reports is for educational and illustrative purposes only and is not intended to constitute or offer legal, accounting, tax, or other professional advice. For advice on these aspects of an overall financial plan Clients must consult a qualified professional. TAS and Truist Bank, and their respective employees) do not offer tax, accounting or legal advice.

In connection with Financial Planning Services, strategies may be proposed that include acquisition of securities, insurance and other financial products. Should a Client accept the Firm's Financial Planning Services and decide to implement any financial planning option contained in any Report through TAS and/or its affiliates Client represents and warrants to TAS and Truist Bank that Client is aware that:

- Clients have sole discretion whether to accept or reject wholly or partially, any such proposals and are free to select any bank, trust company, investment advisory firm, broker/dealer or insurance agency for implementation of advice or recommendations provided in the Report or by TAS or Truist Bank.
- The TAS Advisor (or Truist Bank representative) providing Financial Planning Services who prepared your financial plan will receive compensation for AMC Program Accounts and other investment products offered to you by TAS and its affiliates you based on the Reports.
- TAS's affiliate, Truist Investment Services, Inc. ("TIS"), is a registered broker-dealer and an insurance agency and that the TAS Advisor (and, except in certain cases, Truist Bank representative) providing a Financial Planning Services who prepared your financial plan is also registered as a securities representative for TIS and may also be licensed insurance agents of TIS and that in such capacities the TAS Advisor s (or Truist Bank representative) will receive commissions and other remuneration resulting from Client transactions effected through TIS (other than in the case of AMC program accounts).
- A conflict of interest exists when TAS or Truist Bank personnel receive a commission or other remuneration for providing investment advisory or other investment management services and/or effecting securities and/or insurance transactions relating to advice given and that any investments, insurance and investment advisory and investment management services recommended by TAS or Truist Bank may be available from other firms at higher or lower charges. See **Conflicts of Interest** - Section below.

Financial Planning Services are offered as b TAS and Truist Bank upon Client request. After a Report is delivered to a Client all Financial Planning Services TAS (or Truist Bank) will no longer maintain a financial planning relationship with Client and any investment advisory relationship created thereby will cease and any Client's financial plan or Report will not be monitored or updated except upon Client's further specific request and TAS or Truist's Bank subsequent agreement to again provide Client with Financial Planning Services.

Should Client elect to engage TAS or any of its affiliates for investment products or services related to any financial plan and/or Report, the investment products and services offered to client by TAS and/or its affiliates relationship with its Clients will be governed exclusively by the terms and conditions of the account and/or products agreements applicable to the products or services purchased by Client.

### **Key TAS, Affiliate and Third-Party Service Providers** Services Provided by TAS' Investment Advisory Group ("IAG")

#### Model Provider Services

TAS' Investment Advisory Group designs and monitors on a continuous basis, model portfolios and asset allocation models meeting the investment objectives provided by TAS, TAS Advisors and TB.

TAS IAG provides investment recommendations for each model portfolio or asset allocation model, initial and ongoing due diligence with respect to sub-advisers, investment managers, model portfolio providers and their models and mutual fund and ETF investments for all of TAS' AMC Programs. IAG also provides research on certain individual equity and fixed income securities that is used by TAS Advisors in advising and/or managing Client portfolios in connection with the AMC Advisor Managed Programs.

IAG provides similar research services to TB related to its general trust department investment management services and TIS for use in connection with its general brokerage services. Use of TAS's IAG model provider services by TIS

and TB creates conflicts of interest in connection with the management of TAS AMC Program Accounts. See **Conflicts of Interest Models Created by IAG for Management of AMC Program Portfolios and Affiliate's Usage of the Models for Client Portfolio Management (TB and TAS Advisors)** Section below.

In addition, IAG provides report updates and alerts related to its due diligence; creates or negotiates with third parties related to advertising, marketing and research materials, monitors and updates as needed the capital market assumptions and provides consultative services to TB on a regular or as needed basis.

#### AMC Truist Invest Program Investment Algorithm

TAS has contracted with a third-party investment research and financial technology firm to provide the investment algorithm used by TAS to manage accounts invested in the AMC Truist Invest Program.

#### Envestnet Asset Management, Inc.

TAS has contracted with Envestnet Asset Management, Inc. a SEC registered investment adviser ("Envestnet" or "Platform Manager") for administrative services related to the AMC Programs including access to their platform system that creates proposals based on TAS' models and those of other investment managers pursuant to agreements, ongoing monitoring of account positions to investments selected, submission of trade details to NFS and performance reporting.

In the case of the AMC Fund Select Tactical, AMC Fund Select Tactical Focus, AMC Premier and Envestnet Sentry Programs, the Platform Manager places trade orders with NFS on behalf of TAS via model updates provided by TAS' Investment Advisory Group ("IAG") and model providers pursuant to an agreement with TAS with pre-set initial transactions and periodic rebalancing triggers for transactions, where applicable.

In the case of the AMC Pinnacle Program and AMC Pinnacle – Sleeve Select, Envestnet acts as the overlay manager and determines, in their sole discretion, the trading triggers from the initial investment through portfolio updates and rebalancing triggers for transactions.

In the case of the AMC Fund Select Tactical and in certain situations, where Envestnet Managers are utilized, in the AMC Pinnacle, AMC Pinnacle – Sleeve Select and Premier Programs, Envestnet is a co-adviser along with TAS, and Envestnet conducts overlay management with respect to the trading within Client Program accounts. Envestnet combines the securities into a composite model and calculates security weightings for each security in the composite model. This procedure helps minimize the trading activity based on the security weights by adjusting account holdings when trading events such as a request for cash from an account which results in sells of overweight positions or an additional investment into an account which results in investments in underweighted positions occur and helps to reduce portfolio costs, unnecessary trading and taxable events.

In the case of the AMC Truist Invest Program, TAS contracted with Envestnet for administrative services related to the billing of AMC Truist Invest Program accounts.

See Envestnet's Form ADV, Part 2A for more specific information.

#### Model Provider and other Research Services Provided to Truist Bank

- TAS has entered into an agreement with Truist Bank to also provide these services to Truist Bank for use in its trust department asset management functions. See **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS** Section below.
- TB has sole and complete discretion to make investment recommendations and manage TB trust department accounts in accordance with TAS' IAG models. TAS' IAG provides investment research and model provider services to TB for its general use and not as recommendations to specific TB trust department accounts. TB does not provide TAS with any individual Client information relating to Client suitability or ongoing TB Client account reviews with respect to TB Client accounts invested in connection with TAS' IAG models and other investment research. TAS' IAG updates research, model portfolio and other investment and asset allocation models as requested by TB.
- Capital Market Assumptions
- TAS' IAG designs, monitors and updates as needed on a continuous basis, the capital market assumptions used by TAS and TB.

A conflict of interest exists when IAG research is shared with TAS affiliates TIS and TB for use in management of their Client's portfolios. See **Conflict of Interest – Research Reports Created by IAG and Usage of Reports by IAG and Affiliated Firms Section** below for details; See also **Conflict of Interest – Different Advice Section** below for details. See **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS Section** below regarding agreements TAS has with TB and TIS related to Research and Other Advisory Services. Also see **Conflicts of Interest - Models Created by IAG for Management of AMC Program Portfolios and Affiliate's Usage of the Models for Client Portfolio Management (TB and TAS Advisors) Section** below related to conflicts associated with usage of research created and used by multiple affiliated firms and Advisors.

#### Sterling Capital Management, LLC

TAS' affiliate, Sterling, provides TAS IAG with fixed income research and investment support on an as needed basis. IAG is solely responsible for implementation of such research and investment support and is not required to follow Sterling recommendations.

#### Truist Investment Services, Inc.

In addition to the TIS Brokerage Account requirement noted above, TIS acts as Non-Bank Custodian for IRA accounts advised and/or managed by TAS and through NFS, acting as TIS's agent, has custody of securities held by AMC Program accounts.

TAS also selected the Truist Investment Services, Inc. Sweep Program's TIS Level Rate Multibank Sweep Feature (taxable accounts) and TIS Level Rate Single Bank Sweep feature, **see Advisory Services – All AMC Programs – Core Account – TIS Sweep Program.** and creates conflicts of interest in connection with the management of TAS AMC Program Accounts **Conflicts of Interest – Truist Investment Services, Inc. Sweep Program** Sections below for details.

#### Truist Securities, Inc.

TAS' affiliate, Truist Securities, Inc. ("TSI"), makes equity research reports available for TAS advisors for use in the management of their Client's portfolios. See **Conflict of Interest – Research Reports Created by TSI and Usage of Reports by TAS Section** and **Conflict of Interest – Different Advice Section** below for details.

#### Institutional Capital Network, Inc. and CAIS

TIS has contracted with both Institutional Capital Network, Inc. ("iCapital Network") and their affiliates and CAIS and its affiliates and has granted TAS Advisors access to the iCapital Network and CAIS alternative investment platforms, software and services for the AMC Allocation Plus and AMC Advise Programs.

iCapital Network and/or its affiliates and CAIS and its affiliates conduct the initial and on-going due diligence (investment and operational) on private equity and hedge fund offerings available on their platform. TAS relies on the due diligence provided by iCapital Network and CAIS related to the offerings available on either platform.

#### Fidelity Personal Trust Company, FSB

Fidelity Personal Trust Company, FSB ("FPTC") offers Clients administrative trust services for AMC Programs, Clients can request information related to the available services from their TAS Advisor.

#### Client Advisory Center ("CAC")

TAS has established a centralized Client Advisory Center ("CAC"). The CAC consists of approximately 40 TAS Financial Advisors ("CAC FAs") who assist Clients in meeting their financial needs with financial planning and access to TAS' AMC Fund Select Tactical Focus or AMC Truist Invest Programs, where appropriate. The AMC Fund Select Tactical Focus and AMC Truist Invest Programs is more fully described below.

CAC FAs work individually and as a team and the CAC's primary advisor brochure supplement describes the CAC FAs working individually have their own advisor brochure supplements. Clients who wish to receive a copy of a specific Advisor team member's brochure supplement should contact the CAC at (844) 206-8900 and receive this information free of charge.

Total TAS AMC Program Accounts and Assets Under Management as of December 31, 2023:

	<u>Accounts</u>	<u>AUM</u>
Discretionary	109,523	\$ 48,528,680,981
Non-Discretionary	<u>14,678</u>	<u>\$ 12,841,175,564</u>
	124,201	\$ 61,369,856,545

**FEES**

AMC Program accounts are charged a single asset-based fee (the “Program Fee”) that includes our ongoing Client advice and service and the execution and custodial services of TIS and NFS except those charges that, as described in the **Other Fees and Charges** Section below, will be paid by the Client. If Client elects to engage Third-Party (including Sterling) Model Provider(s) and Third-Party i Managers in the connection with the management of Client’s eligible AMC Program account(s), Client’s Program Fee will be corresponding increased by applicable Third Party Model Provider and Third Party Manager fees. See **Additional Model Provider or Investment Manager Fee**, below.

Additional fees and expenses can be charged in the AMC Annuity Program by the issuing company that are also described in the **Other Fees and Charges Section** below. The Program Fee is tiered, based on the market value of the Client’s assets calculated on the last billing day of the previous quarter and paid in advance for accounts opened prior to September 1, 2023. The Program Fee for new accounts established after that date is based on the average daily asset balance over the prior quarter and paid in arrears. The Program Fee is either deducted from the AMC Annuity contract, if the insurance company has obtained an IRS Private Letter Ruling, or an AMC Program account (or designated TIS Brokerage Account for AMC Annuity Program Accounts) or Client may agree to have the Program Fee deducted from another account owned by the same Client. If TAS is unable to collect the Program Fee from any such separate account for any reason TAS shall be entitled to deduct the Program Fee from the original account, or from any other AMC Account (or TIS Brokerage Account with the same registration if in the AMC Annuity Program) without obtaining additional authorization from the Client.

How TAS Program Fees are deducted from the allocations of an annuity contract, specifically or proportionally is determined by the specific insurance company and can vary. Clients should discuss the specific annuity’s process with their TAS Advisor. The annuity contract value declines by the Program Fee amount deducted.

If no account is available to pay the Program Fee for any AMC Annuity Program account and the insurance company has not obtained an applicable IRS private Letter Ruling, the Client’s AMC Annuity Program investment advisory relationship will end. Options available upon termination of an AMC Annuity Program investment management relationship are described below in the section “**Termination of AMC Annuity Relationship**”.

The Program Fee is negotiable and TAS enters into different fee structures with its’ Clients. AMC Program Fees will vary from Client to Client as agreed with each Client by TAS, in its sole discretion. Factors considered by TAS in making Program Fee modifications include, but are not limited to, the type and size of the Client’s account, the range of services provided to the Client, and the total relationship between TAS and the Client in terms of assets under management or supervision and the date the Client’s AMC Program account was established.

The following fees are, as applicable, charged in addition to the TAS Program Fee and apply to AMC Fund Select Tactical, AMC Fund Select Tactical Focus, AMC Pinnacle, AMC Pinnacle – Sleeve Select, AMC Premier and Sentry Programs:

- **Additional Model Provider or Investment Manager Fee.** In addition to the Program Fee, in the case of AMC Fund Select Tactical, AMC Pinnacle, AMC Pinnacle – Sleeve Select, AMC Premier and Envestnet Sentry Program accounts, if a Third Party Model Provider or a third party SMA investment manager, including TAS’s affiliate, Sterling Capital Management LLC (“Sterling”), is selected by the Client, Client’s Program Fee will also include an additional Third Party Model Provider or Third Party Manager fee. TAS will collect any applicable model provider or investment manager fee from AMC Program Client accounts in the same manner as its Program Fee and separately remit payment to the applicable model providers and investment managers.

- TAS's affiliate, Sterling, is currently waiving its quarterly model provider and investment manager fees in connection with services rendered to Retirement Accounts<sup>1</sup> enrolled in the AMC Programs<sup>2</sup>. This fee waiver applies only to Retirement Accounts. All other Client accounts enrolled in the AMC Programs and utilizing Sterling provided investment models or Sterling provided investment management services will become obligated to pay additional compensation for Sterling for the use of these services. Fees earned by Sterling will be collected for and remitted to Sterling as set forth above.
- TAS's affiliate, GFO Private Funds are prohibited in Retirement Accounts enrolled in AMC Advise and AMC Allocation Plus Programs.
- AMC Fund Select Tactical, AMC Pinnacle and AMC Pinnacle – Sleeve Select model portfolio provider fees range from 35 to 75 basis points and AMC Premier, AMC Pinnacle – Sleeve Select SMA investment manager fees range from 0 to 75 basis points.
- Envestnet Sentry Manager fees are more fully described in Envestnet's Form ADV, Part 2A.

**Additional Envestnet Administration Fee.** This fee is included the model provider or investment manager fee. Envestnet charges an administrative fee for the Envestnet Sentry Program and certain Third Party Model Provider model portfolios in the AMC Fund Select Tactical Program. This fee ranges from two (2) to five (5) basis points of the assets under management and is included in the manager fee.

*Fee Schedule*

<b>Assets Under Management</b>	<b>TAS Maximum Program Fee</b>
First \$0 - \$100,000	2.25%
Next \$100,001 - \$250,000	2.20%
Next \$250,001 - \$500,000	2.15%
Next \$500,001 - \$1,000,000	2.00%
Next \$1,000,001 - \$2,000,000	1.85%
Next \$2,000,001 - \$5,000,000	1.75%
Next \$5,000,001 - \$10,000,000	1.65%
Next \$10,000,001 - \$25,000,000	1.50%
\$25,000,001 and Over	1.45%

TAS Advisors are able to offer advisory services at fees lower than those noted above.

Please refer to each Third Party Model Provider and Third Party Manager's Form ADV Part 2A Brochure for more information on charges and expenses. See **Additional Model Provider or Investment Manager Fee Section** above.

**Annuities in AMC Annuity Program Accounts.** For purposes of calculating the Program Fee, the annuity account value is determined by the aggregation of the values of subaccounts or index segments and does not include any additional rider or death benefit values.

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<sup>1</sup> AMC Program accounts which are either (1) qualified plans subject to the prohibited transaction requirements of the Employee Income Security Act of 1974 or (2) managed individual retirement accounts or similar retirement accounts subject to similar prohibited transaction requirements of the Internal Revenue Code (each and together "**Retirement Account(s)**").

<sup>2</sup> In the event that Sterling shall no longer waive its quarterly model provider and/or investment manager fees in connection with services rendered to TAS Retirement Accounts enrolled in the AMC Programs, TAS will provide corresponding fee credits to Retirement Accounts with respect to which Sterling serves as a model provider or investment manager as required by applicable laws and regulations.

*AMC Annuity Fee Schedule*

<b>Assets Under Management</b>	<b>TAS Maximum Program Fee</b>
Up to \$25,000,000	1.50%
Above \$25,000,000	1.45%

TAS Advisors are able to offer advisory services at fees lower than those noted above.

**Example of Overall Tiered Fee Calculation**

AMC Allocation Plus, AMC Advise, AMC Fund Select Tactical and AMC Fund Select Tactical Focus Programs: Portfolio of \$1,000,000 would have an effective overall fee of 2.0925%:

First \$100,000 at 2.25% would be an annual fee of	\$ 2,250
The next \$150,000 at 2.20% would be an annual fee of	\$ 3,300
The next \$250,000 at 2.15% would be an annual fee of	\$ 5,375
The remaining \$500,000 at 2.00% would be an annual fee of	\$10,000

The total Program fee of \$20,925 equates to 2.0925% of the total portfolio value of \$1,000,000.

AMC Premier Program: Portfolio of \$1,000,000 managed by a Third Party Manager would include the additional manager fee (example 0.45%), thus raising the effective overall tiered fee to 2.5425%.

TAS base equity fee of \$20,925 PLUS the Third Party Manager fee of \$4,500 equals \$25,425 or 2.5425%.

**AMC Pinnacle or AMC Pinnacle – Sleeve Select Program Account with Multiple Sleeves**

The Program Fee is based on the total value of the assets in the AMC Pinnacle or AMC Pinnacle – Sleeve Account and includes an additional model provider or investment manager fee if Sterling (except in the case of Retirement Accounts) or another model provider or investment manager is selected by the Client, See **Additional Model Provider or Investment Manager Fee** Section above.

Example:

AMC Pinnacle total account asset value:	\$500,000	
SMA Sleeve – 3 <sup>rd</sup> Party Manager	\$300,000	TAS Program Fee plus 3rd Party Manager fee on \$300,000
Advisor Managed Sleeve	\$100,000	TAS Program Fee (no 3rd Party Advisor)
Strategist Sleeve	\$100,000	TAS Program Fee plus 3rd Party Manager fee on \$100,000

**AMC Truist Invest**

The Program Fee for the AMC Truist Invest Program is 0.85%. The Program Fee is not negotiable and investment balances of multiple Client accounts are not aggregated for fee purposes.

Examples of the Fee Calculation:

An AMC Truist Invest relationship of \$100,000 consisting of three accounts of \$75,000 (individual taxable), \$20,000 (traditional IRA) and \$5,000 (joint taxable) would have a Program Fee of 0.85% which equates to an effective annual fee of \$850 in aggregate and \$638, \$170 and \$42 respectively.



### Tax and Impact Overlay Services

Clients who elect the Tax and/or Impact Overlay management services provided by the Platform Manager related to the AMC Pinnacle Program will be charged an additional fee based on the schedule below in addition to the TAS base fee, manager or model fees. Clients should review the Platform Manager's Brochure for more information on fees related to Tax and/or Impact Overlay Services.

Assets Under Management	Tax Overlay Service
\$0 - \$10,000,000	10 basis points
\$10,000,001- \$25,000,000	8 basis points
\$25,000,001 and over	5 basis points

Clients who elect the Fidelity Investments® Charitable Gift Fund will be charged an additional fee paid to Fidelity Charitable on the schedule below in addition to the TAS base fee and any model provider or investment manager's fees.

Giving Accounts Less than \$5,000,000

#### Tiered Fee Schedule

Average Giving Account Balance	Fee (Basis Points)
First \$500,000	60 bps
Next \$500,000	30 bps
Next \$1,500,000	20 bps
Next \$2,500,000	15 bps

Giving Accounts with Balances of \$5,000,000 or More: Flat Fee Schedule

<u>Average Giving Account Balance</u>	<u>Fee (Basis Points)</u>
\$ 5,000,000 - \$ 9,999,999	19 bps
\$10,000,000 - \$19,999,999	17 bps
\$20,000,000 - \$34,999,999	15.5 bps
\$35,000,000 - \$47,999,999	13.5 bps
\$48,000,000 - \$74,999,999	12 bps
\$75,000,000 and up	11.5 bps

Program Fees are pro-rated for accounts that are opened or closed during the quarter. Multiple Program accounts held by the same Client or members of the Client's immediate family (i.e., spouse, children, or parents) within the same Program can be aggregated, at Client request and in the discretion of and upon approval of TAS, for purposes of determining total amount of assets under management.

If Client invests or withdraws \$10,000 or more in any AMC Program account after the inception of a calendar quarter, the Program Fee for that quarter will be recalculated and pro-rated as of the day of the additional investment or withdrawal.

Excluded and Unsupervised assets are not included in the Program Fee calculation; however, excluded assets are included in account performance report calculations.

Additional areas Clients should consider when investing in an AMC Program where noted, where applicable:

- Asset Valuation. For purposes of the computation of the value of any securities or other investments in an AMC Program account, securities listed on a national securities exchange will be valued, as of the valuation date, at the closing price on the principal exchange on which they are traded. Shares of mutual funds will be valued at their respective net asset values as calculated on the valuation date (or the most recent net asset value if none is calculated on the valuation date) as determined by pricing sources believed by TAS to be reliable. Any other securities or investments in an account will be valued by NFS in a manner determined in good faith to reflect fair market value. Any such valuation should not be

considered a guarantee of any kind whatsoever with respect to the value of the assets in an account. NFS typically uses a pricing service or other independent evaluator, as well as other independent sources, in computing the value of securities. These values are believed to be reliable, but TAS will not verify the accuracy of the information.

- Program Fee Valuation. The Program Fee is based on the value of the eligible Program Assets, including cash and cash equivalents held in an AMC Program account. Excluded Assets (defined below) are certain investments which may be included in the Account for reporting purposes. The Program Fee will not be charged on Excluded Assets held in the account and the total market value of the Excluded Assets will be deducted from the total market value of the account for determination of the billable value. Therefore, the amount of Excluded Assets in an account could result in the Client paying a higher fee percentage due to the Program Fee Valuation decreasing below a schedule tier. As an example, a portfolio that started with \$500,000 at 2.15% where \$300,000 was moved to an excluded position due to Client request or for supervisory reasons, would incur a Program Fee of 2.20% at the next billing cycle after the assets were transitioned to an excluded position.
- Privately Offered Securities. Valuations can lag a month or more and are received from the issuer's third-party administrator to the alternative investment vehicle, for directly offered investments or from iCapital Network's or CAIS' fund administrator for those available on the iCapital Network and CAIS platforms. The quarterly Program Fee calculation uses this data to calculate the Program Fee.
- Margin Use Increases Risk and the Program Fee. The Program Fee is based on the total amount of assets in the Client's account, including assets purchased using margin. If TAS uses margin in a Client's account, TAS and the Client's Advisor each will receive additional compensation based on the increase in the assets being managed. Although the Program Fee, as a percentage of assets under management, will not change, the total assets on which this percentage is based will increase through the use of borrowed funds, and, accordingly, the compensation paid to TAS, and the Client's Advisor, will increase. In addition, Clients who borrow funds will pay interest on the outstanding loan balance. TIS, the broker-dealer and affiliate of TAS and Client's TAS Advisor, who is dually registered with TIS, receive a portion of these fees and interest. The use of margin borrowing creates conflicts of interest for TAS in connection with the management of AMC Program accounts, See **Conflicts of Interest – National Financial Services, LLC (“NFS”) Support**. Section below for details.

