



**UNITED CAPITAL**  
FINANCIAL ADVISORS

**March 29, 2024**

**Form ADV Part 2A Disclosure Brochure**

**United Capital Financial Advisors, LLC**

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**This Brochure provides information about the qualifications and business practices relating to the financial planning and investment management services offered by United Capital Financial Advisors, LLC ("United Capital"). If you have any questions about your relationship with United Capital, please contact your United Capital advisor team or call (972) 822-2055. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Investment advisor registration does not imply a certain level of skill or training.**

**Additional information about United Capital is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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Separate brochures (also known as Form ADV Part 2A – Appendix 1) have been prepared for the wrap fee programs sponsored by United Capital.

## **Item 2 — Material Changes**

This Brochure is dated March 29, 2024. There have been material changes to the Brochure from the other than annual amendment dated November 6, 2023 with all sections being updated to reflect the sale of United Capital Financial Advisors, LLC from The Goldman Sachs Group, Inc. to Creative Planning Holdco, LLC. The change of ownership took place on November 3, 2023; before then, United Capital's ADV 2A was combined with The Ayco Company, L.P. Revisions to this Brochure have been made to provide information about United Capital on a standalone basis. United Capital's DBA has changed from Goldman Sachs Personal Financial Management ("GS PFM") to United Capital Financial Advisors, LLC ("United Capital").

Clients are encouraged to read this Brochure in detail and contact their United Capital advisor team with any questions.

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## Item 4 — Advisory Business

### Introduction

This Brochure describes the financial planning, investment management, and related advisory and supporting services offered by United Capital Financial Advisors, LLC (herein referred to as “United Capital” or “Firm”). For purposes of this Brochure, United Capital’s advisory personnel will be collectively referred to herein as “Financial Advisors.” Financial Advisors are, to the extent required, registered investment advisor representatives of United Capital. Some Financial Advisors are also broker-dealer registered representatives of Lion Street Financial, LLC (“LSF”). LSF is an unaffiliated broker-dealer registered with the SEC and a member of FINRA / SIPC. Not all Financial Advisors provide the same services to clients.

United Capital provides financial planning (“Financial Planning”) and/or investment management (“Investment Management”) services nationally to a wide-ranging client base. Clients engage with United Capital through various channels including through arrangements with affinity or membership associations and organizations, plan recordkeepers or other organizations through which United Capital may offer their services to the affinity or membership associations and organizations’ members and participants, or to their clients or users, as applicable.

United Capital has been a registered investment advisor with the SEC since 2005. United Capital’s headquarters is located in Irving, Texas. United Capital has regional office locations throughout the United States (“Regional Offices”) described in more detail at [www.unitedcapitalwealth.com](http://www.unitedcapitalwealth.com). United Capital also provides a technology platform and related consulting to independent investment advisors under the name *FinLife Partners*.

United Capital’s principal owner is Creative Planning Holdco, LLC (“CP Holdco”), a privately held holding company. CP Holdco, United Capital, and their respective affiliates, directors, partners, trustees, managers, members, officers, and employees are referred to collectively herein as “CP.”

### Financial Planning

United Capital offers Financial Planning to clients as an independent service or as part of another service offering based on their relationship with their Financial Advisor. Certain aspects of Financial Planning include delivery of investment advice as defined by the Investment Advisers Act of 1940, as amended (“Advisers Act”), in which United Capital may act as fiduciaries under the Advisers Act. Not all clients receive Financial Planning.

For United Capital clients or those clients who transfer to United Capital, Financial Planning (which may also be referred to as “Financial Guidance”) generally focuses on development of a client’s financial plan, including an assessment and review of goals, financial needs, capacity for risk, retirement, cash flow, cash management, investment and insurance planning, savings, and other aspects as applicable to a client’s specific needs and as agreed to between the Financial Advisor and the client. United Capital typically makes Financial Planning services available together with Investment Management, but clients may also decide to only engage United Capital for either Financial Planning or Investment Management services. In the case where a client engages United Capital in Financial Planning only, a separate agreement will be executed outlining the included services. When clients engage United Capital only for Financial Planning, clients are not required to implement their financial plans through products and services offered by United Capital or its affiliates. United Capital does not have discretion over client assets when engaging United Capital for Financial Planning only. You are never required or obligated to implement our recommendations.