There are risks associated with the use of borrowed funds for investment purposes. The decision to use leverage from borrowed funds in a Client AMC Program account rests with the Client and should be made only if the Client understands the risks of margin borrowing, the impact of the use of borrowed funds on an account, and how the use of margin will affect the Client's ability to achieve Client's investment objectives. Specifically, positive or negative performance of a margined account, net of interest charges and other account fees, will be enhanced by virtue of using borrowed money. Thus, gains or losses in a leveraged account will be greater than would be the case with an un-leveraged account. In addition, Clients with margin accounts will need to deposit additional cash or collateral in their AMC Program account if the value of the portfolio declines below the required loan-to-value ratio. If the Client cannot provide the additional required collateral, NFS, the firm providing the margin loan, in its sole discretion, is authorized to sell securities in the collateral account and other Client accounts to meet the margin requirement. In these circumstances, the securities often will be sold into a market that is declining, so the prices obtained for the liquidated securities are lower than in a stable or rising market. TAS and/or Client's TAS Advisor will not act as investment adviser to the Client with respect to the liquidation of securities held in an account to meet a margin call and, as creditors, TAS and our affiliates, or NFS may have interests that are averse to the Client. Clients electing to engage in margin borrowing will receive a separate margin disclosure document from TIS. See **Conflicts of Interest - TIS Clearing Broker Credits** Section below for details.

Householding for Program Fee Purposes. In all AMC Programs, except the AMC Truist Invest Program, for purposes of determining the Program Fee charged to an account, the value of all accounts held by the account owner and/or members of the same household (as determined by TAS) can be aggregated for fee calculation purposes at the Client's request and in the discretion and upon approval by TAS). AMC Program Accounts accepted for householding will be treated as part of the same household on a case-by-case basis as determined by TAS and will be combined for fee billing purposes. It is the Client's

responsibility to request that AMC Program accounts be treated as part of the same household. Householding of fees can provide fee breakpoint discounts if certain asset thresholds are met (see section Fee Schedule above). Individual retirement accounts and other personal retirement accounts can be aggregated for this purpose, but retirement plan accounts subject to the Employee Retirement Income Security Act of 1974 (“ERISA”) cannot be aggregated.

- Accrued Interest. Accrued interest on fixed income securities will be included in the Program Fee calculation.
- Excluded Assets. The billable value of your account does not include the value of excluded assets. The impact of this lower billable value is that your account may be assigned a higher fee tier percentage.
- High Cash and Cash Equivalent Positions. Fees associated with portfolios invested in large positions of cash and/or cash equivalents, including money markets, can be higher than the returns on these types of investments.

The exact Program Fee each Client will pay is specified in the Client’s Statement of Investment Selection (“SIS”).

TAS is permitted to discount the Program Fee for employees of TAS and its affiliates in its sole discretion.

AMC Program accounts can, depending upon the investment products utilized, cost Clients more or less than purchasing such services separately. Factors that can bear upon the cost of AMC Program accounts in relation to the cost of the same services and/or investment products purchased separately can include, among other things, the size and type of the account, the historical and expected size or number of trades for the account, the mutual fund and other investment share classes made available to each type of account by the mutual fund company or other investment provider and the number and range of supplemental services provided to the account.

## **COMPENSATION**

AMC Program Clients will not be charged a separate commission or other transaction charge for trades executed through TIS and its clearing broker, NFS, instead such charges are included in the Program Fee and TAS will pay TIS and NFS’ commissions and other transaction charges (as negotiated between TAS and TIS) for transactions for made in connection with the management of AMC Program accounts. TAS or one or more of their affiliates incurs additional expenses as the amount of trading in an AMC Program increase. As a result, TAS has a financial interest in the number of trades recommended and has a financial incentive to seek to limit the extent of trading activity of the AMC Programs. See **Conflicts of Interest – Active Trading** Section below.

AMC Program Clients will also incur other fees, expenses and costs associated with their account. See **Other Fees and Charges** Section below.

A portion of the Program Fee compensates TIS for custody, clearance and settlement activities that are undertaken by TIS even where an investment manager chooses to place the trade through a broker-dealer other than TIS. When investment managers place trades through other broker-dealers, AMC Program accounts will be charged additional fees, expenses and other costs by the applicable third-party broker-dealer. If a third-party broker-dealer is utilized for trade execution services, the total net price paid for bonds or equities can be higher than the net price which would have been paid if the transaction was undertaken through TIS. AMC Program investment managers of fixed income portfolios have historically placed more trades through other broker-dealers than equity investment managers. All Third Party Managers, including Sterling, are responsible for best execution and control brokerage selection on behalf of their Client accounts and Clients utilizing Third Party Managers should closely examine each Third Party Manager tr’s Form ADV Part 2A brochure for information relating to each Manager’s best execution and brokerage policies, including information relating to such investment manager’s receipt of “soft dollars” in connection with its trading activities on behalf of customer accounts. For more information about the trading practices of Third Party Managers, please refer to the **“Important Information about the Trading Practices of Independent Investment Managers and Envestnet in Certain Truist Advisory Services Managed Programs”** disclosure located on Truist Wealth’s website <https://www.truist.com/wealth/tas-disclosure>.

Where Client assets are held at another financial institution, custody, clearance, settlement and other charges and fees imposed upon Client's AMC Program account by such other financial institution are not included in the Program Fee. As such, the costs and expenses will be more than if the Client assets were held at TIS, which includes such costs and expenses in the Program Fee.

For the duration of each Client's AMC Program investment advisory relationship with TAS, a portion of the Program Fee received by TAS in connection with the management of each AMC Program account will be paid the TAS Advisor associated with the Program account and other employees of TAS and its affiliates.

Depending upon trading volume and other services provided to Client accounts, TAS and the TAS Advisor associated with each Client account can earn greater compensation if a Client invests in an AMC Program account than if the Client were to instead open a brokerage account to buy individual securities. Therefore, if greater compensation is expected to be received from an AMC Program account than from a brokerage relationship, TAS and TAS Advisors have a financial incentive to recommend one of the AMC Programs rather than a brokerage account relationship. See **Conflicts of Interest – Advisory vs Brokerage Account** Section below.

Depending upon applicable fee schedules, amounts invested in products offered and other services requested by each Client, TAS and the TAS Advisor associated with each Client account can earn greater compensation if you invest in an AMC Program than if a Client were to instead open a Truist Bank trust or investment management account to manage your assets. Therefore, if greater compensation is expected to be received from an AMC Program account than from a TB trust or investment management relationship, Advisors and TAS have a financial incentive to recommend one of the AMC Programs rather than a TB trust or investment management relationship. See **Conflicts of Interest – Advisory vs Truist Bank Trust and Investment Management Accounts** Section below.

In addition, TB employees may refer qualified bank Clients to TAS Advisors for a one-time nominal fee of a fixed dollar amount that is not contingent on whether the qualified Client referral results in any advisory activity or the establishment of an investment advisory relationship. See **Conflicts of Interest – Non-Deposit Retail Sales (Networking) Agreement** Section below.

#### Unsupervised Assets

Assets in certain Client AMC Program accounts can be classified as "unsupervised" for oversight reasons. Unsupervised assets, although held in the same underlying brokerage account are not part of the managed Program assets and therefore, no advice is given related to these assets, the assets are not subject to the Program Fee and Unsupervised assets are not included in the performance calculations. Any unsupervised assets held in an AMC Advise Program account are included in the Firm's proxy voting process. See Section **VOTING CLIENT SECURITIES** below for details.

New Client accounts enrolled in the AMC Programs (including existing TIS brokerage accounts) are required to remove such "unsupervised" assets from their TAS advised TIS brokerage account and transfer such assets to a separate TIS or other brokerage firm account. Any transfer of "unsupervised" assets to a separate brokerage account will require affected Clients to execute applicable securities transfer documentation.

#### Excluded Assets

Assets in certain Client AMC Program accounts can be classified as "excluded" for a variety of reasons. Excluded assets can be included in a model and will be included in Program performance calculations but will not be included in the calculation of the Program Fee.

#### Other Fees and Charges

AMC Program Client accounts will incur separate fees or charges associated with odd-lot differentials, auction fees, transfer taxes, electronic fund and wire transfer fees, SEC fees on NASDAQ trades, any other fees mandated by law, certain fees in connection with the establishment or administration or termination of retirement or profit-sharing plans or trust accounting, and any other charges for special services requested by Clients. Client accounts holding shares of investment companies, including money market funds, closed-end funds, exchange-traded funds, annuities and other investment products will incur additional fees, including, as applicable and disclosed in each investment products prospectus, statement of information or other offering materials, certain advisory, distribution, administration or other fees and expenses.

In addition to the Program Fees, Clients are subject to certain charges in connection with investments made through the AMC Programs, including mutual fund/ETF advisory, distribution, early redemption or other fees.

Mutual funds (including money market mutual funds) and ETFs, or the advisers or principal underwriters of the mutual funds or ETFs make payments to TIS, an affiliated company of TAS, from applicable share classes, pursuant to a Rule 12b-1 distribution plan or other arrangement as compensation for distribution, shareholder services, recordkeeping, or administrative services; these payments may be paid from the fund's total assets or may be paid by a fund's adviser, distributor or their affiliates. TAS typically invests AMC Program Client accounts in mutual fund and ETF share classes which do not pay 12b-1 fees to TIS. However, some mutual funds and ETFs do not offer non-12b-1 share classes or do not contractually offer them to TAS Clients. TIS automatically credits Client AMC Program accounts with an amount equal to any 12b-1 fees received by TIS as well as any other fees for the distribution, shareholder services, recordkeeping or administrative services received during the period an account is enrolled in an AMC Program. Each fund's Rule 12b-1 distribution plan and other fee arrangements will be disclosed to Client's by TIS upon request and such fees are also disclosed in the applicable fund's Prospectus and Statement of Additional Information.

Client AMC Program accounts invested in these investment products will bear these fees and expenses. Each of the fees discussed above is in addition to the Program Fee and will reduce Client investment returns by a like amount.

TIS does not accept distribution, shareholder services, recordkeeping, or administrative services from mutual funds, ETFs or similar products in connection with TAS accounts enrolled in the AMC Programs.

TIS receives and retains marketing support payments from investment product providers which can be recommended and/or selected by TAS and TAS Advisors in connection with the management of the AMC Programs. TAS evaluates all investment products offered to AMC Program Clients accounts using uniform criteria and without regard to the receipt of marketing support payments by TIS. See Sections **Conflicts of Interest - Financial Service Vendor Continuing Education Sessions and Training and Educational Financial Support** below.

When selecting the share class for the mutual funds and ETFs, TAS does not, in all instances, select the share class with the lowest fees that is available from the fund company due to the fund company not contractually offering them to TIS for use by the AMC Program accounts. The Firm monitors fund families and holdings for lower cost funds available on our platform on an ongoing basis. If a lower cost fund is available an exchange will be made or the holdings will be excluded from billing.

#### Affiliated Mutual Funds

Sterling Capital Management, LLC, is a SEC registered investment adviser and an affiliate of TAS. Sterling serves as the investment adviser to the Sterling Capital Funds ("**Affiliated Funds**"). All Affiliated Funds offered to AMC Program Client accounts are evaluated by the Firm's due diligence and research process in the same manner as all other similar investments. Offering Affiliated Funds to AMC Program Client Accounts creates conflicts of interest in connection with TAS offering and management of the AMC Programs. See **Conflict of Interest - Sterling Capital Management LLC**, Section below for details. See also **Other Financial Industry Activities and Affiliations, Fee Crediting Reimbursement Agreement** Section below for details.

Certain AMC Program accounts are retirement accounts which are either (1) qualified plans subject to the prohibited transaction requirements of the Employee Income Security Act of 1974 or (2) individual retirement accounts or similar retirement accounts subject to similar prohibited transaction requirements of the Internal Revenue Code (each and together "**Retirement Account(s)**"). In the case of Retirement Account(s), TAS credits Client accounts invested in Affiliated Funds in an amount equal to Sterling's advisory fee. Through an agreement with Truist Financial Corporation ("TFC"), TAS' parent company, TFC reimburses TAS for these fee credits. See Other Financial Industry Activities and Affiliations section below relate to agreement between TFC and TAS.

Investments which TAS, TAS Advisors and other investment managers can be recommended and/or purchased for AMC Program accounts include shares of mutual funds, (including the Sterling Capital Funds), exchange trade funds, and/or other forms of pooled investment for which TAS's affiliate Sterling Capital Management LLC performs investment advisory and/or other services ("**Affiliated Fund Compensation**"). Sterling receives compensation for services provided to the Affiliated Funds that is separate, distinct and in addition to, the Program Fee(s) earned by TAS and/or Sterling in connection with the management of Clients' AMC Program account.

Clients can obtain additional information concerning Affiliated Fund Compensation received by Sterling, by contacting their TAS Advisor and/or consulting each Affiliated Fund(s)' Prospectus, Statement of Additional Information or other offering materials.

Any such Affiliated Fund Compensation so received by Sterling is, except as described above with respect to Retirement Account(s), or as otherwise required by applicable laws and regulations) is retained by Sterling and is not credited to Client AMC Program accounts and does not reduce applicable TAS Program Fees. Any investment of AMC Program accounts in the Affiliated Fund(s) and corresponding receipt of Affiliated Fund Compensation by Sterling creates conflicts of interest for TAS and Sterling with respect to the management of AMC Program accounts. See **Conflicts of Interest, Sterling Capital Management LLC – Sterling Capital Mutual Funds, Exchange Traded Funds, Models and Separately Managed Account (“SMA”) Portfolios** Section below.

AMC Program Clients have the right to terminate their consent and authorization to the purchase or continued retention of any Affiliated Fund(s) in Client's AMC Program account any at any time (i) by terminating (or directing TAS to terminate) the investment in the applicable Affiliated Fund(s), or (ii) by providing written notice to TAS of Client's intention that Client's consent and authorization to invest Client's AMC Program account in shares of Affiliated Funds(s) set forth above has been terminated.

#### Sterling Models and Investment Manager Services

TAS's affiliate, Sterling, also provides investment models used in connection with TAS's AMC Pinnacle or AMC Pinnacle – Sleeve Select Program and is made available to Clients as an SMA investment manager and model provider in connection with the management of AMC Program accounts enrolled in AMC Fund Select Tactical and AMC Premier. Sterling has currently waived its model provider and/or investment manager compensation in connection with services rendered to TAS Retirement Accounts enrolled in these Programs.<sup>3</sup>

This waiver applies only to TAS managed Retirement Accounts; non-retirement Program Accounts utilizing Sterling models will be obligated to pay additional fees to Sterling if Client selects Sterling as a Third Party Manager.

Sterling investment models can include Affiliated Fund(s) and Sterling investment managers are permitted to invest AMC Program Accounts in Affiliated Funds(s). Any such Affiliated Fund Compensation so received by Sterling, TIS and/or TAS or any other affiliated TFC company is, except as described below with respect to Retirement Account(s) (defined below), or as otherwise required by applicable laws and regulations) retained by Sterling, TIS, TAS and/or affiliated TFC companies and is not credited to Client AMC Program accounts and does not reduce applicable Program Fees. Any investment of AMC Program accounts in the Affiliated Fund(s) and corresponding receipt of Affiliated Fund Compensation by Sterling, TIS and/or TAS creates conflicts of interest for TAS and Sterling with respect to the management of AMC Program accounts which are more fully set forth below. See **Conflicts of Interest, Sterling Capital Management LLC – Sterling Capital Mutual Funds, Exchange Traded Funds, Models and Separately Managed Account (“SMA”) Portfolios** Section below.

AMC Program Clients have the right to terminate their consent and authorization to the purchase or continued retention of any Affiliated Fund(s) in Client's AMC Program account at any time (i) by terminating (or directing TAS to terminate) the investment in the applicable Affiliated Fund(s), or (ii) by providing written notice to TAS of Client's intention that Client's consent and authorization to invest Client's AMC Program account in shares of Affiliated Funds(s) set forth above has been terminated.

#### Affiliated Multi-Manager Portfolios

GFO Advisory Services LLC (“GFO”), is a SEC registered investment adviser and an affiliate of TAS. GFO is the general partner/managing member and/or investment adviser to a group of privately pooled investment vehicles. Such vehicles are organized as domestic limited partnerships, limited liability companies, and offshore corporations, (collectively, the **“Affiliated Private Funds”**). Affiliated Private Funds offered to AMC Advise and AMC Allocation Plus Program Client accounts are evaluated by the Firm's due diligence and research process by the Investment Advisory Group (“IAG”) in the same manner as all other similar investments.

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<sup>3</sup> In the event that Sterling shall no longer waive its model provider and/or investment manager compensation in connection with services rendered to TAS Retirement Accounts enrolled in these Programs, TAS will also provide corresponding fee credits to Retirement Accounts with respect to which Sterling serves as an investment manager.

In addition, certain members of IAG serve as Portfolio Manager to GFO Advisory Services LLC's Multi-Manager Portfolios ("MMPs"). TAS and GFO share expenses related to the members of IAG who act as Portfolio Managers. Offering Affiliated Private Funds to AMC Program Client Accounts creates conflicts of interest in connection with TAS offering and management of the AMC Programs. See **Conflict of Interest - GFO LLC**, Section below for details.

In the case of Retirement Account(s), TAS prohibits investment of Client accounts in Affiliated Private Funds. GFO receives compensation for services provided to the Affiliated Private Funds that is separate, distinct and in addition to, the Program Fee(s) earned by TAS. Clients can obtain additional information concerning Affiliated Private Fund expense sharing by GFO, by contacting their TAS Advisor and/or consulting each Affiliated Private Fund(s)' offering materials.

AMC Program Clients have the right to terminate their consent and authorization to the purchase or continued retention of any Affiliated Fund(s) in Client's AMC Program account any at any time (i) by terminating (or directing TAS to terminate) the investment in the applicable Affiliated Fund(s), or (ii) by providing written notice to TAS of Client's intention that Client's consent and authorization to invest Client's AMC Program account in shares of Affiliated Funds(s) set forth above has been terminated.

Mutual Funds and ETFs imposing Upfront Sales Charges Prohibited

TAS Advisors are prohibited from recommending or purchasing of shares of mutual funds or other pooled investment vehicles such as ETFs with an upfront fee for AMC Managed Program accounts. In addition, if shares of such investments are transferred to an AMC Managed Program account, a lookback for a period of 360 days after shares were purchased by the Client in a transaction which was executed by TIS and Client's TIS Registered Representative is conducted and Client accounts are refunded any commissions generated during that period, depending on circumstances.

AMC Annuity Program

Variable annuity contracts purchased in connection with AMC Annuity Program accounts charge Mortality, Expense & Administration ("M&E" or "M&E&A") fees and other fees assessed by the annuity provider. Any additional riders purchased in connection with a variable annuity contract are typically subject to an additional fee. All variable annuity fees and expenses are assessed against the contract's account value. M&E fees and other fees related to an annuity contract are explicitly outlined in each product's prospectus. Investment in the insurance company's subaccounts will be subject to additional fund management and other expenses and fees. Each annuity product's prospectus should be thoroughly reviewed for a full explanation of the assessment of all fees and expenses associated with any investment in a variable annuity contract. All fees assessed by the annuity provider are in addition to any Program Fees charged by TAS and reduce investment returns associated with the investment by a like amount.

**ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

**AMC Program Account Requirements and Types of Clients**

<b>Program</b>	<b>Minimum Funding Amount*</b>
<b>TAS Advisor Managed Programs</b>	
AMC Allocation Plus	\$100,000
AMC Advise	\$ 50,000
AMC Annuity	\$ 50,000
<b>TAS and Third-Party Managed Programs</b>	
AMC Truist Invest	\$ 5,000**
AMC Fund Select Tactical	\$ 50,000
AMC Fund Select Tactical – Focus***	\$ 10,000
AMC Pinnacle/AMC Pinnacle – Sleeve Select	\$ 50,000
AMC Premier	\$100,000 (varies by Manager)
Envestnet Sentry	\$100,000 (varies by Manager)

\* AMC Program Accounts established and not funded at the minimum funding requirement within 90 days may be reclassified as standard unmanaged full-service commission based TIS brokerage accounts. TAS

retains the right to waive or increase or decrease the minimum investment amounts for each Program upon written notice to affected Clients.

**\*\* AMC Truist Invest Program.** If an AMC Truist Invest Program account relationship falls below the minimum amount, TAS may terminate the Program Account. While TAS has structured the AMC Truist Invest Program to be broadly applicable to many Clients, it may not be appropriate for certain Clients that:

- are already in retirement and drawing down savings;
- desire more frequent account reviews for trading opportunities;
- have a very short (less than five years) investment horizon, a significantly high tolerance for market risk, or a desire to invest significantly in alternative asset classes;
- do not wish to delegate investment management to an automated algorithmic manager;
- wish to work directly with an individual portfolio manager (applicable to AMC Truist Invest Program accounts);
- have especially complex investment objectives and needs as Client's current investments consist of illiquid securities, annuities, and/or extremely low basis securities; and/or
- have limited or no access to the internet and other necessary technology because the AMC Truist Invest Program delivers disclosures and other information electronically.

If the AMC Truist Invest Program is inappropriate for a Client's needs or if a Client prefers a non-automated, non-algorithmic advisory service and greater ability to control and direct the investment of Client's assets, Client should consider the other advisory services and programs offered by TAS and described in this brochure. In addition, Clients should consider a standalone TIS brokerage account, in which Clients pay commissions per trade rather than a periodic asset-based fee relationship.

Should a Client determine that AMC Truist Invest Program is appropriate notwithstanding the above considerations, Client must keep in mind that AMC Truist Invest Program is structured to assist a Client in reaching their selected account goal(s) and is meant to be a component of their overall investment strategy and not the Client's sole investment strategy. The AMC Truist Invest Program's projections and decisions are limited in scope to the questions asked and information provided by the Client when a Client opens a AMC Truist Invest Program investment advisory account.

As AMC Truist Invest Program does not provide comprehensive financial planning, there may be additional relevant information or other financial circumstances that AMC Truist Invest does not consider (e.g., Client's debt obligations or other ongoing financial obligations, extraordinary expenses such as college tuition, personal or family medical expenses, etc.) that could impact Client's financial situation and therefore make AMC Truist Invest and its investment advisory services unsuitable. Clients are urged to carefully consider the AMC Truist Invest Program's costs, benefits and risk and other information below before opening an AMC Truist Invest investment advisory account and beginning to invest.

TAS reserves the right to accept, reject or renew any Client for AMC Truist Invest Program accounts.

AMC Truist Invest Program Clients must be permanent legal residents of the United States. Clients are not required to have a preexisting relationship with TAS, TIS or Truist Bank to participate in the AMC Truist Invest Program.

**\*\*\* AMC Fund Select Tactical Focus.** Plan Sponsor Consulting accounts invested in the AMC Fund Select Tactical Focus Program are exempt from the minimum funding requirement but must meet any Manager minimum investment thresholds.