United Capital’s Financial Planning services, whether provided as part of an Investment Management relationship or provided as a separate service, are usually provided to the client through meetings whereby the Financial Advisor and the client will work together to develop a written or verbal financial plan. For ongoing services, with client cooperation, the Financial Advisor will endeavor to meet with clients no less than annually to review their risk profiles and objectives and update the Financial Plan previously provided to the client for changes in the client’s situation. If clients choose not to meet with their Financial Advisor, United Capital will attempt to provide services based on information received during prior meetings when possible. United Capital relies on the accuracy and completeness of information provided by the client, and we do not assume responsibility to independently verify the accuracy or completeness of such information. It remains the responsibility of the client to promptly notify United Capital of any change in their financial situation or investment objectives to review, evaluate or revise our previous recommendations.

United Capital may offer clients access to GuideCenter, a web-based platform that enables clients to collaborate with their Financial Advisor and receive information about their assets and goals. The platform may also provide the results of the Financial Planning exercises clients conducted with their Financial Advisor.

United Capital does not provide tax advice or tax preparation services to clients. While United Capital may include tax planning services as part of its Financial Planning services, including the provision of an annual tax projection or an interpretation of the effect of applicable tax laws on a client's portfolio, this service is not tax advice and the client should consult with its own tax advisor as tax planning provided in conjunction with the provision of Financial Planning is more limited than the tax advice that a client would receive from a tax advisor. United Capital is neither providing tax advice nor should these referrals be considered an advisory service.

### Investment Management Services

When United Capital acts in an investment advisory capacity, they have a fiduciary obligation to act in their advisory client's best interests in accordance with the Advisers Act. Client Investment Management accounts for which United Capital serves as the registered investment advisor are referred to as "Advisory Accounts" herein.

Financial Advisors work with clients to understand each client's risk tolerance, investment objectives, and investment attribute preferences, and to determine an appropriate asset allocation and portfolio construction. Based on the investment goals clients have discussed and agreed upon with their Financial Advisors, Financial Advisors will select, or recommend that the client select, one or more Managers, as defined below, to manage the client's assets in one or more Advisory Accounts. Advisory Accounts may be invested in a variety of asset classes and investment vehicles that may include mutual funds, exchange traded funds ("ETFs"), exchange traded notes, equity securities, options, fixed income securities, or other types of securities. Advisory Accounts may also hold investments in private equity or other private funds. It remains the responsibility of the client to promptly notify United Capital of any change in their financial situation or investment objectives to review, evaluate or revise our previous recommendations.

Depending on how a client's assets are allocated, Advisory Accounts are managed in different ways. Further, product offerings are consistently changing. For example, products that are made available to some clients through one Advisor may not be made available to clients of one or more of the Advisor's affiliates or investment offerings made available at a particular time may be removed from an Advisor's offerings. United Capital will add or remove product offerings to or from United Capital's platforms without prior notice to clients. Further, depending on the custodian selected and the services offered by United Capital, the investment selection available to clients may differ.

### Sub-Advisory Services

United Capital may offer investment products managed by third party managers ("Unaffiliated Managers"). United Capital may provide advisory services by evaluating and selecting mutual funds and ETFs that are managed, sponsored or advised by investment managers that are not affiliated with United Capital or their affiliates ("Third-Party Funds").

Generally, Managers' responsibilities vary and include the authority to:

- exercise discretion to determine the types of securities bought and sold, along with the percentage allocation;
- exercise discretion as to when to buy or sell securities;
- exercise discretion on the timing of securities transactions;
- select the broker-dealer for execution of securities transactions, if appropriate; and
- take other portfolio management actions that United Capital may delegate, including the ability to vote proxies.

United Capital does not monitor transactions directed by Managers for conformity with stated investment objectives, risk tolerance, financial circumstances, or investment restrictions, if any. In addition, United Capital will not evaluate each transaction executed by Managers for compliance with the Managers' disclosed policies or style. However, if United Capital manages the accounts directly, they will undertake such monitoring with respect to any restrictions to which United Capital and the client agree in writing.

United Capital has a conflict of interest to offer certain investment products to certain Unaffiliated Managers because of an economic incentive. For those certain Unaffiliated Managers, United Capital will place, if in the best interest of our clients, these investment products will generate revenue for the Unaffiliated Manager which then will reduce the amount that United Capital may pay to the Unaffiliated Manager.

United Capital also receives research from unaffiliated Advisors to assist with the Investment Management of client assets. When providing research services, unaffiliated Advisors do not have any authority to exercise discretion over the management of client assets.

Clients should receive a copy of the sub-advisor's ADV Part 2A brochure directly from the sub-advisor that outlines their investment style, an explanation of the portfolio and any additional fees. Upon request, United Capital can provide the client with the sub-advisor's ADV Part 2A brochure.

### **Investment Management Services**

United Capital primarily provides discretionary Investment Management services to United Capital clients. United Capital clients generally elect to custody their United Capital Advisory Accounts with Fidelity Brokerage Services LLC and National Financial Services, LLC (together, "Fidelity") and Charles Schwab & Co. Inc. ("Schwab"), although other custodian options may be available and some clients have elected to custody their assets with other unaffiliated custodians (collectively, "Third-Party Custodians"). Clients are encouraged to talk to their United Capital Financial Advisors about all custodian options available to them prior to opening an account. It will remain the client's responsibility to negotiate terms with Third-Party Custodians and understand that they may not get the best execution or prices that other United Capital clients receive.

#### *Discretionary Account Management*

Where the client authorizes United Capital to provide discretionary investment services, the Financial Advisor will select, appoint and remove Managers and/or allocate and reallocate assets to individual securities or managed strategies in a client's account without the client's prior approval or consent.

Depending on the applicable account type, Financial Advisors can choose to manage a client's portfolio directly by selecting individual unaffiliated mutual funds, ETFs, certain types of Alternative Investments (if the client is qualified), separately managed accounts ("Separately Managed Accounts"), and/or other securities for client accounts from United Capital's investment platform available at the custodians ("Locally Managed Strategies") or by selecting a Manager to manage a client's assets using model investment strategies developed and implemented by the Manager ("Centrally Managed Strategies").

Centrally Managed Strategies can take various forms including United Capital managing certain asset allocations. In addition to strategies managed and implemented by Goldman Sachs Asset Management ("GSAM"), United Capital can allocate assets towards a third-party model strategy managed and implemented by The Ayco Company, LLC's Portfolio Management Group ("Ayco PMG").

Financial Advisors can also allocate assets toward Unaffiliated Manager model strategies that are implemented externally by the Unaffiliated Manager third-party technology platforms, using Third-Party Funds or Separately Managed Accounts. For these model strategies, neither United Capital nor its affiliates manage or trade the client's account.

Accounts in the same Centrally Managed Strategies are generally invested according to the same strategy with similar allocations. However, there are a number of scenarios or individual circumstances whereby a client could have a different implementation of Centrally Managed Strategies.

#### *Non-Discretionary Account Management*

Clients may hire United Capital to provide non-discretionary investment advisory services in limited circumstances in United Capital Advisory Accounts. Those services will usually include transactions that require a client to sign third-party documents prior to entering into a transaction, such as the purchase of alternative investment products made available through United Capital or an affiliate, including hedge funds, private equity funds, venture capital funds,



private real estate funds, private credit funds, and other private investments ("Alternative Investments"). Additionally, United Capital supports limited non-discretionary account management whereby, pursuant to an Investment Management agreement with United Capital, a client may direct those transactions be pre-cleared by the client before United Capital makes changes to a portfolio. While some clients may continue to have this arrangement with United Capital, United Capital no longer offers these types of arrangements to new clients except under limited circumstances.

#### *Sub-Advisory/Consulting Services*

United Capital provides discretionary management and customized investment advisory consulting services to other investment advisors and/or to broker-dealers. United Capital provides these sub-advisory and consulting services doing business as United Capital or FinLife Partners. When providing these services, United Capital charges a fee that is either individually negotiated for each consultation or based upon a percentage of client assets that United Capital manages as the subadvisor. Third-party advisors on the FinLife Platform are entitled to receive a credit on their advisory fees based on the assets under management with United Capital and amounts invested in registered mutual funds or ETFs managed by United Capital or Third-Party Managers. Sub-advisory services may be different from the services provided to clients of United Capital and certain strategies may be comprised of different funds or other securities than those of other clients for execution, availability, tax or other reasons. The fees that United Capital charges for sub-advisory services are typically different from fees charged to clients of United Capital. The specific services provided to the third-party advisors and broker-dealers are documented in a written agreement executed with each firm.

#### **Retirement Accounts and Retirement Plans**

United Capital provides discretionary and non-discretionary Investment Management services to individual retirement accounts ("IRAs") under IRC Section 408 or 408A, Coverdell Education Savings Accounts, tax-qualified retirement plans (including Keogh plans) under IRC Section 401(a), pension plans and other employee pension benefit plans subject to ERISA (collectively, "Retirement Accounts") through various managed strategies. This includes investment advice on (1) managed program selection, (2) manager and strategy selection, including Affiliated Managers and Unaffiliated Managers, and (3) asset allocation across the client's managed program Retirement Accounts. United Capital may also offer investment education to Retirement Accounts regarding manager and strategy selection.