The AMC Programs are made available to individuals, corporations and other business entities, pension and profit-sharing plans, charitable organizations and not-for-profit organizations. TAS reserves the right to accept, reject or renew any Client for any AMC Program. AMC Programs products and services are not guaranteed by Truist Bank, any other bank, or any subsidiary of Truist Financial Corporation. Products recommended by TAS are not insured by the Federal Deposit Insurance Corporation with the exception of investments of certain Brokered CDs and the Truist Investment Services, Inc. Sweep Program, subject to applicable FDIC insurance limits as described in applicable TIS brokerage account disclosures.



## **PORTFOLIO MANAGER AND MODEL MANAGER SELECTION AND EVALUATION**

### **TAS Advisor Managed Programs**

TAS advisors serve as portfolio managers for Client accounts in the AMC Advise program.

The AMC Allocation Plus and AMC Annuity Programs are Client directed and advisors do not have the discretionary authority to implement changes without Client consent.

### **TAS and Third-Party AMC Managed Programs**

TAS' IAG identifies and conducts initial and ongoing investment due diligence with respect to investment managers and model providers, affiliated and unaffiliated, for inclusion in the AMC Premier Program and the Strategist and SMA Sleeves in the AMC Pinnacle or AMC Pinnacle – Sleeve Select Program. Approved investment managers and model providers enter into model portfolio agreements and investment management agreements with TAS.

IAG conducts reviews of mutual funds, Third Party Managers and other investment vehicles utilized in the AMC Managed Programs and portfolios and determines which to include and if and when to remove a fund, investment vehicle or other investment vehicle. A representative from IAG presents reports at the monthly TAS IAG Working Group of the Product Working Group meeting related to Model Portfolio Providers, Third Party Managers and other investment vehicle changes made by IAG.

IAG also creates and maintains model portfolios and asset allocation strategies utilized in the AMC Fund Select Tactical, AMC Fund Select Tactical, Focus, AMC Pinnacle, AMC Pinnacle – Sleeve Select and the AMC Premier programs. A representative from IAG periodically presents a new or modified model portfolio and/or asset allocation strategy to the TAS IAG Working Group for review and approval. The TAS IAG Working Group also reviews and approves or rejects any services provided by IAG to any portfolio offered to Clients in connection with the AMC Managed Programs.

The IAG Working Group of the Product Working Group of TAS oversees these Programs and reviews the performance information and due diligence and other information provided by IAG.

Envestnet, acts as co-adviser, overlay manager and/or Manager with respect to the Envestnet Sentry Program and the Fixed Income SMA Sleeve in the AMC Pinnacle or AMC Pinnacle – Sleeve Select Program identifies and along with TAS' IAG conducts initial and ongoing investment due diligence with respect to investment managers and model providers for inclusion in those Programs. Approved investment managers and model providers enter into model portfolio agreements and investment management agreements with Envestnet.

TAS provides portfolio management for AMC Fund Select Tactical, AMC Fund Select Tactical Focus, certain AMC Pinnacle and, AMC Pinnacle – Sleeve Select portfolios, certain AMC Premier portfolios and its automated investment Program, the AMC Truist Invest Program, at the Firm level. The Firm does not manage any other investment advisory programs; its Advisors, however, do manage Client accounts either on a discretionary or non-discretionary basis within the AMC Advise, AMC Allocation AMC Pinnacle and AMC Pinnacle – Sleeve Select Programs.

TAS Advisors manage Client assets in both the AMC Advise and AMC Allocation Plus Programs. The Firm establishes guidelines for each Program. In addition, advisors in the AMC Advise Program are screened by the Firm prior to approval to participate in the Program. Although the review is similar to the review conducted on Third Party Managers, AMC Advise advisor reviews are completed by key management personnel not IAG. In addition, IAG conducts annual reviews either in person or via email or phone, while AMC Advise and AMC Allocation Plus advisor's accounts are monitored on a daily basis.

TAS Advisors who manage AMC Allocation Plus and/or AMC Advise Program portfolios can also manage Advisor managed sleeves in the AMC Pinnacle and/or AMC Pinnacle – Sleeve Select Program and when they do, trades effected in the AMC Allocation Plus or AMC Advise portfolios are sent directly to NFS, the clearing firm for TIS; however, those trades in the AMC Pinnacle and/or, AMC Pinnacle – Sleeve Select Program are entered by Envestnet, who has overlay responsibilities related to all the trades in the AMC Pinnacle and/or AMC Pinnacle – Sleeve Select Program. The trades in AMC Truist Invest Program accounts are sent directly to NFS. These differences can result in similar trades executing at different times and at different prices for the same security.

Generally, those trades in the AMC Allocation Plus and AMC Advise portfolios are executed before those in the AMC Pinnacle and/or AMC Pinnacle – Sleeve Select Advisor managed sleeves and/or the AMC Truist Invest portfolios.

## **CONFLICTS OF INTEREST**

Investment advisory fees and other expenses incurred by AMC Program accounts may be more or less than similar services provided by other firms. TAS Advisors recommending that a Client invest in the AMC Programs accounts receive compensation based on the amount of assets under management within a Client's Program Account and as Program Account assets increase, the amount of compensation received by a TAS Advisor will also increase and therefore TAS Advisors have a financial incentive to recommend AMC Program accounts and other services offered by TAS and its affiliates rather than similar products services offered by other investment firms. This creates a conflict of interest and TAS addresses this conflict of interest by disclosing it to its Clients and by requiring TAS Advisors' supervisors, or designees, to review each AMC Program account at account-opening to determine that opening an AMC Program account is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder

In offering and managing the AMC Programs, TAS has additional conflicts of interest which are more fully described below.

Advisory Annuity vs. Transactional Annuity. Depending upon the level of a Client's investment activity and corresponding annuity fees, TAS and your Advisor, in the case of the AMC Annuity Program, it is possible that TAS and Client's TAS Advisor will earn greater compensation from accounts enrolled in this Program than if a Client instead elected a commission based transactional annuity relationship. If anticipated transactional annuity commission compensation is less than the AMC Annuity Program Fee, TAS and Client's TAS Advisor will have a financial incentive to recommend the AMC Annuity Program instead of a commission based transactional annuity relationship. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring TAS Advisors' supervisors, or designees, to review each account at account-opening to determine that each recommendation to a Client to open an AMC Annuity Program account is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Advisory vs. Brokerage Accounts. Depending upon the level of a Client's investment activity and corresponding brokerage commissions TAS and your Advisor in the case of each of the AMC Programs, it is possible that TAS and Client's TAS Advisor will earn greater compensation from accounts enrolled in an AMC Program than if a Client instead elected a brokerage relationship and purchased individual securities. If anticipated brokerage compensation is less than the applicable AMC Program Fee, TAS and TAS Advisors will have a financial incentive to recommend one of the AMC Programs instead of a brokerage relationship. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring TAS Advisors' supervisors, or designees, to review each AMC Program account at account-opening to determine that opening an AMC Program account is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Advisory vs. Truist Bank Trust and Investment Management Accounts. If anticipated revenue from a Truist Bank trust or investment management account is less than a Client's anticipated AMC Program Fee, TAS and TAS Advisors who are also Truist Bank employees, will have a financial incentive to recommend one of the AMC Programs instead of a Truist Bank trust or investment management relationship. Therefore, if anticipated Truist Bank trust department compensation is less than the applicable AMC Program Fee, TAS and TAS Advisors will have a financial incentive to recommend one of the AMC Programs instead of a Truist Bank trust or investment management relationship. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring Advisors' supervisors, or designees, to review each account at account-opening to determine that opening an AMC Program account is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Clients with assets on both the TB and TAS platforms will not have assets combined for fee discounts on either platform, each entity and its programs are separate and distinct from each other.

### Block Trades.

- AMC Advise - Orders for the same security entered on behalf of more than one Client may be aggregated (i.e., "blocked") for execution purposes. The aggregation of trades will only be done when it is in the best interests of all participating Clients and generally seeks to obtain a more advantageous net price. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders; filled orders shall be allocated separately from subsequent orders. All Clients participating in the aggregated order will receive the average price of all transactions effected to fill the order. The average price may be higher or lower than the price an individual Client may have received if the transaction was executed outside of the block order.
- Third Party Managers in AMC Program Accounts - Investment managers are permitted to direct block trades to TIS for execution; however, they are also permitted to execute trades at other brokerage firms. Each investment manager's block trading policies are contained in such investment manager's Form ADV Part 2A brochure. Clients enrolled in the AMC Premier, AMC Pinnacle and AMC Pinnacle – Sleeve Select Programs who are selecting or have selected an investment manager to manage accounts enrolled in these Programs should carefully examine each applicable investment manager's Form ADV Part 2A brochure to determine each investment manager's policies and procedures relating to block trading.
- The Algorithm used in the AMC Truist Invest Program does not aggregate trading orders prior to sending the orders to NFS for execution.

Business Conflicts. TAS and its affiliates, including Truist Bank, Envestnet and their respective affiliates do business with companies, managers and mutual funds offered to AMC Program accounts by TAS. Furthermore, TAS, Truist Bank and their affiliates and other Client accounts, advised and/or managed by such entities typically also hold trading positions (long or short) in, the securities of such companies and have business relationships with such companies, managers or funds. Therefore, TAS, Truist Bank, Envestnet and their affiliates have conflicts of interests that could affect the objectivity of TAS investment research and advice provided to Client accounts enrolled in the AMC Programs. TAS addresses these conflicts of interest by disclosing them to its Clients and by supervising the activities and recommendations made by TAS' IAG with supervisory review by its IAG Working Group which is part of the TAS Product Working Group for conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Capital Market Assumptions, Asset Allocation Ranges and Benchmarks by IAG Differ from Sterling Capital Management LLC's. TAS has identified a conflict of interest related to differences in the capital market assumptions, asset allocation ranges and benchmarks used to manage assets across the TFC enterprise. TAS addresses this conflict of interest by disclosing it to its Clients and by using its own judgment with respect to the capital market assumptions, asset allocation ranges and benchmarks TAS uses in connection with the management of each AMC Program Account.

### Different Advice.

TAS' Investment Advisory Group: TAS' IAG provides research and models similar to the models IAG utilizes connection with the AMC Programs to TAS Advisors managing Advisor managed AMC Programs. TAS Advisors separately managing AMC Programs can give different advice, take different action or hold or deal in different securities than those contained in model portfolios and research provided by TAS' IAG. In addition, the advice given by TAS affiliates utilizing their own research and models and/or third-party research and models can be different than that given by IAG to TAS for use in the management of AMC Program accounts. TAS addresses this conflict of interest by disclosing it to its Clients and by sharing changes to its model portfolios, other models research, models and other investment research among all recipients of this information its Clients simultaneously or as closely in time as possible, including TAS, TAS, Advisors, TIS and TB in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Truist Securities, Inc. TSI provides equity research that TAS Advisors can utilize in the management of Advisor managed AMC Programs. TAS Advisors separately managing AMC Programs can give different advice, take different action or hold or deal in different securities than those contained in research reports available from TSI. In addition, the advice given by TAS Advisors utilizing their own, IAG's and/or third-party research can be different than that given by TSI for use in the management of AMC Program accounts. TAS addresses this conflict of interest by disclosing it to its Clients in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Business Incentive Programs. For the duration of each AMC Program investment advisory account relationship, TAS Advisors are compensated in part by Business Incentive Programs (“BIP”) which reward Advisors with a percentage of the revenue TAS receives from the AMC Program accounts associated with each TAS Advisor. In addition, TAS Advisors can also receive credit towards their qualifying production (through both one-time cash payments or increased payout rates) for referrals to other parts of the bank for services offered to those Clients. For select consumer securities backed loans or lines of credit arranged with the bank are also eligible to receive 25 basis points (annualized) applied against their average monthly payout. This presents a potential conflict of interest as the TAS Advisor will continue to receive a fee based on assets in an AMC Program Account. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring TAS Advisors’ supervisors, or designees, to review each account at account-opening to determine that opening an AMC Program account is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS’ fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Financial Service Vendor Continuing Education Sessions. TAS Advisors are permitted to participate in investment product vendor sponsored continuing education sessions (whether or not the product or service provided by the vendor can be recommended to TAS Clients or prospective Clients). The participation of TAS Advisors in these education sessions could potentially encourage TAS and/or TAS Advisors to promote and recommend products from event sponsors, thus creating a conflict of interest. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring TAS Advisors’ supervisors, or designees, to monitor AMC Program accounts and by supervising the activities and recommendations made by IAG with supervisory review by the IAG Working Group which is part of the Product Working Group for conformity with TAS’ fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

GFO Advisory Services LLC – GFO Private Funds. TAS has identified GFO’s Private Funds as presenting conflicts of interest in connection with TAS’s offering and management of the AMC Programs in that GFO, a TAS affiliate has an agreement with TAS for services, including Portfolio Management of GFO’s Private Funds, where TAS and GFO share expenses related to certain TAS IAG members and GFO receives compensation for services provided to the Affiliated Private Funds that is separate, distinct and in addition to, the Program Fee(s) earned by TAS. TAS addresses this conflict of interest by disclosing it to its Clients and mitigates this conflict of interest by evaluating GFO’s Private Funds through the TAS IAG due diligence and research process in the same manner as all similar investments. TAS further mitigates this conflict of interest by granting Clients the continuing right to terminate their consent and authorization to the purchase or continued retention of any Affiliated Private Fund(s) in Client’s AMC Program account any at any time (i) by terminating (or directing TAS to terminate) the investment in the applicable GFO Private Funds, or (ii) by providing written notice to TAS of Client’s intention that Client’s consent and authorization to invest Client’s AMC Program account in GFO’s Private Funds has been terminated.

Certain AMC Program accounts are retirement accounts which are either (1) qualified plans subject to the prohibited transaction requirements of the Employee Income Security Act of 1974 or (2) individual retirement accounts or similar retirement accounts subject to similar prohibited transaction requirements of the Internal Revenue Code (each and together “Retirement Account(s)”). In the case of Retirement Account(s), TAS prohibits AMC Program accounts from investing in GFO’s Private Funds.

Gifts and Gratuities. TAS Teammates give and/or receive non-cash gifts and/or entertainment to or from Clients, centers of influence, other Teammates and/or service providers which could potentially affect or have an appearance of affecting the Teammate’s judgment or the manner in which they conduct business. TAS addresses these conflicts by prohibiting Teammates from giving or receiving any non-cash gift of more than \$100 annually and requiring Teammates to report all gifts given and/or received quarterly in conformity with TAS’ fiduciary duty to Clients as codified in the Advisers Act and regulations thereunder.

Incentive and Other Compensation Provided to TAS Advisors:

In the conduct of its business TAS’s affiliate, TIS maintains employment productivity standards and incentive compensation programs which are intended to reward productive employees, including TAS Advisors who are also registered with TIS (“Truist Advisors”); encourage Truist Advisors to present investment and other financial products offered by TIS, TAS and their respective affiliated companies (“Affiliates”) to their Clients; encourage Truist Advisors to remain with the Firm; aid in the recruitment of Truist Advisors and in general promote the successful financial performance of TIS, TAS and their Affiliates. The terms of these incentive programs vary

among Truist Advisors and not all representatives are offered the opportunity to participate in all of the incentive programs described below.

- Recruiting and Retention Loans: Recruiting and Retention Loans are an incentive compensation program offered to certain Truist Advisors and are typically structured as an initial lump sum loan (or series of loans) that is extended to the applicable Truist Advisor in the form of loan agreements, bonus agreements and promissory notes. Under the terms of these agreements, the Truist Advisor is required to pay-back the loan on a periodic basis for a set period of time, typically over a period of years; but the Truist Advisor's loan payments are reimbursed by TIS and/or TAS in the form of bonus payments while the Truist Advisor remains employed by TIS. TIS and /or its affiliates maintain the right to accelerate the term of the incentive loans and, in almost all cases, TIS and /or its affiliates demand immediate repayment of the recruiting and retention loans upon the voluntary or involuntary termination of a TIS representative's employment with TIS.

New Accounts Bonus: Some newly hired Truist Advisors also receive an incentive bonus based on the value of new accounts opened with the Firm within a fixed period of time following their employment date with the Firm. However, this incentive bonus is based solely upon the asset value of new accounts opened with TIS and/or TAS and is not linked to revenue production associated with the Truist Advisor's new accounts.

- Revenue Based Bonuses and Compensation Percentage Increases: Truist Advisors receive bonuses for meeting overall revenue production targets which are based upon the aggregate revenue the Truist Advisor generates for TIS, TAS and their Affiliates in connection with purchases of investment products, investment advisory services and other financial products offered by TIS, TAS and their Affiliates by the Truist Advisor's Clients. This compensation increases in percentage amounts as the amount of the revenue generated by the Truist Advisors' associated Client base increases.
- Minimum Revenue Production Standards: Each Truist Advisor' employment with TIS and TAS is also dependent upon meeting minimum revenue production standards relating to revenue generated by the Truist Advisors' Client's purchases of investment products, investment advisory services and other financial services offered by TIS, TAS and their Affiliates. Qualifying revenue includes brokerage commissions, investment advisory compensation and other revenue received by TIS, TAS and their Affiliates.
- Conflicts of Interest Associated with Incentive and Other Compensation Provided to TAS Advisors: TIS' incentive programs and minimum production standards encourage Truist Advisors to remain employed by TIS and TAS and to recommend TIS's brokerage products and services, TAS's investment advisory services and other financial services and products offered by their Affiliates in order to increase the applicable Truist Advisor's revenue based compensation and /or to remain employed by TIS and TAS, and therefore create conflicts of interest in connection with Truist Advisor's recommendations of TIS and TAS account relationships and products and other financial services and products offered by TIS, TAS and their Affiliates to their Clients.

Because Truist Advisors' incentive compensation programs (other than the New Accounts Bonus described above) and minimum production standards are closely tied to the amount of revenue generated for TIS, TAS and their Affiliates by each Truist Advisor, Truist Advisors have a financial incentive to recommend higher cost products and services, which can provide higher amounts of compensation to TIS, TAS and their Affiliates, rather than other comparable products and services to their Clients. The financial incentives to recommend only investment products which provided compensation to TIS, TAS, and their Affiliates and the applicable Truist Advisor and to recommend higher cost investment products can encourage Truist Advisors to make investment recommendations for reasons other than a Client's specific investment needs and therefore creates a conflict of interest in connection with Truist Advisors' investment recommendations to their Clients.

In addition, the New Accounts Bonus and other programs described above create compensation-based incentives for Truist Advisors who were previously employed by other firms to encourage Clients of their former firm to open new accounts with TIS and TAS and therefore Truist Advisors have a financial conflict of interest in making such recommendations.

In order to mitigate these conflicts of interest, TIS and TAS disclose them to their Clients; have structured the New Account's Bonus program to be based only upon the asset value of new accounts opened with TIS (and not the revenue generated with respect to such accounts) and provides former customers solicited by newly hired representatives with additional disclosures in connection with such solicitations.

TIS also addresses revenue based conflicts of interest by structuring its incentive programs and minimum production standards in a manner based upon overall revenue generated which is not linked sales of specific investment products or services, by prohibiting sales contests and the sales of certain investment products and by supervising Truist Advisors' brokerage, investment advisory and other investment product recommendations, including but not limited to, the recommendations of managed investment advisory program accounts sponsored by TAS, in accordance with applicable laws, regulations and other applicable requirements.

Models Created by IAG for Management of AMC Program Portfolios and Affiliate's Usage of the Models for Client Portfolio Management (TB and TAS Advisors). Truist Bank trust department accounts and TAS Advisor managed AMC Program accounts utilizing models created by IAG for management of TAS AMC Program portfolios can independently elect to modify IAG models in allocation percentage and/or security selection with respect to accounts they separately manage. Such discretion will cause Truist Bank trust department accounts and TAS Advisor managed AMC Program accounts to have differing performance and portfolio positions than the IAG models. Further, even if the IAG models used by TB and TAS Advisors are the same as those created and used by IAG, the timing of trade entry will differ due to separate decision making and order entry systems used by each TAS, TB and each TAS Advisor resulting in differences in performance due to the possible differing of trade execution prices, resulting in either a lower or higher share costs due to market conditions at the time of order execution. Changes to IAG model portfolios, models and other investment research are distributed by TAS' IAG to TAS, TAS Advisors, TB and TIS simultaneously, or as closely in time as possible. Each firm (and TAS Advisor), however, is responsible for implementing IAG updates in accordance with their internal systems and procedures. TAS addresses this conflict of interest by disclosing it to its Clients and by simultaneously sharing changes to its model portfolios, models and other investment research among TAS, TAS Advisors, TB and TIS in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Non-Deposit Retail Sales (Networking) Agreement. TAS has entered into a Non-Deposit Retail Sales (Networking) Agreement with Truist Bank. Under this agreement, unregistered TB employees can refer qualified bank Clients to TAS Advisors (if included in applicable TB employee financial incentive programs) for a one-time nominal fee of a fixed dollar amount that is not contingent on whether the qualified Client referral results in any advisory activity or the establishment of an investment advisory relationship with TAS. In addition, this agreement allows unregistered bank employees to receive contingent compensation for referrals of high-net-worth individuals (prospects with investable assets greater than \$5,000,000) which will be received by the referring bank employee only if TAS investment advisory services are purchased. Solicitation arrangements such as this agreement give rise to conflicts of interest because the referring party has a financial incentive to introduce new investment advisory Clients to TAS. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring Advisors' supervisors, or designees, to review each AMC Program account at account-opening to determine that it is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder. Furthermore, as required by the agreement, TB supervises its unlicensed employee investment referrals in accordance with the requirements of Federal Reserve Board Regulation R, Exceptions for Banks from the Definition of Broker in the Securities Exchange Act of 1934.

Non-Public Information. In the course of commercial and investment banking or other activities, TB, TAS, TIS and other TFC affiliates and Third Party Managers and each of their respective affiliates and agents can from time to time acquire confidential or material nonpublic information that can prevent them, for a period of time, from purchasing or selling particular securities for AMC Program Client accounts. In order to avoid possible violation of federal and state securities laws and regulations. This inability to trade can adversely impact the investment performance of Client accounts. TAS addresses this conflict of interest by disclosing it to its Clients and acting in conformity with federal and state securities laws and regulations.

Other Investment Products Available. TAS does not offer all available securities, investment products, model portfolios and other investment models to the AMC Program accounts. Instead, TAS limits securities investment products, model providers and investment managers to those TAS (or a TAS Advisor approved in connection with

AMC Advise Program) has reviewed and deemed to be eligible investments for each of the AMC Programs. Additional securities, investment products, model portfolios and other investment models can be offered to AMC Program accounts by other available investment model providers and investment managers.

Sterling and other investment managers can offer to the public other investment products such as mutual funds or ETFs with similar investment styles and holdings as those investment products offered through the AMC Programs. TAS, Sterling and other model providers can also offer the same or similar model portfolios to the public. Such investment products, model portfolios and other investment models can be offered at differing fees and charges that can be higher or lower than the Program Fees charged by TAS in connection with the Programs and the investment manager and model portfolio provider fees charged to AMC Program accounts. For example: a separate account investment product and a mutual fund investment product sometimes utilize the same investment manager and investment strategy but involve different minimum investment amounts and fees. It is possible that an AMC Program account can include a mutual fund investment product even where a similar but lower cost separate account investment product is available to AMC Program accounts and TAS will not in all cases, due to tax basis or other considerations, sell the applicable mutual fund and reinvest the applicable account in the comparable separate account investment product, even if a Client's assets increase to above the minimum investment amount required for the separate account investment product. In addition, TAS affiliates, including TIS and the trust department of Truist Bank, are authorized to offer investment products that are not offered in connection with the AMC Programs. TAS addresses this conflict of interest by disclosing this limitation to its available investment products and services offered to AMC Program accounts to its Clients and acting in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Outside Business Activities. Outside business activities could give rise to an appearance of competing interests. TAS addresses these conflicts of interest by requiring Teammates to request approval from their Principal Manager prior to participating in any outside business activity. In addition, TAS Advisors are required to disclose those outside business activities that represent 10% or more of their time or revenue in their brochure supplement in conformity with TAS' fiduciary duty to Clients as codified in the Advisers Act and regulations thereunder.