Where Financial Advisors provide investment advisory or Investment Management services to Retirement Accounts pursuant to a written agreement, United Capital acts as a fiduciary pursuant to ERISA and/or the IRC. Any advice or recommendations made by United Capital with respect to assets that are not Retirement Account assets do not apply to and should not be used by the client for any decision with respect to any Retirement Account assets, which present different considerations. United Capital, in their sole discretion, can impose limitations on the investment services and strategies offered to Retirement Accounts.

United Capital also offers education and consulting services to plan sponsors of employer-sponsored plans and/or plan participants of employer-sponsored plans.

Department of Labor Acknowledgement of Fiduciary Duty – when we provide advice and recommendations to your retirement plan account or an individual retirement account, we are fiduciaries within the meaning of Title 1 Employment Retirement Income Security Act and/or the IRC. How we are compensated on these accounts creates a conflict of interest so we are under a special rule in which we must put our client's interests ahead of our own. Under the provision, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

## 529 Plans

United Capital provides discretionary and/or non-discretionary investment advice to clients on the selection of investments in 529 Plans. These 529 Plans typically are limited to advisor-assisted 529 Plans or classes of those plans. Once a client selects a 529 Plan, United Capital provides non-discretionary investment advice on selection of available investment options within the 529 Plan and, with the client's agreement, will direct the 529 Plan sponsor to invest the client's assets accordingly. Advice on 529 Plans available through United Capital is subject to advisory fees, which are separate and apart from any fees and expenses applicable to the 529 Plans and their investment options (including any funds that are available as investment options, as discussed elsewhere in this brochure). Less expensive plans or classes (including those not designed for use with a Financial Advisor) can be expected to be available elsewhere.

## Securities Class Actions and Proofs of Claims

United Capital is not obligated to file, nor will it act in any legal capacity with respect to, class action settlements or related proofs of claim. If requested by the client, United Capital will endeavor to provide the client with the required documentation, if available, as an accommodation to the client and at United Capital's sole discretion.

For some clients, United Capital has made available the services of Chicago Clearing Corporation ("CCC"), a company that specializes in the field of class action claims, or another vendor. This service is no longer available for new clients. Legacy clients and those branch offices utilizing CCC will continue to do so. If requested, United Capital periodically provides CCC with the transaction history for the client's United Capital Advisory Accounts and CCC subsequently monitors for any claim's activity related to the securities that have been purchased in the client's United Capital Advisory Account. CCC will monitor each claim that applies to the client, collect the applicable documentation, interpret the terms of each settlement, file the appropriate claim form, interact with the administrators and distribute any award due for the client's benefit. For their services, CCC charges a contingency fee of 20%, which is subtracted from the client's award when it is paid. The net proceeds are deposited directly into the client's United Capital Advisory Account or paid to the client by check. When a claim develops, CCC communicates directly with the claims administrator to file the claim on the client's behalf. CCC warrants that any specific private client information they receive will be maintained as confidential and will not be used or disclosed for any reason, except for the completion of the claim itself.

## Other Offerings

### Alternative Investments

If engaged by the client, United Capital will provide the client with non-discretionary advice with respect to buying, holding, selling, and trading interests in Alternative Investments that the client has personally chosen. Clients who choose to invest in Alternative Investments do so based on their own independent assessment of the investment opportunity. Alternative Investments are subject to a high degree of risk, are not suitable for all investors, and typically have limited liquidity. By themselves, Alternative Investments do not constitute a balanced investment portfolio. Clients should carefully review and consider potential risks before investing in Alternative Investments, including carefully reviewing all disclosure documents, private offering memoranda, prospectuses, or other offering materials provided by the Alternative Investments or by United Capital and any separate manager or third-party service provider of an Alternative Investments and/or consulting tax or legal counsel, if appropriate. It will remain the responsibility of the client to monitor the Alternative Investments that they personally chose for their portfolio.

United Capital will also provide discretionary advice with respect to buying, holding, selling, and trading interests in Alternative Investments that United Capital has vetted and chosen. United Capital makes available Alternative Investments through iCapital Advisors, LLC ("iCapital") and its affiliates. United Capital may also make available Alternative Investments through other third-party platform providers or directly by an Alternative Investment fund manager. These types of investments may be offered to eligible clients only. A client will sign a Private Fund Acknowledgment Agreement before transacting in Alternative Investments. United Capital will provide periodic monitoring and advice on these investments. In addition to the advisory fee and/or management fee, United Capital clients pay additional dealer management fees, access fund management fees or similar servicing fees to iCapital or other Alternative Investment service providers.