Political Contributions. TAS Teammates who make political contributions could influence a political official's decision making and create a quid pro quo relationship. Contributions are defined as any gift, subscription, loan, advance or deposit of money or anything of value made for the purpose of influencing any election for federal, state or local office. TAS addresses these conflicts of interest by disclosing them to its Clients and by limiting the amount a Teammate can contribute to candidates for local offices, State Political Action Committees ("PACs"), State Parties and Bond Ballots to \$250 per candidate per election, state PAC, state party or local or state bond ballot campaign and must be eligible to vote. There is no contribution limit for candidates who currently hold a federal office and are running for a federal office; however, a limit of \$250 applies for current state or local officeholders or officials running for a federal office per candidate per election or primary. Teammates must be eligible to vote for such local and state candidates as well as for bond ballots. In addition, Teammates are prohibited from holding fundraisers or otherwise soliciting contributions for a state or local candidate, national or state PAC, national or state party or bond ballot campaigns. There is no contribution limit for candidates who currently hold a federal office and are running for a federal office. Teammates must report contributions; however, contributions made by Teammates to national and/or state PACs sponsored by or affiliated with Truist Financial Corporation do not require reporting. TAS created these requirements for conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Premier Banker and Other Licensed Bank Employee Referrals. Advisory and securities registered Truist Bank Premier Bankers and other advisory and securities registered bank employees are compensated on a contingent basis for referrals of potential Clients to TAS and TAS Advisors for investment products and investment services, including the AMC Programs. Contingent compensation for registered bank employees making referrals to TAS gives rise to conflicts of interest because the referring licensed bank employee has a financial incentive to introduce new investment advisory Clients to TAS and in the referred potential Client's selection and enrollment in an AMC Program account. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring (i) that registered bank employees referring customers to TAS or a TAS Advisor must be supervised by a TIS registered principal and (ii) that TAS Advisors' supervisors, or designees, must review each AMC Program account at account-opening to determine that opening an AMC Program account is in the best interest of each Client and their unique investment objectives and financial circumstances in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Research Reports Created by IAG Not Used by Certain TAS Advisors. Research reports are created by IAG. However, Advisors are not required to follow the IAG research lists. Advisors are authorized to purchase securities that are not on the Research List. TAS addresses this conflict of interest by disclosing it to its Clients and by requiring TAS Supervisors, or designees, to monitor accounts via certain alerts and oversight in the Envestnet platform.

Research Reports Created by IAG and Usage of Reports by TAS IAG and Affiliated Firms. Research reports are created by IAG and used by TAS for managing TAS managed AMC Program Client accounts is also shared with TAS Advisors, TB and TIS. Changes to applicable TAS' IAG research and advice are published by TAS IAG to TAS and all TAS Advisors, TB and TIS simultaneously or as closely in time as possible. Each firm (or TAS Advisor) is responsible for implementing the updates in accordance with their internal systems and procedures. In addition, TB, TIS and TAS Advisors individually managing AMC Advise Program accounts and making recommendations to AMC Allocation Plus Program accounts do not necessarily receive or act upon such research at the same time as TAS personnel responsible for the management of the TAS managed AMC Program accounts, resulting in the possible differing of trade execution times and prices and therefore performance due to market conditions at the time of order execution. TAS addresses this conflict of interest by disclosing it to its Clients and by simultaneously sharing changes to TAS' IAG model portfolios, other investment models and investment research among TAS, TB, TIS and TAS Advisors in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder. Each of TAS, Advisors servicing the TAS Advisor Managed Programs, TB and TIS independently administer their respective investment management and advisory programs and are permitted to use TAS' IAG model portfolios, other investment models and investment research in different ways.

Research Reports Created by TSI and Usage of Reports by TAS. Research reports are created by TSI and can be used by TAS Advisors for managing TAS managed AMC Program Client accounts. TAS Advisors individually managing AMC Advise Program accounts and making recommendations to AMC Allocation Plus Program accounts do not necessarily receive or act upon such research at the same time, resulting in the possible differing of trade execution times and prices and therefore performance due to market conditions at the time of order execution. TAS addresses this conflict of interest by disclosing it to its Clients in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder. TAS Advisors servicing the TAS Advisor Managed Programs independently administer their respective investment management and advisory programs and are permitted to use TSI's equity research in different ways.

TFC Services Provided to Other Clients: Services Provided to Issuers of Recommended Securities and other Investment Products. TFC and its affiliates provide a variety of services (including research, brokerage, asset management, trading, lending and commercial and investment banking services) for other Clients, including issuers of securities and sponsors of other investment products that can be recommended for purchase or sale in AMC Program accounts or are otherwise held in AMC Program accounts. TAS believes that the nature and range of Clients to which TFC affiliate services are rendered is such that it would be inadvisable to categorically prohibit the use of all such securities and investment products in AMC Program accounts. Accordingly, it is likely that securities in an AMC Program account will include some of the securities of companies for which TFC and its affiliates perform investment banking, commercial banking or other services and investment products provided by such companies. TAS addresses this conflict of interest by disclosing it to its Clients, disregarding any commercial relationship TFC shall have with an issuer or product sponsor in connection with its investment research and investment management service provided to AMC Program accounts and otherwise conducting its investment advisory activities in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Sterling Capital Management LLC – Sterling Capital Mutual Funds, Exchange Traded Funds, Models and Separate Managed Account (“SMA”) Portfolios. TAS has identified Sterling advised mutual funds, exchange traded funds, model portfolios and other investment models and separately managed accounts (“Sterling Products and Services”) as presenting conflicts of interest in connection with TAS's AMC offering and management of the AMC Programs in that Sterling, a TAS affiliate, receives investment management and other fees from the Sterling Products and Services offered by TAS to AMC Program accounts that are separate, distinct and in addition to TAS' Program Fee described in this brochure. TAS addresses this conflict of interest by disclosing it to its Clients and mitigates this conflict of interest by evaluating Sterling Products and Services through the TAS IAG due diligence and research process in the same manner as all similar investments, model provider's vehicles and investment managers. TAS further mitigates this conflict of interest by granting Clients the continuing right to terminate their consent and authorization to the purchase or continued retention of any Affiliated Fund(s) in Client's



AMC Program account any at any time (i) by terminating (or directing TAS to terminate) the investment in the applicable Sterling Products and Services , or (ii) by providing written notice to TAS of Client's intention that Client's consent and authorization to invest Client's AMC Program account in Sterling Products and Services has been terminated.

Certain AMC Program accounts are retirement accounts which are either (1) qualified plans subject to the prohibited transaction requirements of the Employee Income Security Act of 1974 or (2) individual retirement accounts or similar retirement accounts subject to similar prohibited transaction requirements of the Internal Revenue Code (each and together "Retirement Account(s)"). In the case of Retirement Account(s), TAS provides credits ("Fee Credits") to Client Program Accounts invested in Affiliated Funds in an amount equal to Sterling's advisory fee. Through an agreement with Truist Financial Corporation ("TFC"), TAS' parent company, TFC reimburses TAS for these Fee Credits. In addition, Sterling waives those their management fee for model and SMA portfolios for these type of retirement accounts.

In the case of AMC Truist Invest, Sterling Products may be transferred in kind to Program accounts and will be liquidated upon initial rebalance of securities in Client's account. The sale of securities will create a taxable event unless the Client's account is tax-exempt (e.g. an individual retirement account). No TAS advisory fees will be charged to Client on Sterling Products prior to liquidation.

TAS Chief Investment Officer and Other TAS Personnel. The TAS Chief Investment Officer ("CIO") is responsible for and supervises IAG and is also the Chief Investment Officer and member of the board of an affiliated investment adviser, GFO Advisory Services, LLC ("GFO") as well as serving as Chief Investment Officer of Truist Bank's, Private Wealth Management segment. IAG provides significant investment services to TAS and TB; however, the services provided to GFO are substantially different than those provided to either TAS or TB; GFO provides Portfolio Management to GFO's Private Funds. TAS addresses this conflict of interest by disclosing it to its Clients and by simultaneously sharing changes to its research, models and other investment research among all its affiliates (including TAS Advisors) in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

In relationship to services provided to GFO by other TAS IAG personnel, typically investment analysts who prepare reports for the GFO Oversight Committee ("Committee") and serve as voting members of the Committee related to manager sourcing, due diligence, research of Third Party Managers and other assignments as needed for the GFO private funds.

Additionally, certain senior management personnel of TAS serve in senior management and/or board membership of GFO and/or TAS.

TIS Clearing Broker Credits. TAS has conflict of interests related to compensation received by TIS from NFS, TIS' clearing firm, for the following brokerage services:

- Margin Balances– NFS credits TIS 100% of the Client margin interest income in excess of the Broker's Call Rate; and
- Credit Interest Cash Balances– NFS credits TIS with 80% of the credit interest on cash balances (less any amounts credited by NFS to Client accounts) related to those accounts in which the Client has not selected a sweep feature offered under the TIS Sweep Program.

TAS addresses this conflict of interest by disclosing it to its Clients and supervising the activities and recommendations made by its Advisors for conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Tools and Software Available via NFS. TAS, its Advisors and affiliated broker-dealer, TIS have access to tools and software made available by TIS' clearing firm, NFS, at costs that are often lower than TAS, its Advisors or affiliates could purchase directly with the providers of the tools and services.

#### Trade Rotation.

##### AMC Program Accounts

The Platform Manager, Envestnet, has a trade rotation policy; however, some investment managers on the platform are not able to include AMC Program accounts in their standard trade rotation processes. Envestnet monitors the performance dispersions of these investment managers, please refer to each investment manager's Form ADV Part 2A brochure for more information on trade rotation practices.

For Advisor managed AMC Programs, where the Advisor enters the trades in the firm's trading system, separately from the Envestnet platform, the system enters trades in account number sequence.

The AMC Truist Invest Program does not follow a trade rotation policy and instead places trading orders as directed by the Algorithm.

Trading for Own and Other Accounts. TAS, TAS Advisors, model providers, investment managers and their affiliates providing services to AMC Program accounts also develop analyses and/or evaluations of securities and other investment products made available to AMC Program accounts, as well as buy and sell securities and other investment products on behalf of their personal, proprietary or other Client accounts. These analyses, evaluations and purchase and sale activities are proprietary and confidential and TAS will not disclose them to Clients. TAS is not always able to act, in respect of Clients' account, on any such information, analyses or evaluations which shall come into its possession. TAS, managers and their affiliates are not obligated to affect any transaction that they believe would violate federal or state law, or the regulations of any regulatory or self-regulatory body. TAS addresses this conflict of interest by disclosing it to its Clients and conducting its investment advisory activities in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Training and Educational Financial Support. TAS has conflicts of interests related to the financial support (Training and Educational Financial Support) received by its affiliated broker-dealer, TIS in connection with products which are also offered to TAS Program Accounts. Both TAS and TIS use the funds received from sponsors to support investment advisor and investment representative education programs such as training seminars offered to Advisors, branch office managers and other personnel. The receipt of these funds could potentially encourage TAS and/or TAS Advisors to promote and recommend products from those participating sponsors and certain participating sponsors who contribute more financial support.

Not all sponsors of investment products offered to AMC Program accounts contribute to the education efforts. Neither contribution towards these training and educational expenses, nor lack thereof, is considered as a factor in analyzing or determining whether a sponsor or product should be or should remain available to AMC Program accounts. TAS Advisors do not receive a portion of these contributions. However, their attendance and participation in these events, as well as the increased exposure to investment products provided by participating by sponsors, increases the likelihood that TAS advisors will recommend the products and services of those sponsors as compared to those product providers who do not. Additional information can be found on the TAS webpage located at <https://www.truist.com/wealth/tas-disclosure>.

In addition to the Training and Educational Financial Support to training and education described above, in the ordinary course of business, TAS and its Advisors receive non-cash compensation from sponsors that includes promotional items, occasional gifts, meals, tickets and other entertainment, sponsorship support of training events and seminars. Clients with further questions regarding marketing support provided to TIS or TAS should contact their TAS Advisor for additional information.

Training and Educational Financial Support contributions from participating sponsors are received and retained by TIS. Training and Educational Financial Support and other support contributions are paid by each sponsor and are not an additional charge to AMC Program accounts.

To mitigate this conflict, TAS Advisors do not receive additional compensation as a result of indirect compensation received by TIS and TIS does not provide additional compensation to TAS Advisors in connection with sales of products offered by product sponsors. In addition, TAS and TAS' IAG do not consider Training and Educational Financial Support participation in connection with the selection and evaluation of investments and investment services offered to AMC Program Accounts. Instead, TAS and TAS' IAG manage this conflict of interest by disclosing it to its Clients and conducting its investment advisory activities in conformity with TAS' fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder.

Truist Financial Corporation Securities. TAS has identified securities issued by Truist Financial Corporation as presenting conflicts of interest. TAS addresses this conflict of interest by disclosing it to its Clients and by prohibiting purchases of such securities and requiring supervisors, or designees, to move any positions received in kind into a managed account to an unsupervised status if they remain for more than 30 days.

Truist Investment Services, Inc. Sweep Program. TAS has conflicts of interests in selecting, recommending or defaulting to the Truist Investment Services, Inc. Sweep Program (the "Sweep Program") as a core account sweep service made available to AMC Program accounts because the Sweep Program provides significant financial benefits to TAS's affiliates, TIS and Truist Bank. The Sweep Program provides substantial deposits (including Reciprocal Deposits) to Truist Bank at interest rates that are less than other alternative funding sources available to it. Deposits in Sweep Program at Truist Bank also provide a stable source of funds for Truist Bank. Truist Bank intends to use these funds to support a variety of activities, including, but not limited to, its lending activities, investments, and other business activities, if any. The participation of Truist Bank in the Sweep Program is expected to increase its deposits and, accordingly, overall profits. TIS also benefits from the Sweep Program because TIS receives and retains an annual fee of up to \$100 from Truist Bank on a per-account basis in connection with AMC Program accounts enrolled in the Sweep Program's bank deposit sweep features. In addition, in the case of multibank Sweep Program features, TIS will receive and retain fee income in connection with the placement of multibank deposits at Program Bank(s). The fees received by TIS in connection with multibank sweep features can vary from Program Bank to Program Bank. The amount of fees received by TIS from Program Bank(s) will inversely affect the interest rate paid by the Program Bank(s) on Sweep Program balances. TAS addresses this conflict of interest by disclosing it to its Clients and by mandating that AMC Program accounts are permitted to utilize only level rate sweep deposit features made available under the Sweep Program. TAS also monitors the interest rate paid on the Sweep Program's level rate features and will continue to utilize the Sweep Program for idle cash balances only when TAS determines that based upon yield, FDIC insurance protection availability and other investment characteristics, use of the Sweep Program's level rate sweep deposit features is appropriate and in accordance with TAS' fiduciary duties to Clients as codified in the Advisers Act, regulations thereunder. Client's seeking additional information and disclosures regarding the Sweep Program should contact their TAS Advisor and such materials are also available at <https://www.truist.com/wealth/tis-disclosure>. Please also see Section **All Programs - Core Account**, below.

Use of Affiliated Broker Dealer. Unless otherwise expressly permitted by the terms of the applicable AMC Program, investment in any of the AMC Programs requires that each Client separately maintain or open an underlying brokerage account with TAS's affiliated broker-dealer, TIS. The required use of an affiliated brokerage account creates conflicts of interest on behalf of TAS in the offering and management of the AMC Programs because this requirement provides additional revenue to TIS and, through management efficiencies, provide benefits to TAS in reducing the cost of administering the AMC Programs. TAS addresses this conflict of interest by disclosing it to its Clients and monitoring TIS for best execution practices through its Policy Committee for conformity with TAS fiduciary duties to Clients as codified in the Advisers Act and regulations thereunder. TAS' affiliate TIS receives financial benefits in connection with TAS Client accounts held in TIS brokerage Accounts. See "**TIS Clearing Broker Credits**" and "**Truist Investment Services, Inc. Sweep Program**" above.

## **ADVISORY SERVICES**

### **All AMC Programs**

In offering each AMC Program, TAS Advisors work with individual Clients to develop a personal Client profile that identifies the Client's goals, risk tolerance, time horizon, financial situation, reasonable investment restrictions and other factors that influence investment approach. The TAS Advisor produces an investment proposal for the Client. The investment proposal includes an asset allocation strategy based on the Client's responses to the questions posed by his or her TAS Advisor in the Client profile or questionnaire and/or investment vehicles. The Client then selects the appropriate AMC Program based on this recommendation.

### Initial Program Assets

Liquidation of a Client's existing investment positions will, in the case of taxable AMC Accounts, result in the realization of taxable income in the case of appreciated investments and losses in the case of depreciated investments. Accordingly, Client should consult with Client's own tax advisers prior to funding an AMC Account with existing investment positions. TAS and any Investment Manager shall not be liable for any taxes or other expenses incurred in connection with the sale of any existing investment position contributed in kind to an AMC

Account.

The Advisor is responsible for providing ongoing advisory services to the Client, including Client review meetings. If for any reason, and in the sole discretion of TAS, the TAS Advisor is unable to render such investment services to the account, temporarily or permanently, or terminates his or her employment with TAS, TAS will continue to render such services and will assign a new TAS Advisor to the account, except that where the Client is in the AMC Advise Program, TAS, in its sole discretion and upon notice to the Client, may instead convert the Client's Program to AMC Allocation Plus.

Each Client, subject to Program restrictions, is permitted to place reasonable restrictions on the management of the account by designating specific securities or categories of securities that will not be purchased for the account. If a Client restricts a general category of securities but does not prohibit the purchase of specific securities, TAS will determine what specific securities fall within that category based on our determination of the primary business of the issuer. TAS or the TAS Advisor managing the AMC Program account will make such determinations and will allocate the assets that would have been invested in the security impacted by the restriction in one of the following ways:

- Pro-rata across the other investments held in the portfolio; or
- To one or more substitute securities, including exchange traded funds ("ETFs").

It is the Clients' responsibility to inform TAS of any changes in their financial circumstances or if they wish to change, or impose new, instructions for the management of their accounts. TAS will cause TIS to notify each Client in writing quarterly, requesting the Client to contact his or her Advisor regarding any such changes.

Clients who invest in options in applicable AMC Programs should read and fully understand the margin disclosure in the Fees Section above as well as the OCC publication "Characteristics and Risks of Standardized Options", a copy of which will be provided to Client before election of option capabilities. Short Selling is prohibited and, except as otherwise expressly provided by the terms of an AMC Program, the use of margin is also prohibited.

Clients can provide verbal approvals for certain changes made to their AMC Program accounts, such as changing Programs or Third Party Managers, investment models, asset allocations percentages, applicable eligible investment elections and/or investment risk levels, fee modifications, rebalancing option frequency, add or remove overlay services and/or termination of an AMC Program investment advisory relationship. AMC Program Clients will receive notification related to the changes described above in addition to any additional required documentation such as a copy of the Statement of Investment Selection and the new Manager's brochure, privacy policy and Form CRS for Third Party Manager change. **NOTE: AMC Program Account changes related to fee increases, Client Restrictions and/or Client e-delivery acceptance will require Client's physical signature or approved e-signature of required account documentation materials.**

Clients retain complete ownership of all cash, securities, and other investments in their AMC Program accounts. In AMC Annuity Program accounts, Clients retain a direct contract with the applicable insurance company.

Clients have the option to purchase investment products that TAS recommends to AMC Program accounts through other broker-dealers or agents that are not affiliated with TAS.

There is no guarantee that a Client's investment objectives in an AMC Program will be achieved, and past performance is not a guarantee of future results.

#### Termination of AMC Program Relationship

Upon termination of an AMC Program relationship, with the exception of an AMC Annuity Program relationship, Client's AMC Program account will revert to an unmanaged full service TIS brokerage account. The timing of an AMC Program account's termination can take several days and more time is generally required if the account is also managed by a Third Party Manager and/or the platform manager.

Reasons for termination the AMC Annuity relationship include but aren't limited to the following:

- No funds available to cover the quarterly Program Fee;
- TAS Advisor failure to provide investment management services or Client refusal to follow STAS recommendations; and/or
- Client requests to end the AMC Annuity Program advisory relationship.

Upon termination of the AMC Annuity Program relationship three options are available to Program Client, the annuity account:

- With the consent of TAS, the account can remain with the Client's TAS Advisor and no quarterly advisory fee is charged;
- With the consent of TAS, the account can be transferred to the TAS Client Advisor Center and no quarterly advisory fee will be charged; and/or
- The account can be transferred by the Client to the insurance company to
  - Become a house account maintained directly with the applicable annuity carrier; and/or
  - The account can be transferred by Client to another financial institution selected by Client.

#### Account Transfer to Another Firm

When Client elects to transfer their AMC Program account to another firm through an ACAT process, the investment advisory relationship with TAS will terminate. Any fees, commissions or other charges related to the liquidation of the AMC Program account assets will be charged to the account prior to transfer.

#### Class Action Suits

As custodian, NFS researches Client ownership of certified class action suits involving securities for which it holds custody. After a class action suit has been certified, NFS will screen Client ownership records using the specific criteria defined in the suit. Client names and addresses meeting the specified criteria will be provided to the claims administrator assigned by the courts. The claims administrator will then mail all class action notices to the Client. Client may elect to participate in the suit; however, TAS and NFS are not responsible for submitting documents of behalf of Client.

#### Core Account – TIS Sweep Program

Client's brokerage account contains a "**core account**" used for settling transactions and holding credit balances. All cash proceeds from sell transactions and other credit balances will be retained in the core account. Funds held in each AMC Program account's core account are part of the applicable AMC Program and as such are subject to the applicable Program Fee.

TAS has selected the Truist Investment Services, Inc. Sweep Program's TIS Level Rate Multibank Sweep Feature (taxable accounts) and TIS Level Rate Single Bank Sweep feature (IRA, Qualified Plan and SEP & SIMPLE IRA accounts) as the cash sweep investment vehicle for the core account of each AMC Program Client's brokerage account which is used for settling transactions and holding credit balances. Taxable AMC Program Client accounts are enrolled in the TIS Sweep Program's TIS Level Rate Multibank sweep feature and will have their idle cash balances automatically swept into an interest-bearing deposit account(s) at Truist Bank, a federally insured banking institution, and other Program Bank(s) which are also federally insured banking institutions. Cash balances deposited in the TIS Level Rate Multibank sweep feature. will be eligible for FDIC insurance coverage up to \$2,465,000 (principal plus accrued interest) per depositor per insurance capacity, in accordance with applicable FDIC rules. IRA, Qualified Plan and SEP & SIMPLE IRA AMC Program Client Accounts are enrolled in the TIS Sweep Program 's Truist Bank Level Rate Single Bank sweep feature and will have cash balances in their AMC Program accounts automatically swept into an interest-bearing deposit account at Truist Bank, a federally insured banking institution. Cash balances deposited in the Truist Bank Level Rate Single Bank sweep feature will be eligible for FDIC insurance coverage up to \$250,000 (principal plus accrued interest) per depositor per insurance capacity, in accordance with applicable FDIC rules.

The terms of the TIS Sweep Program and account eligibility for sweep features available under the Sweep Program are more fully described in the TIS Sweep Program Disclosure Statement ("TIS Disclosure Statement") provided to AMC Program Clients in connection with the establishment of each Client's associated Truist Investment Services, Inc. brokerage account, as the same shall be revised or amended. The terms of the TIS Disclosure Statement are incorporated herein by reference with like effect as if set forth herein verbatim. Clients can obtain current information regarding the TIS Sweep Program and a copy of the most recent TIS Disclosure Statement and list of participating Program Banks at any time free of charge by contacting a TAS Advisor. Except

in the case of a very limited number of account types, all sweep features offered to AMC Program Clients under the terms of the TIS Sweep Program consist of deposit accounts with TAS's affiliate, Trust Bank (and in the case of multibank sweep features, other FDIC insured banks which pay fees to TIS and/or Trust Bank in connection with the operation of the multibank sweep features.

TAS' selection of the TIS Sweep Program as the sweep vehicle for each AMC Program Client's brokerage account provides significant benefits to TAS's affiliates TIS and Trust Bank and therefore creates conflicts of interest between TAS and connection with offering and managing the AMC Programs. Clients should consult the TIS Disclosure Statement for additional information concerning the benefits received by TIS, TAS, TB and other affiliates in connection with TIS Sweep Program deposits. See **Conflicts of Interest – Truist Investment Services, Inc. Sweep Program** Section above.

**AMC Program Clients should be aware that all deposits (for example, deposits Clients shall make at Truist Bank or applicable Program Bank(s) (in a CD, Checking or saving account (outside of the Truist Investment Services, Inc. Sweep Program plus the Sweep Program deposit cash balance) held by an individual in the same right and legal capacity at the same bank are aggregated and insured up to \$250,000. Special rules apply to FDIC insurance of trust deposits. All FDIC insurance coverage is in accordance with FDIC rules.**

**Neither TAS, TIS, Truist Bank nor any other Program Bank or NFS will monitor the amount of Client's AMC Program account TIS Sweep Program deposit balances for determining whether any Client Account exceeds the limit of available FDIC insurance. Clients are solely responsible for monitoring the total amount of their assets on deposit with Truist Bank and each Program Bank (including accounts at Truist Bank and Program Bank held in the same right and legal capacity) in order to determine the extent of deposit insurance coverage available to them on those deposits, including their Sweep Program balances held at Truist Bank and other Program Banks. Clients who are trustees are responsible for determining the application of FDIC insurance for themselves and their beneficiaries.**

The TIS Sweep Program is not intended for long-term investments and yields can be lower than those of similar investment vehicles or bank deposit accounts offered outside of the sweep options available on the TAS platform. Clients who desire to maintain money market positions for other than a short-term period should contact their TAS Advisor or contact TAS at the address or phone number on the front of this brochure to select non-Sweep Program investments for permanent stable value investment purposes.

#### Tax Lot Disposal Method

All AMC Program accounts will be coded with a Tax-Sensitive disposal method. When Assets in an AMC Program account are partially (but not fully) sold, an estimated tax liability will be used to determine the shares to be depleted first. With the exception of the AMC Truist Invest Program, Clients may elect a different lot disposal method. Clients should discuss the impact of the Tax Sensitive disposal method with their tax advisor.

Systematic Withdrawal Plans: The source of funding for periodic distributions in AMC Program accounts that have a systematic withdrawal plan ("SWP") in place is the account's core account position. If there are insufficient funds available in the applicable account to cover a SWP distribution, the investment manager of discretionary AMC Program accounts will review the account and determine which securities to sell to in order to fully satisfy any SWP distribution.

Trade Errors: When a trade error is discovered, TAS requires that the Client's AMC Program Account is corrected in a timely manner. Clients are made whole for losses and gains resulting from a trading error are held at TIS.

#### **AMC Advise**

The AMC Advise Program is a discretionary investment management Program offering, individualized investment management by approved TAS Advisors for an asset-based fee. Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, the Client authorizes an approved TAS Advisor to manage the Client's designated assets on a discretionary basis by purchasing and/or selling individual stocks, bonds, mutual funds, closed-end funds, exchange-traded funds, certificates of deposit, money market instruments, depository receipts or other similar instruments relating to any of these securities within guidelines set by the TAS Policy Committee for portfolio construction and limitation of risk. Limited types of options transactions can be conducted for the account. Clients should read and fully understand the margin disclosure in the Fees section above as well

as the OCC publication “Characteristics and Risks of Standardized Options”, a copy of which will be provided to Client before election of option capabilities. Investment strategies utilizing margin or short selling are prohibited. The Advisor also provides ongoing advisory services to the Client, including Client review meetings.

The AMC Advise Program permits the TAS Advisor managing the Program account to periodically adjust or rebalance the account’s portfolio asset allocation to be more conservative without requiring written consent by the Client or adjustment to the account’s long-term risk target. Clients will be sent a semi-annual notice indicating the risk target assigned to the account and the current risk target that aligns with account holdings. **NOTE: As a result of the discretion granted to the TAS Advisor managing the account, the actual risk profile of the assets in A Client’s AMC Advise Program account may be lower than the risk level specified in the Client’s Statement of Investment Selection.**

#### **AMC Allocation Plus**

The AMC Allocation Plus Program is a non-discretionary investment advisory Program offering, individualized investment recommendations by TAS Advisors for an asset-based fee. Investment decisions for accounts enrolled in this Program are those of the Client and not their TAS Advisor or TAS. The Client’s TAS Advisor will be primarily responsible for making investment management recommendations for the AMC Allocation Plus Program account in accordance with Client’s investment objectives as stated in the Client’s Client profile, which the Client can elect to use to invest and reinvest the assets in securities within guidelines set by the TAS Policy Committee, including TAS’ IAG’s Research List which includes various types of investment vehicles, such as common and preferred stocks, bonds, mutual funds, closed-end funds, exchange traded funds, certificates of deposits, money market instruments, alternative investments or other similar investment vehicles within guidelines set by the TAS Policy Committee. The Advisor also provides ongoing advisory services to the Client, including Client review meetings. Limited types of options transactions are permitted to be conducted for the account. Clients should read and fully understand the margin disclosure in the Fees section above as well as the OCC publication “Characteristics and Risks of Standardized Options”, a copy of which will be provided to Client before election of option capabilities. Investment strategies utilizing short selling are prohibited.

The AMC Allocation Plus Program permits the TAS Advisor managing the Program account to periodically adjust or rebalance the account’s portfolio asset allocation to be more conservative without requiring written consent by the Client or adjustment to the account’s long-term risk target. Clients will be sent a semi-annual notice indicating the risk target assigned to the account and the current risk target that aligns with account holdings. **NOTE: As a result of the discretion granted to the TAS Advisor managing the account, the actual risk profile of the assets in A Client’s AMC Allocation Plus Program account may be lower than the risk level specified in the Client’s Statement of Investment Selection.**

TAS Advisors participating in the AMC Advise and AMC Allocation Plus Programs may also use models created by IAG to manage Client portfolios they manage either on a discretionary or non-discretionary basis. A conflict of interest may exist when TAS Advisors use the same models that TAS IAG utilizes for managing the TAS AMC Program portfolios. See **Conflict of Interest – Models Created by IAG for Management of AMC Program Portfolios vs TAS Advisor Usage of the Models for Client Portfolio Management** section above for details. Please see the TAS AMC Advisor Managed Programs Firm Brochure available on our website: <https://www.truist.com/wealth/tas-disclosure> for details related to these programs.

AMC Allocation Plus or AMC Advise Program Clients can elect to enroll their accounts in the Brokerage Checking Service and link their Program accounts with their Signature Advantage” checking account for Truist Bank, or “Asset Management Account” for checking accounts. Client’s electing the Brokerage Checking Service will not pay AMC Allocation Plus or AMC Advise Program Fees on cash balances, if any, transferred to and held in their Truist Bank checking account. Client cash and TIS Sweep Program balances held in Client’s AMC Program Account will be subject to and included in the calculation of the account’s AMC Program Fee. **See CONFLICTS OF INTEREST – Truist Investment Services, Inc. Sweep Deposit Option** Section above.

#### **AMC Annuity**

The AMC Annuity Program is a non-discretionary investment advisory Program offering individualized investment recommendations by TAS Advisors for an asset-based fee. Investment decisions for accounts enrolled in this Program are those of the Client and not their TAS Advisor or TAS. Client’s TAS Advisor will be primarily responsible for making recommendations in accordance with Client’s investment objectives as stated in the Client’s Client profile, which the Client can elect to use in connection with selecting an annuity product to purchase and investing



in investment options made available by the annuity provider. The TAS Advisor also provides ongoing advisory recommendations and other services to the Client related to monitoring of the annuity's investment sub-accounts, including Client annual investment review meetings.

Client's TAS Advisor will continue to act as the servicing agent on the contract and will be entitled to all rights Client assigns to their TAS Advisor as determined in the annuity contract. As a part of the AMC Program account, the TAS Advisor will recommend an asset allocation within each Client's annuity contract. As contract owner, Client will retain the ability to reallocate their annuity contract directly with the carrier. Reallocations without TAS input or oversight will limit TAS's ability to effectively serve as investment adviser on the Program account and can compromise performance. If material reallocations or changes to the annuity contract are identified, the TAS Advisor will contact Client to recommend changes that will realign the annuity with TAS's recommendations. If Client chooses not to accept TAS's recommendations, TAS may terminate Client's Program account with 30-days written notice to Client. Subaccount transactions within Client's annuity account can also be subject to restrictions and/or limitations. Clients are encouraged to review the applicable annuity contract and/or product prospectus for specific details regarding investment options offered by each annuity provider.

Upon establishing an AMC Annuity Program account, the account value will not be immediately available for review on any TAS or TIS online account portals. If the AMC Annuity Program account is being funded from an existing AMC Program account or TIS brokerage account, Client's account will be debited and the funds transferred directly to the insurance company. Account opening and processing time will vary based upon each insurance carrier's processes and procedures.

#### Annuitization

Client should consult with their tax advisor prior to annuitizing a contract as some states may impose applicable premium taxes.

#### **AMC Fund Select Tactical**

Client Program accounts are managed in accordance with certain asset allocation and portfolio investment models/portfolios selected by the Client in the Client's Statement of Investment Selection. In addition to TAS internally developed models, TAS has contracted with Third Party Model Portfolio Providers which also provide additional models used by TAS with respect to investments in Client Program accounts.

Eligible investments in this Program are limited to mutual fund shares and ETF shares. In administering this program TAS utilizes various mutual fund and ETF model portfolios and asset allocation models which reflect differing risk profiles.

#### Model Provider Models

In addition to TAS' Investment Advisory Group which provides model portfolio and asset allocation models, TAS has agreements with TAS's affiliate, Sterling and other Third Party Model Portfolio Providers which are made available to Client Program accounts (for an additional fee). Participating Third Party Model Portfolio Providers do not receive information regarding Client identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status or financial needs or goals. Except for the provision of the relevant investment model(s), model providers are not responsible for determining the appropriateness or suitability of investment model(s), or of any of the securities included from time to time in the investment model(s) for any specific Client. TAS and the Client's TAS Advisor are responsible for providing investment advice to Client accounts enrolled in this Program.

When a Third Party Model Portfolio Provider makes model portfolio changes, the provider will notify TAS, or the Platform Manager as its designee, at the same time or after the provider has effected model changes in its own Client accounts. When TAS, or its designee, is notified of the model portfolio changes, TAS or its designee will, in its discretion, cause corresponding changes to Program Client portfolio. TAS reserves the right to not accept a particular Third Party Model Portfolio Provider recommendation and to cause AMC Program Client accounts to become invested in ways which deviate from the applicable model portfolio. For example, if a recommended security would cause the account to violate Client's account restrictions, TAS, or its designee, will not purchase that security for the affected Client's account. As a result of the timing of model change notifications and TAS', or its designee's, processes and procedures, Third Party Model Portfolio Providers can affect trades on behalf of their direct Clients' accounts before TAS, or its designee, places corresponding trades in AMC Program accounts. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to trades



executed on behalf of a model provider's direct Clients, AMC Program Clients can, depending upon market conditions, be at a disadvantage when compared to a Third Party Model Portfolio Provider's hi direct Clients respect to such trades.

When Third Party Models are selected, TAS utilizes the Third Party Model Portfolio Provider's security selections and does not apply its IAG research or Research List. Therefore, Program accounts using third-party models can contain securities that are neither researched nor on any of the lists maintained by TAS' IAG.

### **AMC Fund Select Tactical Focus**

The AMC Fund Select Tactical Focus Program is a fully discretionary investment management Program offering Client accounts enrolled in the Program an array of exchange traded fund portfolios or Third-Party Manager model portfolios that are based on risk-based modeling using asset allocation for an asset-based fee. Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, Client accounts will be invested in accordance with Client's investment objectives as stated in the Client's Client profile on a discretionary basis utilizing ETF asset allocation model portfolios provided by TAS' IAG or Third Party Managers which reflect differing risk profiles. Third-Party Manager models may also include mutual funds, as well as other securities. TAS is granted discretionary investment authority over account assets.

The principal differences between the Fund Select Tactical Program and the AMC Fund Select Tactical Focus Program are that 1) the Fund Select Tactical Focus Program offers fewer available models and has a lower minimum required funding amount than the AMC Fund Select Tactical Program.

### **AMC Pinnacle/AMC Pinnacle – Sleeve Select**

TAS and Envestnet are co-advisers of the AMC Pinnacle and AMC Pinnacle – Sleeve Select Programs. TAS or TAS Advisors act as investment manager for each of the Program Sleeves. Envestnet is permitted, in its sole discretion to determine whether to accept or reject a Client or Account's participation in the Program. The Third Party Manager(s) selected by Clients in the SMA sleeve have sole discretion for the assets assigned to them for management. TAS Advisors manage portfolios in the Adviser Managed Sleeves, on both a discretionary and nondiscretionary basis.

For certain previously established AMC Pinnacle accounts, Advisors may, in the exercise of their discretion (1) elect to allocation contributions or make withdrawals from a specific Sleeve and/or (ii) elect to allocate contributions or make withdrawals from the entire portfolio based on the overall weights to each Sleeve.

All accounts in the AMC Pinnacle – Sleeve Select Program grant Advisors discretion to (i) elect to allocate contributions or make withdrawals from a specific Sleeve and/or (ii) allocate contributions or make withdrawals from the entire portfolio based on the overall weights to each Sleeve.

### Sleeves

#### *All Sleeves*

Client investments within each Sleeve are managed in accordance with certain asset allocation and portfolio investment models/portfolios selected by the Client in the Client's Statement of Investment Selection. In addition to TAS internally developed models, TAS has contracted with Sterling, and non-affiliated Third Party Model Portfolio Providers which provide additional models used by TAS with respect to investments in the various Sleeves, as well as Envestnet related to its fixed income managers for separate account management of fixed income portfolios. TAS does not charge additional fees with respect to the use of its internally developed investment models. However, except as provided below, if Client elects to use a Third Party Model Portfolio Provider's model, including Sterling's Client's Program account will incur any additional increased direct costs associated with the Client's selection of non-TAS developed models in connection with Program investments.

Sterling has currently waived its model provider fees in connection with services rendered to Retirement Accounts enrolled in the Program.

TAS is the investment manager of each of the Sleeves described below:

#### Strategist Sleeve

The “Strategist Sleeve” consists of models provided by TAS’ Investment Advisory Group and Third Party Model Portfolio Providers, including Sterling, consisting of a wide range of securities, including equity, fixed income and alternatives, among others, in order to provide Clients with the ability to utilize the portfolio management services of a select, pre-screened group of model portfolio providers available through TAS which contracts directly with the model providers to offer individualized investment management services to TAS Clients (for an additional fee).

In connection with this Program, Client’s grants discretionary portfolio management authority to TAS and TAS, as investment manager exercises investment discretion with respect to the management of the Client’s investments in the Strategist Sleeve. TAS’ investment discretion includes the selection and maintenance of model providers and models, mutual funds and ETFs; modification of model portfolios and allocation profiles; and the addition, replacement, reduction or elimination of any investment used in connection with the management of Client Program accounts.

When a Third Party Model Portfolio Provider makes model portfolio changes, the provider will notify TAS, or its designee, at the same time or after the provider has effected model changes in its own Client accounts. When TAS, or its designee, is notified of the model portfolio changes, TAS or its designee will, in its discretion, cause corresponding changes to Program Clients’ portfolios. TAS reserves the right to not accept a particular Third Party Model Portfolio Provider recommendation and to cause AMC Program Client accounts to become invested in ways which deviate from the applicable model portfolio. For example, if a recommended security would cause the account to violate Client’s account restrictions, TAS, or its designee, will not purchase that security for the affected Client’s account. As a result of the timing of model change notifications and TAS’, or its designee’s, processes and procedures, Third Party Model Portfolio Providers can affect trades on behalf of their direct Clients’ accounts before TAS, or its designee, places corresponding trades in AMC Program accounts. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to trades executed on behalf of a model provider’s direct Clients, AMC Program Clients can, depending upon market conditions, be at a disadvantage when compared to Third Party Model Portfolio Provider’s direct Client’s respect to such trades.

Where Third Party Models are selected, TAS utilizes the model provider’s security selections and does not apply its IAG research or Research Lists. Therefore, Client Program accounts can contain securities that are neither researched nor on any of the aforesaid lists maintained by TAS IAG.

TAS retains the authority to terminate or change models within the MM Sleeve without prior notice to the affected Clients when extenuating circumstances are such that TAS believes such termination or change is in the best interest of the Client. In such cases, an alternate model will be selected, and Client will be notified in writing of the change and affected investments funds will be reallocated among other selected models. Should a Client reject an alternative model selected by TAS, the assets in the terminated model sleeve will be reallocated across the remaining sleeves by Envestnet as Overlay Manager. If there are no other sleeves, the account will be reclassified as a full service TIS brokerage account.

#### Advisor Managed Sleeves

TAS Advisors manage the “Advisor Sleeves” which consist of the Advisor Managed Discretionary Sleeve and Advisor Supported Non-Discretionary Sleeve. Investments must trade on an exchange to be in the sleeves.

##### *Advisor Managed Discretionary Sleeve*

The “Advisor Managed Discretionary Sleeve” provides discretionary, individualized investment management of the Sleeve’s investments by certain approved TAS Advisors. Clients generally do not direct transactions for investments allocated to this Sleeve. Instead, the Client authorizes a TAS Advisor to manage the Client’s designated assets allocated to this Sleeve on a fully discretionary basis for the purchase and sale of exchange-traded securities, within guidelines set by the TAS Policy Committee for portfolio construction and limitation of risk. Limited types of options transactions within guidelines set by the TAS Policy Committee are permitted to be used

as part of investments managed within this Sleeve of the Program; however, investment strategies utilizing margin or short selling are prohibited.

Clients electing to use options as part of this Program will need to contact their TAS Advisor when transactions in underlying securities are needed for cash flow or other reasons. Clients must indicate preferred maximum account loss they are willing to accept with respect to options transactions; however, there are no guarantees that losses will be limited. Clients must also enter into a margin agreement and an options agreement. Both TIS and NFS must approve these agreements prior to the implementation of a concentrated stock overlay management in an account. Clients will be provided with additional margin and options disclosures which they should read carefully. Clients who invest in options in applicable AMC Programs should also read and fully understand the margin disclosure in the **Fees** Section above as well as the OCC publication “Characteristics and Risks of Standardized Options”, a copy of which will be provided to Client before election of option capabilities.

#### *Advisor Non - Discretionary Sleeve*

The “Advisor Non-Discretionary Sleeve” provides non-discretionary, individualized investment management of the Sleeve’s investments. Advisors participating in this Sleeve of the Program do not have to be pre-approved by TAS as is the case in the Advisor Discretionary Sleeve. The TAS Advisor is primarily responsible for making investment management recommendations. The initial and all subsequent investment decisions including selection of applicable models and following, or disregarding, changes suggested by applicable models are made by the Client and not by their TAS Advisor or TAS. After the initial model is established for an Account, rebalancing is conducted on a discretionary basis by Envestnet as overlay manager.

In accordance with Client’s investment objectives as stated in the Client’s investment profile, within this sleeve the TAS Advisor can recommend that a Client invest and reinvest the assets in securities on the firm’s IAG Research List which includes various types of securities, including, but not limited to, common and preferred stocks, shares of mutual funds, closed-end funds, and exchange-traded funds and alternative investments within guidelines set by the TAS Policy Committee.

TAS Advisors who manage sleeves of AMC Pinnacle or AMC Pinnacle – Sleeve Select Program portfolios can also manage Client AMC Allocation Plus and/or AMC Advise Program portfolios and when they do, trades effected in the AMC Pinnacle and/or AMC Pinnacle – Sleeve Select Advisor managed Sleeves are entered by Envestnet, who has overlay responsibilities related to all the trades in the AMC Pinnacle and/or AMC Pinnacle – Sleeve Select program; however, similar trades in AMC Allocation Plus or AMC Advise portfolios are sent directly to NFS, the clearing firm for TIS. This difference can result in similar trades executing at different times and at different prices for the same security. Generally, those trades in the AMC Allocation Plus and AMC Advise portfolios are executed before those in the AMC Pinnacle and/or AMC Pinnacle – Sleeve Select Advisor managed sleeve.

#### Fixed Income Manager Sleeve

The Fixed Income Manager Sleeve provides Clients’ access to AMC Premier and Envestnet’s fixed income investment managers available in the Sentry program. These services include:

- Providing access to Fixed Income SMA investment managers (“Envestnet Managers”). The Envestnet Managers have entered into sub-management agreements with Envestnet to provide discretionary account management services;
- Providing administrative and /or trading services as directed by an Envestnet Manager;
- Rebalancing services to maintain an account’s asset allocation; and
- Acting on any reasonable restrictions that Client imposes on the management of an account including designation of particular securities or types of securities that Client does not want purchased.

TAS will recommend an appropriate asset allocation among the Envestnet Managers in the Envestnet Sentry program and recommend Envestnet Manager(s) for Client’s Program accounts. In recommending Envestnet Managers for the Program accounts, TAS will consider factors it deems relevant, including but not limited to, the investment goals and objectives of Client, and any reasonable restrictions imposed by Client on management of the Accounts including the designation of particular securities or types of securities that should not be purchased for the Accounts, or that should be sold if held in the Accounts.

TAS relies upon Envestnet for analysis and information and the identification, selection and monitoring of the various Fixed Income Envestnet Managers offered. Envestnet has conducted due diligence on Envestnet

Managers considered “Approved”. Only “Approved” Managers are available for the Fixed Income Sleeve. If Envestnet removes a Manager from the “Approved” status, in such cases, an alternate Manager will be selected and the Client will be notified in writing of the change and affected investments funds will be reallocated among other selected Managers. Should a Client reject an alternative Manager selected by TAS, the assets in the terminated Manager sleeve will be reallocated across the remaining sleeves by Envestnet as overlay manager. If there are no other sleeves, the account will revert to a regular TIS brokerage account.

TAS Advisors can utilize this information in addition to other research related to Client recommendations, if applicable or when conducting its review of Envestnet Managers and Envestnet.

See **FEES** Section above regarding how the Program Fee is calculated for the AMC Pinnacle Program when more than one Sleeve is selected.

Clients electing this Program should carefully review the applicable Envestnet’s Form ADV, Part 2A for more information about its services.

### **AMC Premier Program**

In connection with offering this Program TAS contracts with the Third Party Model Portfolio Providers and Third Party Managers, including its affiliate, Sterling, and may terminate or change Third Party Model Portfolio Providers and Third Party Managers when it deems necessary. In those instances, where TAS utilizes Third Party Managers who have contracted directly with Envestnet, Envestnet, not TAS, may terminate or change Third Party Investment Managers when it deems necessary.

TAS is also investment manager of Program accounts which are managed in accordance with investment models that TAS Advisors recommend. TAS Advisors also recommend investment managers to Clients enrolled in this Program and manage the Client relationship.

### Third Party Models

TAS has agreements with its affiliate, Sterling, and non-affiliated Third Party Model Portfolio Providers which provide additional model portfolios which TAS (for an additional fee) is authorized to utilize in connection with the management of Client accounts invested in this Program. T Third Party Model Portfolio Providers do not receive information regarding Client identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status or financial needs or goals. Except for the provision of the relevant investment model(s), a Third Party Model Portfolio Provider has no obligation for the provision of specific advice to a Program Client. Third-party model providers are not responsible for determining the appropriateness or suitability of investment model(s), or of any of the securities included from time to time in the investment model(s) for any specific Client.

When a Third Party Model Portfolio Provider makes model portfolio changes, the provider will notify TAS, or its designee, at the same time or after the provider has effected model changes in its own Client accounts. When TAS, or its designee, is notified of the model portfolio changes, TAS or its designee will, in its discretion, cause corresponding changes to Program Clients’ portfolios. TAS reserves the right to not accept a particular Third Party Model Portfolio Provider’s recommendation and to cause AMC Program Client accounts to become invested in ways which deviate from the applicable model portfolio. For example, if a recommended security would cause the account to violate Client’s account restrictions, TAS, or its designee, will not purchase that security for the affected Client’s account. As a result of the timing of model change notifications and TAS’, or its designee’s, processes and procedures Third Party Model Portfolio Providers can make trades on behalf of their direct Clients’ accounts before TAS, or its designee, places corresponding trades in AMC Program accounts. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to trades executed on behalf of a model provider’s direct Clients, AMC Program Clients can, depending upon market conditions, be at a disadvantage when compared to Third Party Model Portfolio Provider’s direct Client’s respect to such trades.

TAS’ recommendation of TAS or Sterling as a model portfolio provider creates conflicts of interest in connection with TAS’ offering and administration of this Program. See Sections **Conflicts of Interest –TAS as Model Provider; Sterling Capital Management LLC – Sterling Capital Mutual Funds, Exchange Traded Funds, Models and Separately Managed Account (“SMA”) Portfolios** above for more specific information.

As the investment manager of the model portfolios, TAS has investment discretion with respect to managing the Client’s investments. TAS’ discretion includes the selection and maintenance of model providers and models,

individual securities; modification to investment models and allocation profiles; and the addition, replacement, reduction or elimination of any investment held in Client accounts.

Where Third Party Models are selected, TAS utilizes the Third Party Model Portfolio Provider's security selections. Therefore, Client Program accounts can contain securities that are not researched by TAS IAG.

TAS retains the authority to terminate or change applicable investment models without prior notice to affected Clients when extenuating circumstances are such that TAS believes such termination or change is in the Clients' best interest. In such cases, an alternate model will be selected, Clients will be notified in writing of the change of the applicable model and affected investments funds will be reallocated among other selected models.

#### Third-Party I Manager Accounts

TAS Advisors recommend TAS and/or Third Party Managers, including Sterling, to Clients. Investment managers approved by Clients, manage Client portfolios on a discretionary basis. TAS Advisors also manage the Client relationship.

TAS retains the authority to terminate or Third Party Managers when extenuating circumstances are such that TAS believes such termination or change is in the best interest of the Client. In such cases, an alternate investment manager will be selected, and the Client will be notified in writing of the change of investment manager. Should Client wish to retain any terminated investment manager, Client will be required to establish a separate investment management relationship with the new Third Party Manager.

TAS' recommendation of Sterling as an investment manager creates conflicts of interest in connection with TAS' offering and administration of this Program. See Section **Conflicts of Interest – Sterling Capital Management LLC – Sterling Capital Mutual Funds, Exchange Traded Funds, Models and Separately Managed Account (“SMA”) Portfolios** above for more specific information.

#### AMC Fund Select Tactical and AMC Premier – Fidelity Investments® Charitable Gift Fund

TAS Advisors are prohibited from being an Account Holder with respect to any assets invested in the Fidelity Investments Charitable Gift Fund including accounts of family members or related entities.

Giving Accounts are subject to each AMC Program's minimum funding amount. Giving Accounts that fall below a Program's minimum funding amount may be invested by Fidelity Charitable in other investment pools.

Fidelity Charitable charges additional administrative fees on Giving Accounts. See section Fees, Fidelity Investments® Charitable Gift Fund, above.

#### **Investnet Sentry Program**

TAS has contracted with Investnet who has contracts with the Investnet Managers in the Investnet Sentry Program and may terminate or change Managers when necessary. TAS and Investnet serve as co-advisers and must approve Client's participation in the Program. TAS Advisors recommend Investnet Managers to Clients and manage the Client relationship.

TAS relies primarily upon Investnet for analysis and information and the identification, selection and monitoring of the various Investnet Managers offered through the program; however, TAS' IAG does perform similar processes related to some Managers in the program. Investnet has conducted due diligence on Investnet Managers considered "Approved". Those Investnet Managers in which Investnet does not conduct due diligence, or Approved Investnet Managers which do meet performance standards established by Investnet, are considered "Available". Investnet in its sole discretion determines if an Investnet Manager will be considered "Approved" or "Available".

TAS Advisors can utilize this information in addition to other research related to Client recommendations, if applicable and available through the exception process.

TAS can also utilize this information in addition to other due diligence when conducting its review of Model Providers and Investnet.

If an Envestnet Manager is removed from the platform, Client and their TAS Advisor will receive notice to change to a new investment manager. If no change is made, the program account will be reclassified as a standard commission brokerage account.

TAS' Investment Consulting Group conducts due diligence on Envestnet as a sub-advisor. The review is based on applicable information gathered from various sources, including information from Envestnet, disclosure documents and personnel changes among other items.

Participation in the Envestnet Sentry Program is subject to approval by Envestnet. Envestnet in its sole discretion can determine whether to accept or reject a Client or Account's participation in the Envestnet Sentry Program. Upon opening a Envestnet Sentry Account Client will become an investment management Client of TAS, Envestnet and the respective Envestnet Manager(s).

Clients electing this program should carefully review Envestnet's Form ADV, Part 2A for more information about its services.

### **Overlay Services by Platform Manager**

#### *Tax Overlay Services*

When a Manager makes a change to its model, the Platform Manager:

- Weighs the impact of transactions on taxes against the risk of not complying with the Manager's changes;
- Maintains responsibility for the account administration and coordinates all trades; and,
- Can elect to prevent the transaction or look to make additional changes to balance the change, if the individual Client's tax situation dictates that the transaction shall not occur.

As is the case with all tax-managed accounts, there is a trade-off between realizing gains and adhering to the Manager's model. Differences between how tax-managed accounts are managed and the Manager's models is measured by tracking error ("TE"). The Platform Manager seeks to limit the amount of TE while balancing the tax implications of each transaction within a Client's account and replicate the Manager's model as closely as possible, subject to the Client's specific tax situation.

Tax Overlay Services are not available for most Client assets held away from TIS and NFS.

#### *Impact Overlay Services*

The Platform Manager provides the Impact Overlay Service which allows Clients to integrate environmental, social and governance factors into their investments based on their own personal values while staying as consistent as possible with the risk/return characteristics provided by the model portfolio.

Impact Overlay Services are not available for most Client assets held away from TIS and NFS.

After reviewing and approving the investment proposal, the Client, with the Advisor's assistance, opens an AMC Program account and signs an investment advisory agreement authorizing management of the account in accordance with the terms and conditions of the AMC Program selected.

The Platform Manager provides TAS with a quarterly investment performance report ("Quarterly Report") for each Client. This is a detailed report on the Client's assets invested in the Program, including performance data for the most recent quarter, year-to-date and since-inception-to-date. The Quarterly Report includes:

- Market Commentary
- Current Account Holdings
- Account Performance
- Transaction Detail

TAS believes this information is reliable; however, TAS does not independently verify the accuracy of any information in a Quarterly Report.

## AMC Truist Invest Program

The AMC Truist Invest Program is an automated electronic discretionary investment advisory program offering individualized investment recommendations by TAS Advisors for an asset-based fee. The AMC Truist Invest Program is an automated electronic discretionary investment advisory program offering individualized investment recommendations by TAS Advisors for an asset-based fee. Clients do not direct investment transactions for their accounts enrolled in this Program. Instead, the AMC Truist Invest Program is offered by a TAS Advisor and utilizes a computer algorithm (“Algorithm”) to generate projections and make discretionary investment decisions separately for each Program account. The Algorithm also automatically periodically rebalances Program accounts. The TAS Advisor is primarily responsible for making investment management recommendations, in accordance with Client’s investment objectives related to one of the following goals: Retirement, Major Purchase or General Investing and the type of portfolio which is limited in number and based on the Client’s risk tolerance. Each Program account may only have a single selected goal.

In order to participate in the AMC Truist Invest Program, Clients are required to agree that records and disclosures for the Program will be delivered, and agreements will be signed, electronically. This is an ongoing Program requirement and includes Program disclosure brochures and other documents relating to Clients’ AMC Truist Invest Program accounts. From time-to-time TAS will send Truist Invest Program Clients periodic e-mails containing market commentary, alerts, evaluations, and other relevant content. Clients can opt out of the weekly commentary, sales and reengagement and personalized guidance e-mails. After an AMC Truist Invest Program account is opened Clients may not opt out of the standard transaction e-mails that notify them of events like rebalancing, investment of cash or the annual review. If Clients refuse to accept electronic delivery of these materials or are otherwise unable to or become unable to receive such materials, TAS will terminate Client’s AMC Truist Invest account and Client will be required to transfer Client’s account assets to another account at TAS, TIS or an account at another broker or financial institution or to liquidate their Truist Invest account. Clients must maintain an accurate and up-to-date e-mail address with TAS to ensure that the Client has the ability to read, download, print and retain applicable agreements, disclosure materials, and other documents and information received from TAS. If a Client is unable or unwilling to accept electronic delivery the Client’s AMC Truist Invest Program account will be terminated,

The investments available in the AMC Truist Invest Program consist of a limited number of IAG researched Exchange Traded Funds (“ETFs”) offered through the Program and a core account sweep vehicle (described below) and IAG asset allocation models upon which the Program’s investment portfolios are based. See **Core Account- TIS Sweep Program** section above. The Algorithm that generates projections and investment decisions based in part on IAG’ capital market assumptions, risk categories and asset allocation targets for those categories. Adjustments may be made to the asset allocations in order to fit within the parameters of the Algorithm by a member of the Digital Investing Group.

As TAS responsible for the discretionary management of the AMC Truist Invest Program and the Program accounts, TAS has sole investment discretion related to (i) the selection of the Algorithm, which is sourced from an independent third-party investment research and financial technology provider, (ii) the Program’s capital markets assumptions, risk categories, asset allocation targets for those categories, (iii) eligible investment vehicles for purchase for each asset class and (iv) the replacement, reduction or elimination of any investment vehicle in the Program accounts.

Certain assets are ineligible for transfer into an AMC Truist Invest Program Account, such as fixed income securities, limited partnerships, non-traded real estate investment trusts, etc.

### AMC Truist Invest Program Account Funding with Existing Investment Positions

When a Client funds an AMC Truist Invest Program Account with existing securities positions (“Transferred Securities”), the Algorithm performs an analysis on any mutual funds, ETFs and/or equity securities contributed to the Program in kind and, based on internal and external costs such as internal advisory fees of mutual funds and ETFs, trading costs associated with liquidations and potential tax implications, may retain some or all of the Client’s existing shares of any such mutual fund, ETF and/or equity securities positions in a Client’s AMC Truist Invest Program Account. **However, Client’s should not expect that any of their Transferred Securities will be selected by the Algorithm for retention and should instead anticipate any Transferred Securities used to fund an AMC Truist Invest Program account will be sold and (i) that, in the case of taxable (non-IRA)**

**AMC Truist Invest Program accounts any applicable capital gains (or losses) associated with the Transferred Securities will be realized and (ii) any contingent deferred sales charges associated with any such Transferred Securities will be incurred when such shares are sold. Accordingly, Clients should consult with their tax advisers prior to funding a taxable Truist Invest Program account with Transferred Securities.**

- TAS shall not be liable for any taxes or other expenses incurred in connection with the sale of any Transferred Securities used to fund a Truist Invest Program account.
- Transferred Securities consisting of mutual fund or ETF positions into an account from another broker-dealer will reflect TIS as the broker-dealer and as such, TIS may receive payments from the mutual fund and/or ETF or their investment manager or distributor. See **Other Fees or Charges** section above.
- Fixed income securities cannot be transferred into an AMC Truist Invest Program account.

For any mutual funds transferred into and subsequently held in Truist Invest Program accounts, an advisory share class is generally used if available. In certain circumstances, a different mutual fund share class may be utilized if no equivalent advisory share class is available. Periodically, TAS will review account mutual fund positions and convert existing mutual fund shares to advisory class shares, when available, without further notification to Clients.

**Account Restrictions**

Clients may discuss with their TAS Advisor any reasonable restrictions which they may wish to place on their Program account and may direct that certain Transferred Securities be held in a separate brokerage account so that such securities will not be liquidated by the Program without the Client's consent. Clients may also request that certain Program ETFs be excluded from their Program Account but not all requested restrictions can be accepted. Unreasonable restrictions requested include directions to invest in securities, other than Transferred Securities and the Program's ETFs. A restriction which excludes one or more of the Program's ETFs from a Program account can impair the level of diversification available to the Program account and cause delays in the management of the account. TAS will inform the Client if their Program account cannot be managed with the requested investment restrictions and may suggest other available advisory programs offered by TAS as alternatives.

**Other**

TAS does not have any soft-dollar arrangements.

**METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

**All AMC Programs**

Investing involves risks, including fluctuating returns and potential loss of principal that Clients should be prepared to bear.

Wash Sales: Clients with accounts across programs and different Investment Managers can experience a sale of a security in one program account by the Investment Manager while purchasing the same security within another program account managed by a different Investment Manager in a relatively short amount of time. None of TAS, Envestnet or any Investment Manager coordinates trades to avoid a possible wash sale transaction.

**AMC Advise and AMC Allocation Plus Programs**

In providing recommendations, the Advisor implements specific security selections, subject to guidelines established by TAS Policy Committee, based on research obtained by us from other sources.

In managing AMC Advise accounts, the Advisor will follow general portfolio construction guidelines established by TAS Policy Committee concerning asset allocation, position diversification, and fixed income components. The Advisor implements specific security selections based on research obtained by TAS from other sources.

The guidelines could restrict or limit the activity in an account. In addition, the program guidelines could change at our discretion or could be waived under certain circumstances for certain Clients. Such changes to the guidelines could result in investment activity and/or holdings deviating from the guidelines requiring action on the



Client's part. If a Client decides not to take the requested action, we reserve the right to terminate the Client's account. In such instances, the account converts to a regular commission brokerage account.

TAS and its Advisors managing Client portfolios can utilize research reports and/or models created by TAS' Investment Advisory Group. A conflict exists when TAS Advisors use the same models that TAS IAG use for managing the TAS AMC program portfolios. See **Conflict of Interest – Models Created by IAG for Management of AMC Program Portfolios and TAS Advisor Usage of the Models for Client Portfolio Management** Section and **Conflicts of Interest – Research Reports Created by IAG and Used by TAS Advisors and Affiliated Firms** Section above for details.

TAS also uses research provided by Credit Suisse First Boston ("CSFB"), Morningstar, NFS, Envestnet, Argus, Value Line, Moody's, Standard & Poor's, Evercore ISI, Zacks, Fitch, CFRA, TSI and a variety of other research providers. Some research provided by CSFB or NFS might not be fully disinterested to the extent that it concerns companies with which CSFB or NFS has, or hopes to have, an investment banking or other business relationship and thus has a conflict of interest in evaluating the companies' securities. Such research can also concern securities for which CSFB or NFS is a market maker and thus has a conflict of interest. The exact composition and asset allocation of each Client portfolio can differ depending on a variety of factors, including the Client's specific investment goals, the Client's risk tolerance, and overall economic and market conditions.

In addition, firm approved alternative investments are available on the unaffiliated iCapital Network and CAIS platforms.

The firm's IAG conducts the initial and ongoing reviews of networks and platforms utilized in offering its AMC programs to Clients. Offerings to be placed on the TAS AMC platform are submitted to the TAS AMC Managed Accounts and TAS Product Working Groups prior to being made available.

Advisors can also conduct their own research with approved research providers and are required to maintain documentation related to the research conducted and followed. A conflict exists when certain TAS Advisors use TAS research while others do not. See **Conflict of Interest Research Reports Created by IAG Not Used by Certain TAS Advisors**, Section above for details.

Bonds: Investments in bonds are subject to risks. The most significant risk is interest rate risk. Generally, when interest rates rise, bond values fall, values rise when interest rates decline. Other risks include default risk, or the possibility the issuer will default on the payment of interest and/or principal; call risk, or the possibility the issuer will redeem the bond before maturity; and inflation risk, or the possibility that inflation will outpace the bond's return.

Brokered Certificates of Deposit ("CDs"): All brokered CDs will fluctuate in value between purchase date and maturity date. CDs can be sold on the secondary market prior to maturity subject to market conditions, which can be limited. Any CD sold prior to maturity can be subject to a substantial gain or loss. The original face amount of the purchase is not guaranteed if the position is sold prior to maturity. If a CD has a call provision, the issuer has sole discretion whether to call the CD. If an issuer calls a CD, there is a risk to the investor that the investor will be forced to reinvest at a less favorable interest rate.

Closed-end Funds: The value of any closed-end fund will fluctuate with the value of the underlying securities and the market price for the fund's shares, which can trade at a premium or discount to net asset values. Clients should consider the investment objectives, risks and charges of a closed end fund carefully before investing. Please read the prospectus carefully prior to investing.

Dollar Cost Averaging: Regular investing does not assure a profit or protect against a loss in declining markets. Dollar Cost Averaging involves continuous investments in securities regardless of fluctuating price levels. Clients should consider their financial ability to continue purchases through periods of low-price levels.

Exchange-Traded-Funds: Exchange-Traded-Fund ("ETFs") values will fluctuate so that an investor's shares, when sold, can be worth more or less than their original cost. The value of any ETF will fluctuate with the value of the underlying securities and the market price for the fund's shares, which can trade at a premium or discount to net asset values. Clients should consider the investment objectives, risks and charges of an ETF carefully before investing. Please read the prospectus carefully prior to investing.

Floating Rate Funds: Securities with floating interest rates generally are less sensitive to interest rate changes but can decline in value if their interest rates do not rise as much, or as quickly, as prevailing interest rates. Unlike fixed-rate securities, floating rate securities generally will not increase in value if interest rates decline. Changes in interest rates also will affect the amount of interest income the Fund earns on its floating rate investments. Floating rate securities involve liquidity risk, which can affect the ability of investors to buy and sell them at the desired time or price.

Margin: Margin trading is not appropriate for all Clients and involves material risk. Margin is only allowed in the AMC Allocation Plus Program. Clients can lose more funds than they have deposited in the margin account; the firm providing margin credit (NFS) can force the sale of securities or other assets in the account(s); the firm can sell securities or other assets without contacting Clients; Clients are not entitled to choose which securities or other assets in their account are liquidated or sold to meet a margin call; the firm can increase in-house maintenance requirements at any time; and Clients are not entitled to an extension of time on margin call. Market conditions can magnify any potential for loss. If the market turns against a Client, the Client will be required to deposit additional securities and/or cash in the account. The interest rates charged are determined by the value of the cash and securities prior to initiating the loan.

Money Market Mutual Funds: An investment in a money market fund is not insured or guaranteed by the FDIC or any other government agency. Although the money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

Mutual Funds: Mutual Fund values will fluctuate so that an investor's shares, when redeemed can be worth more or less than their original cost. Client should carefully review the fund's prospectus and consider the investment objectives, risks and charges and expenses of the investment company carefully before investing.

Options: Option trading entails significant risk and is not suitable for all investors. For a current options disclosure document, Clients can call the TAS Centralized Supervision Group, 804.594.1167. Clients should consult with their tax advisor in order to determine tax implications of options transactions. Supporting documentation for any claims, if applicable, will be furnished upon request.

Private Offerings – Alternative Investments: Investments in private offerings, particularly those related to alternative investments such as hedge funds, fund of funds, opportunity zone funds are considered long-term investments due to their illiquid nature. These investments are generally not registered and certain information such as audited financials are not always required. Fees assessed on these securities are often based on book values which is sometimes delayed.

Opportunity Zone Funds can incur additional risks if they do not continue to meet the requirements for certain tax considerations and investors could be negatively impacted in the event that an Opportunity Zone Fund shall fail to qualify for preferential tax treatment.

Unit Investment Trust: The value of any UIT will fluctuate with the value of the underlying securities and market conditions.

### **AMC Annuity**

In providing recommendations, the Advisor implements or recommends the initial sub-account portfolio and makes ongoing recommendations as needed, subject to guidelines established by TAS Policy Committee. In managing accounts, the Advisor will follow general portfolio construction guidelines established by TAS Policy Committee concerning asset allocation in the sub-accounts available on the carrier's platform and will make ongoing recommendations as needed.

Annuities: The firm prohibits commission based transactional annuities being linked to managed accounts. However, AMC Annuity Program commission waived annuities can be linked to AMC Allocation Plus (AL) accounts for billing purposes.

Annuities with investments in the following security types are subject the following risks.

Exchange-Traded-Funds: Exchange-Traded-Fund (“ETFs”) values will fluctuate so that an investor’s shares, when sold, can be worth more or less than their original cost. Clients should consider the investment objectives, risks and charges of an ETF carefully before investing. Please read the prospectus carefully prior to investing.

Mutual Funds: Mutual fund and values will fluctuate so that an investor’s shares, when redeemed can be worth more or less that their original cost, Client should carefully review the fund’s prospectus and consider the investment objectives, risks and charges and expenses of the investment company carefully before investing.

TAS relies on TIS to conduct due diligence on the available annuity carriers and annuities in the AMC Annuity program. See “**Other Financial Industry Activities and Affiliations**” below.

**AMC Pinnacle and AMC Pinnacle – Sleeve Select, Advisor Managed Discretionary Sleeve**

In providing recommendations and making discretionary investment decisions in connection with the AMC Pinnacle or AMC Pinnacle – Sleeve Select, Advisor Managed Discretionary Sleeve, the TAS Advisor managing this Sleeve of the Program implements specific security selections, subject to guidelines established by TAS Policy Committee concerning asset allocation, economic sectors and position diversification, and fixed income components. The Advisor implements specific security selections based on research obtained by TAS from other sources.

**AMC Pinnacle and AMC Pinnacle – Sleeve Select, Advisor Non- Discretionary Sleeve.**

In providing recommendations in connection with the AMC Pinnacle or AMC Pinnacle – Sleeve Select, Advisor Non-Discretionary Sleeve, the TAS Advisor managing this Sleeve of the Program makes specific security recommendations subject to guidelines established by TAS Policy Committee concerning asset allocation and position diversification.

TAS and its Advisors can utilize models created by TAS’ IAG for either sleeve, Advisor Managed Discretionary or Advisor Non-Discretionary. A conflict exists when TAS Advisors use or recommend the same models that TAS IAG use for managing the TAS AMC program portfolios. See **Conflict of Interest – Models Created by IAG for Management of AMC Program Portfolios and TAS Advisor Usage of the Models for Client Portfolio Management Section** and **Conflicts of Interest – Research Reports Created by IAG and Used by TAS Advisors and Affiliated Firms** sections above for details.

TAS also uses research provided by Credit Suisse First Boston (“CSFB”), Morningstar, NFS, Argus, , Value Line, Moody’s, Evercore ISI, Zacks, Fitch, CFRA, DBRS, TSI and a variety of other research providers. Some research provided by CSFB or NFS might not be fully disinterested to the extent that it concerns companies with which CSFB or NFS has, or hopes to have, an investment banking or other business relationship and thus has a conflict of interest in evaluating the companies’ securities. Such research can also concern securities for which CSFB or NFS is a market maker and thus has a conflict of interest. The exact composition and asset allocation of each Client portfolio can differ depending on a variety of factors, including the Client’s specific investment goals, the Client’s risk tolerance, and overall economic and market conditions. See **Conflict of Interest –Different Advice** section above below for details.

**AMC Fund Select Tactical and AMC Fund Select Tactical Focus**

TAS’ IAG maintains various mutual fund and ETF asset allocation models for these Programs and utilizes various research providers related to the market and investment vehicles.

In addition, TAS has agreements with Third Party Model Portfolio Providers for their investment models. TAS’ IAG utilizes various research providers related to the initial and ongoing due diligence conducted on the Third Party Managers in the program.

Exchange-Traded-Funds: Exchange-Traded-Funds values will fluctuate so that an investor’s shares, when sold, can be worth more or less than their original cost. Clients should consider the investment objectives, risks and charges of an ETF carefully before investing. Please read the prospectus carefully prior to investing.

Mutual Funds: Mutual Fund values will fluctuate so that an investor’s shares, when redeemed can be worth more or less that their original cost. Client should carefully review the fund prospectus and consider the investment objectives, risks and charges and expenses of the investment company carefully before investing.

Money Market Mutual Funds: An investment in the Fund is not insured or guaranteed by the FDIC or any other government agency. Although the Fund seeks to preserve the value of Client's investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

Dollar Cost Averaging: Regular investing does not assure a profit or protect against a loss in declining markets. Dollar Cost Averaging involves continuous investments in securities regardless of fluctuating price levels. Clients should consider their financial ability to continue purchases through periods of low-price levels. Client should review the prospectus for availability of periodic investments.

### **AMC Premier**

AMC Premier is a separately managed account program where TAS has contracted with third-party investment managers to manage Client assets. TAS is also a manager available within the AMC Premier Program. TAS' IAG utilizes various research providers related to the initial and ongoing due diligence conducted on the Managers in the program. Sterling Capital Management, LLC, an affiliate of TAS is also a manager available in the AMC Premier Program.

Mutual Fund Share Class Selection: The Third Party Manager, which has been delegated complete discretionary authority, is solely responsible for determining the appropriate mutual fund share class for Client accounts enrolled in this Program. TAS does not review share classes utilized by Third Party Managers and will not change share class of any mutual fund in Client accounts managed by Third Party Managers.

Margin: Margin trading is not appropriate for all Clients and involves material risk. You can lose more funds than you have deposited in the margin account; your margin provider can force the sale of securities or other assets in your account(s); the your margin provider can sell your securities or other assets without contacting you; you are not entitled to choose which securities or other assets in your account are liquidated or sold to meet a margin call; your margin provider can increase in-house maintenance requirements at any time; and you are not entitled to an extension of time on margin call. Market conditions can magnify any potential for loss. If the market turns against the investor, he or she will be required to deposit additional securities and/or cash in the account. The interest rates charged are determined by the value of the cash and securities prior to initiating the loan.

TAS' IAG provides the initial and on-going due diligence on the investment managers, including Sterling, managers of Models and the Models used in the Program and makes recommendations to TAS' IAG Working Group related to such due diligence. TAS' IAG Working Group reviews and either approves or rejects the recommendations made by IAG.

For the Envestnet Sentry Program, TAS contracted with Envestnet who conducts due diligence on the Approved Envestnet Managers in the Program.

### **AMC Truist Invest**

TAS' IAG maintains the strategic asset allocation and investment product recommendations for the AMC Truist Invest Program and utilizes various research providers related to the market and investment vehicles.

Information Sources: The main information sources for market statistics, financial, and other performance data on which the Program relies are third party data vendors. TAS pays these vendors access fees for their data services. If any of the information listed above is erroneous or disrupted in any way, Client's AMC Truist Invest Program account may experience losses.

Reliance on Client Information: Client is responsible for providing true, accurate, and complete information to TAS and to promptly notify TAS whenever there are changes to this information that could affect TAS's projections or investment decisions, our ability to communicate with Client, or other personalized aspects of the Program. Such changes may include the addition of a new investment account, a life-change event that affects a Client's investment horizon, or a change to Client's e-mail address. If a Client does not supply truthful, timely and accurate information, the quality and applicability of TAS's goal projections and investment decisions may be compromised, which may prevent the Program from helping the Client achieve their financial and/or retirement goals. In addition, the Program does not consider in its analysis accounts and assets that are not entered into a Client's Client profile. In any or all of these circumstances when information provided by the Client to the Program is incomplete or inaccurate, Client's AMC Truist Invest Program account may experience losses.

Risk of Reliance on Third Party Data: AMC Truist Invest Program services are highly reliant on data from third party and other external sources, and discretion will be exercised to determine what data to gather, which may have an impact on the Program's projections and decisions. In addition, due to the automated nature of data gathering and the fact that much of this data comes from third party sources, not all desired and/or relevant data will be available to, or processed by, TAS at all times. Certain data or data types may not be utilized in generating or making goal projections and/or investment decisions, and data that is actually utilized may not be the most accurate data and may contain errors. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Risk of Third-Party Reliance: TAS relies on third parties to provide significant and fundamental aspects of the AMC Truist Invest Program, including the Algorithm and the resulting financial and/or retirement projections, investment decisions, and operating platform. TAS relies on third parties for provision of market statistics, aggregated account information, fund details, and other performance-related information. Although TAS generally considers their third-party vendors and other service providers to be reliable, errors beyond TAS' control could compromise the information and/or services they provide, and in turn, the quality and integrity of the AMC Truist Invest Program's projections and decisions. In addition, certain service providers have the right to terminate their agreements with TAS at their absolute discretion. Others service providers may experience operational disruptions due to unforeseen circumstances. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Risks of the Algorithm: The AMC Truist Invest Program depends on investment decisions generated significantly by the Algorithm. The Algorithm is automated and will only be customized within its limitations, which include the capital markets assumptions, risk categories, asset allocation targets for those categories, target portfolios and eligible investment vehicles for each asset class that TAS provides, and the information Client supplies related to their Client profile. If the Algorithm were to malfunction or fail, or were to rely on assumptions, including economic and transaction cost assumptions, that are incorrect, that do not apply to Client's specific financial situation, or that do not change even as market expectations shift, Client could sustain investment losses, some or all of which could be significant. Additionally, the Algorithm employs a number of quantitative models that involve assumptions based upon a limited number of variables that may be extracted from complex financial markets or instruments that they are intended to replicate. The Algorithm may rebalance Client accounts without regard to market conditions, or on a more frequent basis than might be expected in the case of a non-automated investment program. Any one or all of these assumptions, whether or not supported by past experience, could prove over time to be incorrect, which could cause Client's AMC Truist Invest Program account to experience losses.

Model Risk: Models and techniques deployed by the AMC Truist Invest accounts are based on the information and data available as well as on assumptions, assessments, and estimates developed by TAS, all of which may be subject to error. As a result, those models and techniques may not account for all relevant factors or may not account for any such factors correctly. More generally, there can be no assurance that such models and techniques will be effective. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Capital Markets Assumptions: The assumed risk, return, volatility, and correlation of the asset classes corresponding to Client's declared risk tolerance and time horizon used to develop the Client's investment forecast are based on the capital markets assumptions specified by TAS. Those assumptions, which are based on historical asset class returns (as reflected by certain indices), proprietary models, subjective assessments of the current market environment, and forecasts of likelihood of future events, may turn out to be incorrect, which may cause the Client to accept more or less risk than Client desired and undermine the AMC Truist Invest Program's ability to help Client reach their financial and/or retirement goals. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Correlation Risk: Certain investments made by AMC Truist Invest will experience returns that individually or in the aggregate are correlated (possibly highly) with various market indices, including various equity, debt or other markets around the world. In different market conditions and time periods, however, there may be periods of time when Client's AMC Truist Invest Program account returns are not correlated with various market indices or the returns of other investment strategies. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Diversification and Asset Allocation Risk: The AMC Truist Invest Program's target asset allocations are constructed using modern portfolio theory, which seeks to construct portfolios to optimize expected return based on a given level of market risk and is based on the risk and return characteristics and relationships of the asset class exposures, as dictated by TAS' capital market assumptions. The asset classes selected by TAS are intended to reflect the types of fundamental equity and fixed income exposures that are commonly included within diversified investment portfolios. Other asset classes not considered in the Program's portfolios may have characteristics similar or superior to those that are included. Diversification does not eliminate all investment risks and in particular does not eliminate market risk. Client's AMC Truist Invest Program account may experience losses due to market risk or ineffective diversification.

In addition, the asset classes selected can perform differently from each other at any given time (as well as over the long term), so the Client's AMC Truist Invest Program account's performance will be affected by the allocation among the various asset classes. The AMC Truist Invest Program's asset allocation decisions may result in more portfolio concentration in a certain asset class or classes, which could reduce overall return if the concentrated assets underperform AMC Truist Invest' Programs expectations. Depending on market conditions, there may be times where diversified portfolios underperform less diversified portfolios, as diversification and asset allocation strategies do not guarantee low volatility, profit, or protection against investment loss. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Moreover, the value of an entire asset class can decline for a variety of reasons outside of TAS' control, including, but not limited to, changes in the macroeconomic environment, unpredictable market sentiment, forecasted or unforeseen economic developments, technological innovations, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. A high allocation in a particular asset class may negatively affect Client's overall AMC Truist Invest Program account performance to the extent that the asset class underperforms relative to other market assets. Conversely, a low allocation to a particular asset class that outperforms other asset classes in a particular period will cause Client's account to underperform relative to the overall market. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Portfolio Construction: Focus is placed on selecting ETFs to implement the AMC Truist Invest Program's investment strategy by utilizing a thorough due diligence process that seeks to identify those ETFs that are best positioned to help Clients achieve retirement or other financial goals with an appropriate risk level and lower costs. The selection process incorporates factors such as investment methodology, performance history, liquidity, fee structures and other costs, as well as the role an investment can play to deliver a Client's target asset allocation strategy. If TAS is materially ineffective in providing these services, Client's AMC Truist Invest Program account may experience losses.

Exchange-Traded-Funds: Exchange-Traded-Funds values will fluctuate so that an investor's shares, when sold, may be worth more or less than their original cost. Clients should consider the investment objectives, risks and charges of an ETF carefully before investing. Please read the ETF' prospectus carefully prior to investing.

Investing in securities, including ETFs, involves risk of loss that the Client should understand and be prepared to bear.

Investment performance can never be predicted or guaranteed, and the value of Clients AMC Truist Invest Program account will fluctuate due to market conditions and other factors. Client's AMC Truist Invest Program account may experience losses.

Past performance is no guarantee of future results.

Advisory Account Funding Risk: The sale or liquidation of any investment or other asset to fund a Client's AMC Truist Invest Program account may have adverse tax consequences, early withdrawal penalties, or other costs or penalties as a result of such sale or liquidation, including the loss of living, death, or other benefits of that investment or asset. In addition, if a Client funds a AMC Truist Invest Program account with existing securities, the liquidation of those securities by the Program may have similar effects.

Tax Risks: While the Algorithm includes a component that seeks to achieve tax optimized asset placement, which is designed to help optimize the Client's portfolio by allocating less tax-efficient assets into tax-advantaged

accounts, this component is only one of many that should comprise a Client's comprehensive tax management plan, and supplementary tax advice that is outside the AMC Truist Invest Program's scope may be necessary to minimize the impact of tax liabilities that Client could incur through the Program. Any tax optimized decisions implemented is not intended to serve as tax advice, and no representation is made that a Client will obtain or avoid any particular tax consequences as a result of those decisions. Dividends, capital gains, transfers, and sales of securities will create taxable events unless Client's account is tax-exempt (e.g., an individual retirement account). Clients are urged to consult with their personal tax and legal advisors regarding the tax consequences of investing in an AMC Truist Invest Program account based on Client's particular circumstances. TAS does not assume responsibility to Client for the tax consequences of any transaction.

In addition, any tax-loss harvesting (i.e., offsetting capital gains with capital losses in order to reduce or eliminate income tax obligations) implemented by the Algorithm should not be interpreted as tax advice, and no representation is made that certain tax consequences will be obtained or that the associated investment decisions will result in any particular tax consequences. The tax consequences of tax-loss harvesting, and other tax optimized strategies are complex and may be challenged by the Internal Revenue Service. Moreover, investment decisions associated with such strategies may not perform as expected; expected returns and risk characteristics are no guarantee of actual performance. The AMC Truist Invest Program was not developed to be used by, and it cannot be used by, any Client to avoid tax penalties or interest.

Withdrawal Risk: Cash withdrawals from, or other changes to, a Client's AMC Truist Invest Program account may cause trades sent for execution at then-prevailing market prices or prevent TAS from executing other trades intended to rebalance a Client's investment portfolio, resulting in the Client's current asset allocation deviating from the target asset allocation and losses, undermining the Client's long-term financial goals. Further, dividend and other income generated by the securities held in a Client's AMC Truist Invest Program account will be used to rebalance that account, will not necessarily be reinvested in those same securities, and will not be made available for withdrawal. In any or all of these instances, Client's AMC Truist Invest Program account may experience losses.

Technology and Cybersecurity Risk: The AMC Truist Invest Program depends on various computer and telecommunication technologies, many of which are provided by or are dependent on third parties. The ability of TAS, Truist Bank, TIS and the Site to successfully operate could be severely compromised by system or component failure, delays in data transmission to an executing broker, telecommunication failure, power loss, a software-related system crash, unauthorized system access or use (such as "hacking"), computer viruses, worms, and similar programs, fire or water damage, human errors in using or accessing relevant systems, or various other events or circumstances. These events may impact trading in a Client's AMC Truist Invest Program account. It is not possible to provide comprehensive and foolproof protection against all such events, and no assurance can be given about the ability of applicable third parties to continue providing their services. As an automated, algorithmic investment advisory service, any event that interrupts the AMC Truist Invest Program's computer and/or telecommunication systems or operations could compromise the AMC Truist Invest Program for an extended time period and cause a Client's AMC Truist Invest Program account to experience losses, including by preventing trading, modifying, liquidating, and/or monitoring the Client's investments. In addition, there are information security and related risks associated with the use of electronic, internet-based technologies to provide the AMC Truist Invest Program. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including denial-of-service attacks on websites. Cybersecurity failures or breaches affecting the AMC Truist Invest Program, or its third-party vendors, have the ability to cause disruptions to the AMC Truist Invest Program, potentially causing Client accounts to experience financial losses, the inability to access AMC Truist Invest Program, and/or other damages.

Operational Risk: A Client's AMC Truist Invest Program account may experience losses as a result of shortcomings or failures in TAS' internal processes, people, or systems, or from external events. Such operational risks can arise from many factors ranging from routine data processing errors to potentially costly incidents related to, for example, major information technology systems failures. Any operational shortcomings or failures that are outside the scope of TAS' disaster recovery and business continuity plans may result in AMC Truist Invest Program disruptions or contribute to AMC Truist Invest Program account losses. A copy of TAS' recovery and continuity plan is available upon request.

Market Risks: Trades sent to an executing broker on behalf of TIS and TAS may be impacted by the following market risks, any or all of which may cause Client's AMC Truist Invest Program account to experience losses:

Market Order Risks: Equity and ETF trades in a AMC Truist Invest Program account will generally be executed using "market orders," which execute immediately at the best available current price. These orders have higher risks than those orders that specify a target price at which a trade should execute and remain open for a longer time period (*i.e.*, "limit orders"), particularly during periods of high volatility and for securities with low liquidity. As a result, the use of "market orders" could cause Client to potentially pay a higher price for securities purchased with these orders or receive a lower sale price, while also increasing transaction costs. However, in such circumstances, other order types and conditions may be used, as appropriate, to achieve best execution.

Liquidity and Valuation Risk: High volatility and/or the lack of deep and active liquid markets for a security may prevent trades for Clients at all, or at an advantageous time or price. Some securities (including ETFs) that hold or trade derivatives and/or other financial instruments may be adversely affected by liquidity issues as they manage their portfolios. NFS conducts the valuation of assets in Client AMC Truist Invest Program accounts and TAS believes the values to be reliable, but TAS will not verify the accuracy of the information, see **FEES: Valuation** section above.

Volatility Risk: The performance of investment strategies AMC Truist Invest Program deploys may be volatile (both in absolute terms and relative to realized returns), potentially resulting in increased risks, including the risk of losses. Investments may have volatility, variability of return outcomes, lower average returns, correlation with certain macroeconomic risks, asset class concentrations, and/or other significant risks, whether in absolute terms, relative to expected returns, or relative to certain other strategies that are deployed by TAS on behalf of other Clients.

Risk of Trading Suspensions: During periods of extraordinary market volatility or illiquidity, or at other times when suspension of trading is deemed to be in the best interests of Clients, TAS in the exercise of its own discretion, may suspend directing trades to NFS with respect to a Client's AMC Truist Invest Program account. A trading suspension could cause a Client's asset allocation to deviate from target, or prevent the Client from liquidating their account. While TAS will make the decision to institute a trading suspension based on its consideration of what is in Client's best interest in light of then-prevailing market conditions, suspensions could nonetheless have unintended consequences that TAS are unable to anticipate.

Financial Market Disruptions: Disruptions in the global financial markets have historically had materially adverse, and in certain cases catastrophic, consequences for the values, liquidity, and stability of certain types of investments, including the types of investments that are recommended in the Program's portfolios and made on the Client's behalf in the AMC Truist Invest Program account. Similar or dissimilar disruptions may occur in the future, and their duration, severity, and ultimate effect are difficult to forecast. These disruptions could lead to additional regulations or laws, which could have a material adverse effect on Client's AMC Truist Invest Program account.

Economic Risk: A Client's AMC Truist Invest Program account's investments are likely to be exposed to risks relating to weakness in various global economies and the economic cycle. Numerous factors, such as market volatility, interest rates, commodity prices, equity prices, currency prices, credit spreads, and deflationary and inflationary pressures, may be affected by the economic cycle and long-term economic trends. Predictions about financial market conditions and economic factors are highly uncertain, and the presence, duration, and impact of any market or economic conditions could have a materially adverse effect on AMC Truist Invest Program account investments.

Regulatory Change Risk: It is possible that changes in applicable laws and regulations will affect a Client's AMC Truist Invest Program account. These changes may include changes in investment adviser or securities trading regulation (or the interpretation of existing laws and regulations) and changes in the tax code that could affect interest income, income characterization, and/or tax reporting obligations. In addition, a number of substantial regulatory changes are pending or in the process of changing in certain markets. The consequences of additional regulation on the liquidity and the efficient and orderly functioning of the markets in which investments held and/or purchased in AMC Truist Invest Program accounts cannot be predicted and may materially diminish the profitability of a Client's AMC Truist Invest Program account and may cause the Client's AMC Truist Invest Program account to experience losses.



While the services described in this brochure attempt to optimize investment returns for a Client risk tolerance, TAS does not make any assurance that the investment recommendations and/or decisions will be successful and result in profitable investing. Client's AMC Truist Invest Program account may experience losses.

## **VOTING CLIENT SECURITIES**

**AMC Allocation Plus:** With respect to the AMC Allocation Plus Program TAS has no authority or obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities in which assets can be invested from time to time. Client expressly retains the authority and responsibility for the voting of such proxies. Client will receive all shareholder communications, including proxy statements and proxies, distributed by the issuers of securities held in Client accounts.

**AMC Advise Accounts:** TAS will vote proxies for accounts enrolled in the AMC Advise Program, including assets that are held and not managed, unsupervised assets. TAS' Proxy Working Group includes members from the Firm's Investment Policy Committee and is responsible for establishing policies and procedures designed to enable TAS to ethically and effectively fulfill its fiduciary obligation to vote all applicable proxies on behalf of the Client accounts and funds.

**AMC Premier Program and Investnet Sentry Program Accounts:** For accounts managed by a third-party manager, TAS has no authority or obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities in which assets can be invested from time to time. The manager or Client expressly retains the authority and responsibility for the voting of such proxies. The manager generally will receive all shareholder communications, including proxy statements and proxies, distributed by the issuers of securities held in Client accounts without forwarding the same to Clients. Clients should review the manager's brochure for specifics regarding the manager's voting policies.

For accounts managed by TAS, TAS will vote proxies, including assets in an account that are not managed, unsupervised assets.

**AMC Truist Invest:** With respect to the AMC Truist Invest Program, TAS will vote proxies unless a Client delivers a written request to TAS to exempt the Client's Program Account from this process. If such requested is provided, TAS will cause the applicable proxies to be forwarded to the Client.

**AMC Fund Select Tactical and AMC Premier– Fidelity Charitable Accounts:** TAS has no authority or obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities in which assets are invested from time to time. Fidelity Charitable retains the right to vote proxies.

**AMC Fund Select Tactical, AMC Fund Select Tactical Focus, AMC Pinnacle and AMC Pinnacle – Sleeve Select:** With respect to each of these Programs TAS will vote proxies, including assets in an account that are not managed, unsupervised assets. TAS' Proxy Working Group includes members from the Firm's Policy Committee and is responsible for establishing policies and procedures designed to enable TAS to ethically and effectively fulfill its fiduciary obligation to vote all applicable proxies on behalf of the Client accounts and funds.

Annually (or more often as needed), the Proxy Working Group will review, reaffirm and/or amend guidelines, strategies and proxy policies for all Client accounts.

Although TAS does its best to alleviate or diffuse known conflicts, there is no guarantee that all situations have been or will be mitigated through proxy policy implementation. TAS relies on Truist Bank's annual reviews of Glass Lewis' size, experience and technical capabilities. TAS contracts with Glass Lewis & Co. as its agent to provide policy recommendations, vote Firm proxies, assist us with certain administrative, clerical, functional recordkeeping and support services related to the Firm's proxy voting processes/procedures, which include, but are not limited to:

1. Access to proxy research,
2. Custom policy recommendations,
3. The collection and coordination of proxy material from the custodian for each TAS Client's account(s),

4. Proxy voting, reconciliation, and disclosure for each of TAS Client's account(s), in accordance with TAS' proxy policies and the Proxy Working Group's direction,
5. Required record keeping and voting record retention of all TAS proxy voting on behalf TAS' Clients.

Due to its diversified Client base, numerous product lines, and affiliation with Truist Financial Corporation, and its subsidiaries, the Proxy Working Group determines if a potential conflict exists in connection with a proxy vote based on the SEC guidelines. In such instances, the Committee will review the potential conflict to determine if it is material.

Examples of material conflicts of interest which can arise could include those where the shares to be voted involve:

1. Common stock of Truist Financial Corporation, and/or other public corporate issuers with which either TAS or Truist Financial Corporation or its affiliates, can have a similar significant ongoing non-investment management associated business relationship.
2. An issuer with a director, officer or employee who presently serves as an independent director on the board Truist Financial Corporation or any of its affiliates.
3. An issuer having substantial and numerous banking, investment, or other financial relationships with TAS, Truist Financial Corporation or its affiliates.
4. A director or senior officer of TAS or Truist Financial Corporation serving on the board of a publicly held company.
5. A direct common stock ownership position of five percent (5%) or greater held individually by TAS, or in conjunction with TAS and Truist Financial Corporation and/or its affiliates.

Although TAS utilizes a pre-determined proxy voting policy, occasions can arise in which a conflict of interest could be deemed to be material. In this case, the Proxy Working Group will determine the most fair and reasonable procedure to be followed in order to properly address all conflict concerns. The Proxy Working Group will employ one or more of the options listed below:

1. Retain an independent fiduciary to vote the shares.
2. Send the proxy material to the Client so the Client can vote the proxies.

To obtain a copy of the complete proxy voting policies and procedures, or information about how TAS voted Client proxies, please contact: Truist Advisory Services, Inc. Attn: Advisory Program Manager, 303 Peachtree Center Avenue, Truist Garden Offices, Suite 140, Atlanta, GA 30303.

## **CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

### **TAS Advisor Managed Programs**

AMC Advise Advisors have access to all Client information.

The AMC Allocation Plus and AMC Annuity programs are Client directed and Advisors do not have discretionary authority to implement changes without Client consent. Advisors have access to all Client information.

### **AMC Fund Select Tactical, AMC Fund Select Tactical Focus, AMC Pinnacle, AMC Pinnacle – Sleeve Select and AMC Premier Model**

When new account documentation is approved, TAS submits the documentation, including the Client profile that identifies the Client's goals, risk tolerance, time horizon, financial situation and other factors to the Platform Manager for inclusion in the Program.

### **AMC Pinnacle, AMC Pinnacle – Sleeve Select, AMC Premier SMA Program Accounts and Envestnet Sentry Accounts**

When new account documentation is approved, TAS submits the documentation, including the Client profile that identifies the Client's goals, risk tolerance, time horizon, financial situation, selected Manager(s) and other factors to the Platform Manager for inclusion in the Service.

Managers are sent information on the Client's financial circumstances, investment goals and objectives and any special instructions the Client might wish to give the Manager regarding the account.

Updates or changes to Client information, including financial information, objectives, risk tolerance, among other items are communicated to the administrator for system updates.

### **AMC Truist Invest**

TAS and the TAS Advisor of an AMC Truist Invest Program account have access to all Client information.

### **CLIENT CONTACT WITH PORTFOLIO MANAGERS**

#### AMC Allocation Plus, AMC Advise, AMC Annuity and AMC Truist Invest

The TAS Advisor has direct contact with their Clients.

#### AMC Fund Select Tactical, AMC Fund Select Tactical Focus, AMC Pinnacle AMC Pinnacle – Sleeve Select (Advisor Managed Sleeves) and AMC Premier Model Accounts

The TAS Advisor has direct contact with their Clients.

#### AMC Premier and Envestnet Sentry Program Accounts

AMC Premier and Envestnet Sentry Clients do not generally interact directly with Manager personnel, but can do so through TAS.

### **ADDITIONAL INFORMATION**

#### **DISCIPLINARY INFORMATION**

On December 31, 2016, SunTrust Investment Services, Inc., now Truist Investment Services, Inc., an affiliate of TAS, assigned substantially all of its existing investment advisory contracts to TAS. On September 14, 2017, the U.S. Securities and Exchange Commission, (SEC) issued an administrative order against TIS instituting administrative and cease-and-desist proceedings pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Sections 203(e) and 203(k) of the Investment Advisers Act (IAA), making findings, and imposing remedial sanctions and a cease-and-desist order (the "OIP"). According to the SEC, TIS did not adequately inform its advisory Clients of the conflicts of interest presented by its representatives' share class selections and the receipt by TIS and its representatives of 12b-1 fees over the period 2011 to 2015. The SEC found that during this period, TIS and its representatives received \$1,148,071.77 in avoidable 12b-1 fees paid by the funds in which the advisory Clients were invested. Without admitting or denying the SEC's findings, TIS consented to the entry of the OIP that censured TIS and found that TIS willfully violated and agreed to cease and desist from committing or causing any future violations of Sections 206(2), 206(4), and 207 of the IAA and Rule 206(4)-7 promulgated thereunder. The OIP imposed a civil monetary penalty of \$1,148,071.77 upon TIS and required TIS to refund to current and former Clients fees of \$1,148,071.77 together with interest of \$150,238.74.

On February 19, 2021, BB&T Securities LLC ("BBTS") assigned substantially all of its existing investment advisory contracts to TAS.

On August 25, 2016, without admitting or denying the findings, BBTS consented to the entry of an Order (File No. 3-17502) by the United States Securities and Exchange Commission (the "SEC") Instituting Cease-and-Desist Proceedings, Making Findings, and Imposing a Cease-and-Desist Order (the "Order"). The Order states that from December 2, 2011, to October 1, 2013, in reliance on F-Squared Investments, Inc.'s ("F-Squared") false statements, BB&T Securities' AlphaSector advertisements falsely stated that F-Squared had assets invested in the AlphaSector strategy from April 2001 to September 2008, and that the track record for these investments had significantly outperformed the S&P 500 Index during this period. The Order also states that BBTS took insufficient steps to confirm the accuracy of F-Squared's AlphaSector performance data for this period and failed to obtain sufficient documentation to substantiate F-Squared's advertised performance, resulting in BBTS violating Sections 206(4) and 204(a) of the Advisers Act and Rules 206(4)-1(a)(5) and 204-2(a)(16) thereunder. The Order requires the Firm to cease and desist from committing or causing any violations of the above referenced provisions and to pay a \$200,000 penalty to the SEC.

BBTS has consented, without admitting or denying the findings, to the issuance of an administrative cease-and-desist order by the SEC (the "Order") issued on September 7, 2018. The Order includes findings that, during the period between approximately March 2012, and July 2015, BB&T Investment Services, Inc. ("BB&TIS"), which merged into the Firm effective January 1, 2018, violated Section 206(2) of the Investment Adviser's Act of 1940

(the "Adviser's Act") by failing to adequately disclose certain conflicts of interest relevant to its recommendation of an affiliated adviser's wrap fee program. Specifically, the Order finds that BB&TIS failed to disclose sufficient facts to enable Clients to determine that a compensation arrangement between BB&TIS and the affiliated adviser created an incentive for BB&TIS and its investment advisory representatives to recommend that Clients invest in the affiliated adviser's wrap fee program rather than two other available wrap fee programs. The Order orders the Firm to cease and desist from any further violations of Section 206(2) of the Adviser's Act and imposes a \$100,000 penalty.

On March 5, 2019, without admitting or denying the findings, BBTS consented to the entry of an Order (File No. 3-19020) by the United States Securities and Exchange Commission ("SEC") Instituting Administrative Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order"). In late 2015, BB&T Corporation ("BB&T Corp.") acquired the parent entity of Valley Forge Asset Management, LLC ("Valley Forge"), a former dually registered investment adviser and broker-dealer. Valley Forge continued to operate independently until March 1, 2016, when it was merged into the Firm. The Order states that from 2013 to 2016, Valley Forge made misleading statements in its Form ADV Part 2A and Exhibit 1 of its Investment Advisory Contract regarding its Affiliated Brokerage program and failed to fully inform its Clients regarding their brokerage choices. The Order further states that Valley Forge charged its Affiliated Brokerage Clients higher commissions compared to those paid by Clients who used another directed brokerage option available to Valley Forge Clients at the time. The Order notes that after Valley Forge was acquired, the Firm acted to end the Affiliated Brokerage program, amended the cost structure, and amended its disclosures. The Order states that, as a result of the conduct described above, Valley Forge willfully violated Sections 206(2) and 207 of the Advisers Act. The Order requires the Firm to cease and desist from committing or causing any violations of the above-referenced provisions, to pay disgorgement of \$4,712,366 and prejudgment interest of \$497,387, and to pay a \$500,000 penalty to the SEC.

On March 11, 2019, without admitting or denying the findings, BBTS consented to the entry of an Order (File No. 3-19068) by the United States Securities and Exchange Commission ("SEC") Instituting Administrative Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order"). The Order was issued pursuant to the SEC's Share Class Selection Disclosure Initiative ("SCSD Initiative"), a voluntary initiative where Firms self-reported conduct to the SEC. The Order is one of 79 Orders issued pursuant to the SDSD Initiative on March 11, 2019. The Order states that from 2014 to 2016, BBTS purchased, recommended, or held for advisory Client's mutual fund share classes that charged 12b-1 fees instead of lower-cost share classes of the same funds for which the Clients were eligible, and that BBTS and its associated persons received 12b-1 fees in connection with these investments. The Order states that the Firm failed to disclose the conflicts of interest related to its receipt of 12b-1 fees, and/or its selection of mutual fund share classes that pay such fees. The Order further states that, as a result of the conduct described above, BBTS willfully violated Sections 206(2) and 207 of the Advisers Act. The Order requires BBTS to complete certain undertakings, three of which were completed prior to the Order being issued, censures BBTS, requires it to cease and desist from committing or causing any violations of the above-referenced provisions, and to pay disgorgement of \$336,875.69 and prejudgment interest of \$39,183.54.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Truist Investment Services, Inc. is registered as a broker-dealer under the Securities Exchange Act of 1934. The principal business of TIS is that of a registered securities broker-dealer and certain TAS associates are dually registered as registered representatives of the broker-dealer. The management personnel are all securities registered primarily for oversight of the securities business. Generally, management personnel are not actively selling investment products.

TIS is also an insurance agency and certain TAS associates are also insurance licensed and appointed through the insurance agency. There are members of management who are insurance licensed and appointed through TIS primarily for oversight of insurance business. Like brokerage, management personnel are generally not actively selling insurance products.

TAS has the following agreements with TIS:

**Dual Representative Agreement:** Under this agreement, certain TAS Advisors are dually registered with TIS and offer brokerage and insurance products and services to TAS Clients as well as offering TAS AMC Program and services.

**Research and Other Services Agreement:** Under the agreement, TAS IAG generates reports of due diligence conducted on investment vehicles, creates or negotiates third-party advertising, marketing and research materials, design, monitor and update as needed on a continuous basis, capital market assumptions strategic, tactical, and neutral allocations, watch list and ad-hoc manager and performance updates and consultative services.

**Services Agreement:** Under the agreement TIS provides TAS such items as best execution reporting, maintenance of TAS' books and records and AML processes related to Clients of the AMC Program. TAS, under the agreement, provides payment of clearing and execution costs related to advisory account trades.

Truist Bank is state chartered bank and trust company authorized under the law of North Carolina to provide banking and trust services. Certain Truist Bank employees are registered with TAS as investment adviser representatives and offer the AMC Programs to their Clients.

TAS has the following agreements with Truist Bank:

**Dual Representative Agreement:** Under this agreement, certain TAS Advisors, Investment Managers, are employed by Truist Bank and offer Truist Bank deposit and investment products and services to Truist Bank Clients as well as offering TAS AMC Programs and services to Truist Bank Clients. This Agreement relates to each organization's supervisory responsibilities and requires that each organization clearly identify the products and services which they separately provide to Clients.

**Administration and Operational Services Agreement:** Such items as business insurance, facilities management allocation, audit/internal control and human resources allocations, among other items are provided to TAS by Truist Bank and allocated by inter-company agreements.

**Solicitation Agreement:** Under the agreement, TAS can refer Clients to Truist Bank for investment advisory or asset management services and receives compensation for such solicitations.

**Non-Deposit Retail Sales (Networking) Agreement:** Under the agreement, unregistered Truist Bank employees can refer qualified bank Clients to TAS Advisors for a one-time nominal fee of a fixed dollar amount that is not contingent on whether the qualified Client referral results in any advisory activity or the establishment of an investment advisory relationship. In addition, this agreement allows unregistered bank employees to receive contingent compensation for referrals of high-net worth individuals (prospects with investable assets greater than \$5,000,000) which will be received by the referring bank employee only if TAS investment advisory services are purchased. TAS reimburses Truist Bank for all referral fees on a quarterly basis.

**Model Manager Agreement:** Under the agreement, TAS' IAG constructs and maintains on a continuous basis one or more model portfolios meeting the investment objectives outlined by TB for use in connection with its investment management and trust accounts.

**Research and Other Services Agreement:** Under the agreement, TAS IAG generates reports of due diligence conducted on investment vehicles, creates or negotiates third-party advertising, marketing and research materials, design, monitor and update as needed on a continuous basis, capital market assumptions strategic, tactical, and neutral allocations, watch list and ad-hoc manager and performance updates and consultative services. Under this agreement TAS personnel also review financial planning presentations prepared by TB for TB customers.

TAS has the following agreements with GFO Advisory Services, LLC ("GFO"), an affiliate of TAS:

**Services Agreement:** Certain TAS personnel are also associated with GFO. TAS has entered into shared services agreement with GFO which provides that certain services and costs associated with the use of TAS personnel and services to GFO business functions shall be allocated to and charged to GFO pursuant to inter-

company agreement which provides for each entity to share in the costs associated with those employees and the services they provide.

TAS has the following agreements with Sterling Capital Management, LLC:

**Sterling Research and Investment Support:** Under the agreement, Sterling provides TAS with investment research and investment support services on a regular and continuous basis.

**Model Manager Agreement:** Under this agreement, Sterling provides models to TAS for AMC Envestnet platform.

**Investment Sub-Adviser Agreement:** Under this agreement, Sterling manages TAS Client portfolio assets on the AMC Envestnet platform.

TAS has the following agreement with Truist Financial Corporation:

**Fee Crediting Reimbursement Agreement** – Under this agreement, TAS receives internal credits or payments from TFC to reimburse TAS and compensate Advisors for Fee Credits provided to AMC Program Retirement Accounts invested in Affiliated Funds.

## **CODE OF ETHICS. PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### Code of Ethics

TAS has adopted a Code of Ethics (“Code”) for its advisory business which is intended to reinforce the fiduciary principles that govern the conduct of the Firm and our personnel. This Code sets the standards of conduct expected of our advisory personnel, safeguards to material nonpublic information about Client accounts and transactions and requires certain personnel to report their personal securities transactions. A copy of the TAS Code is available upon request from any TAS Advisor.

### Participation in Client Transactions

TAS and our investment personnel can recommend securities in which we or our investment personnel or employees have a financial interest or control relationship directly or indirectly, and we or our investment personnel can buy and sell securities that we or they recommend to advisory Clients for purchase and sale. They can also give advice and take action in the performance of their duties to Clients that differs from advice given, or the timing and nature of action taken, with respect to other Clients’ accounts.

### Personal Trading

Personal securities transactions by TAS employees or transactions for the Firm’s affiliates can raise conflicts of interest when a security is traded that is 1) owned by Client or 2) considered for purchase or sale for Client. TAS has, as part of its internal compliance program, adopted policies and procedures which impose certain rules and restrictions as to transactions for the Firm’s account and for the accounts of employees and affiliates. Such policies and procedures are designed to prevent improper or unethical conduct whenever a conflict of interest can arise. Personal trading by our employees must be conducted in compliance with all applicable laws and procedures. See **CONFLICTS OF INTEREST – Trading for Own and Other Accounts** Section above for details.

### Other Advice

TAS performs for other Clients, services similar to those that are provided to the Program Clients, as well as other types of investment related services. TAS can take actions and give advice that can differ from the advice given, or in the timing and nature of the action taken, with respect to the account of any Program Client. Neither TAS nor anyone associated with TAS has any obligation to make or refrain from making to any Program Client recommendations, purchases, sales, or transfers of any investment that can be purchased or sold for any other Client or for the benefit of anyone associated with them. Transactions in any specific investment can be executed at different times and prices for different Clients. TAS can utilize different schedules as they relate to fees for the Programs; therefore, the costs of obtaining services similar to a Program can be more or less than those charged to other Clients of TAS. See **CONFLICTS OF INTEREST – Different Advice** Section above for details.

### Political Contributions

Truist Bank, its affiliates and their employees can make political and charitable contributions to various persons and organizations, subject to the limits within the Firm's political contribution policy. The ensuing goodwill can result in added business to TAS. See **CONFLICTS OF INTEREST – Political Contributions** Section above for details.

## **REVIEW OF ACCOUNTS**

The TAS Product Working Group and the TAS Policy Committee approve or reject new or modified models across the Truist enterprise and services provided by IAG to affiliates.

### TAS AMC Managed Programs

Supervisory reviews are conducted by the TAS' Central Supervision Group ("CSG"), which consists of the Director of Advisory Supervision and Regional Supervisors ("RS").

The Director of Advisory Supervision and their RS Team are responsible for reviewing AMC Program account opening documentation, trading within each account and the annual investment reviews of AMC Allocation Plus, AMC Advise and AMC Annuity program accounts, among other items for their designated areas. The Firm utilizes a surveillance program that the RS' use to monitor the trading in Program accounts via alerts and filters on a regular basis.

### AMC Truist Invest Program

At least annually, based on the AMC Truist Invest Program account opening date, Clients will be notified by email to review the investment profile information contained within their personal AMC Truist Invest online Client Dashboard and reconfirm. The purpose of this review includes a determination as to whether any adjustment to the Client's investment strategy may be appropriate.

If Client does not respond to TAS' review initiation within a specified time period, TAS will assume, based on the principle of negative consent, that none of the Client's information has changed, the Client does not wish to impose or modify any permitted reasonable restrictions on their AMC Truist Invest Program account, and TAS should not make any changes to its goal projections or investment decisions. However, if TAS considers this review to be inadequate, to fail to comply with TAS' requirements under the Advisers Act or other applicable laws, or otherwise determine now or at any time that AMC Truist Invest Program is unsuitable for Client, TAS may terminate Client's AMC Truist Invest account.

AMC Truist Invest Program conducts annual reviews of advisory accounts to ensure they conform to TAS policies and procedures. In addition, TAS reviews a percentage of advisory accounts on a random basis during the year for such purpose.

TAS is responsible for periodically reviewing trading data and other automated reports and overseeing the trading activity performed by NFS on behalf of Clients. The reviews include, without limitation, a verification that actual trading activity is consistent with the risk categories, asset allocation targets for those categories and eligible investment vehicles for each asset class TAS provides inputs for the Algorithm and the resulting investment decisions, an analysis of risks associated with those investment decisions, and a determination that trading is undertaken in compliance with applicable regulations. These reviews may result in changes to the capital markets assumptions, risk categories, asset allocation targets for those categories and eligible investment vehicles for each asset class and/or other aspects of the Program.

The TAS Digital Investing Group receives comprehensive monthly reports detailing each Client's account characteristics and periodically monitors target vs. current asset allocation, Client profile information, number of trades, diversification and assets under management.

The online platform provides real-time performance information about Client's Program account on the Client's Dashboard. As mentioned above, any updated financial information flows into the Algorithm and affects the resulting goal projections and investment decisions associated with a Client's account. If a Client decides that AMC Truist Invest Program no longer fits their investing needs, the Client can terminate their AMC Truist Invest Program account and the Client's advisory relationship with TAS. If a Client does so, TAS will not have any

continued obligation to act or advise, as the case may be, with respect to the Client or their Brokerage Account assets.

#### AMC Program Accounts

Clients receive written confirmations from NFS when a trade is executed in their account and can elect to receive such confirmations electronically; however, Clients will have the option of waiving receipt of separate transactional confirmations in exchange for a quarterly compilation of all transactions. Clients only receive monthly written statements from NFS if there has been activity in their account otherwise the Client receives a quarterly brokerage statement and can elect to receive such statements electronically. Such statements reflect the activity in the account during the specific time period.

Clients can request quarterly investment performance reports (“Quarterly Report”) prepared by Envestnet which reflect Client’s account investment performance vs. benchmark(s) at no additional cost. Clients should compare their Quarterly Report information to their quarterly account statements from NFS and should report any discrepancies to their TAS Advisor. Quarterly Reports are not available for Clients in the AMC Truist Invest Program.

TAS conducts an annual mailing to Clients that includes a summary of the Client’s financial information, investment objectives and current restrictions on their account, if any, advising the Client that their account will continue to be managed according to those elements. Clients have the opportunity to contact their TAS Advisor to clarify or make changes as necessary.

TAS also periodically offers Clients the opportunity to notify their Advisor of any changes to their financial and tax situation, risk tolerance or financial goals. The Client, however, remains responsible for notifying TAS of any material change in his or her investment profile. Updated information is submitted to the Platform Manager for maintenance of Client data.

#### **PAYMENT FOR CLIENT REFERRALS**

When permitted under applicable incentive compensation agreements, unregistered Truist Bank employees are paid a nominal referral fee for making general referrals of customers to TAS. In addition, this agreement allows unregistered bank employees to receive contingent compensation for referrals of high-net-worth individuals (prospects with investable assets greater than \$5,000,000) which will be received by the referring bank employee only if TAS investment advisory services are purchased. See **Other Financial Industry Activities and Affiliations, Truist Bank Non-Deposit Retail Sales (Networking) Agreement**, above for details.

#### **CAC Referrals**

Securities registered TIS Financial Advisors (“FAs”) can refer Clients to the CAC and receive a \$100 referral fee from Truist Investment Services, Inc., the broker-dealer affiliate of TAS which provides account trading and administration services to the TAS AMC Programs. Qualified referrals are based upon the opening of a new account with a portfolio within the CAC between \$50,000 and \$100,000 of investible assets.

#### **Referrals of Client Advisors and Premier Bankers**

Truist Bank (“TB”) and TAS Client Advisors (“CAs”) and Premier Bankers (“PBs”) work together in teams that include TAS Advisors to help determine potential solutions for each Client’s financial goals. Information gathered and reports created are shared among the team members from both entities. Some CAs and PBs are also registered investment adviser representatives of TAS. These bank advisors can refer Clients to TAS and can be part of the overall Client team. See **Conflicts of Interest - Premier Banker and Other Licensed Bank Employee Referrals** Section above.

Those CAs and PBs who are not registered with TAS are prohibited from referring Clients to TAS.

TAS Registered CAs and PBs are indirectly compensated for Client referrals to TAS by TB. Such compensation is based on the asset under management amount (“AUM”) of Clients referred to TAS. When the totality of referred Client’s AUM reaches certain levels specified in their applicable Financial Incentive Program, a CA’s or PB’s salary will be adjusted and paid by TB. The receipt of incentive compensation in connection with recommendations to invest in the AMC Programs creates a conflict of interest for the CAs and PBs and the Firm. See **Conflicts of Interest - Financial Incentive Programs** section above.



**Truist Wealth Management RESERVE**

Truist Bank has partnered with third-party vendors to bring additional services to certain segments of its Clients, including TAS Clients.

The additional services available to TAS Clients include:

- Access to jet-leasing services;
- Access to personal excess liability insurance for litigation protection;
- Access to healthcare advocacy and advisory support.

These are optional services that have additional fees to be paid to the third-party providers and are not included in TAS Program Fee. TAS Program Fee is not affected by these services.

Truist Bank conducts initial and ongoing due diligence reviews on all vendors whose services are available to TAS Clients related to this program. No compensation is received by Truist or any affiliate as a result of these arrangements.

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