### Fixed and Variable Insurance and Annuities

United Capital will, if appropriate based on the client's financial needs, advise certain clients to include insurance as part of their portfolio. However, United Capital will not exercise discretionary control over Advisory Accounts to purchase an insurance product. United Capital is affiliated with the insurance agency United Capital Risk Management, LLC ("UCRM"). Certain Financial Advisors are also licensed as insurance agents with UCRM and receive compensation related to fixed life insurance policies and annuity contracts (together, "Fixed Products") as described in *Item 10*. Certain Financial Advisors are also licensed with LSF and receive compensation related to variable life insurance products and variable annuity contracts (together, "Variable Products"), as described below under Brokerage Activities in *Item 10*.

Financial Advisors will, based on a client's interest and financial planning needs, refer clients to one or more of United Capital's affiliates (including UCRM), or to an unaffiliated third-party general insurance agency for the placement of Fixed Products or to LSF for the distribution of Variable Products. Unless otherwise agreed by United Capital in writing or through a separate notice to or from an affiliate, in cases in which insurance products or annuities are made available to clients who do not receive advisory services, such engagement does not result in an investment advisory relationship with United Capital or any affiliate, and United Capital (including any affiliates) does not have a corresponding fiduciary duty with respect to such clients.

When United Capital refers clients to affiliates for Fixed Products or Variable Products, commissions may be paid subject to applicable law and such commissions will, in general, be paid to its employees if they hold appropriate state insurance licenses and, if applicable, securities licenses. When Financial Advisors recommend that a client include an insurance product as part of the client's portfolio or makes a referral of a client for the purchase of an insurance product, Financial Advisors are generally paid a commission or other compensation for such sale. See *Item 10* for more information. This creates a conflict of interest, as Financial Advisors have an incentive to place the insurance product as they will earn additional compensation as a result of the sale. If a recommendation is made or a client is referred to UCRM or LSF related to the purchase, redemption or exchange of an insurance policy, clients are not obligated in any way to execute through UCRM or LSF and/or any insurance agent affiliated with United Capital and/or any insurance agency with which its Financial Advisors may be licensed. Clients should understand that recommendations by insurance agents to purchase an insurance product is not made by United Capital in their investment advisory capacity, is not subject to the Investment Management agreements with United Capital, and is not subject to the same standard of care as investment recommendations provided by investment advisors.

Clients are not required to open and/or maintain accounts or purchase insurance or annuities through United Capital or their affiliates. Clients have the option to purchase insurance and annuities through brokers or agents that are not affiliated with United Capital.

Currently, United Capital accepts discretion to allocate Variable Subaccounts (as defined in *Item 8 – Variable Subaccounts*) on a limited basis as part of their broader Investment Management services. Except as described herein, United Capital does not provide advice or recommendations on the selection of Variable Subaccounts. Existing clients of United Capital may grant United Capital discretion to: (a) select Variable Subaccounts as defined above for clients' existing variable annuities and (b) allocate and reallocate any premiums among the Variable Subaccounts available from the specific annuity sponsor (collectively (a) and (b) are referred to as the "Variable Subaccount Allocation Services"). In performing Variable Subaccount Allocation Services, United Capital will only consider the Variable Subaccount options available within the specific annuity purchased by the client. United Capital does not determine which Variable Subaccount options are made available by insurance companies. In certain legacy arrangements, United Capital may also provide, for a fee, advice regarding the selection and reallocation of index investment options available under certain non-commission, fixed annuity products.

Insurance carriers offer certain types of annuity products for which no sales commissions are paid, but rather are only subject to an advisory fee for Variable Subaccount Allocation Services as agreed pursuant to the terms of the advisory agreement with the client ("Advisory Annuities"). In the event Advisory Annuities are offered for sale and/or service by LSF, United Capital will expand the circumstances in which they provide Variable Subaccount Allocation Services to include such Advisory Annuities. Fees for investment advice related to Advisory Annuities, generally a percentage of assets invested in the Advisory Annuity, may differ from fees otherwise agreed by United Capital for other investment

advice. The fees for the Advisory Annuities are commensurate with the services provided and generally will not exceed 1.5%. Advice for fixed annuity index allocations may also be expanded through this initiative.

United Capital will not exercise discretionary control over retirement assets to purchase an insurance product. Any changes in a client's Variable Products (re-allocations among Variable Subaccounts or otherwise) are subject to the terms and conditions imposed by the applicable variable annuity sponsor. The cash or surrender value of any variable annuity for which United Capital is providing Variable Subaccount Allocation Services is included in the total assets on which the advisory fee is calculated. The advisory fee is separate from, and in addition to, the management fees and expenses charged on a continuing basis by the variable annuity sponsor, insurance company, and/or associated investment manager.

If a client has not granted discretion regarding Variable Subaccounts as described above, United Capital may provide clients with education regarding asset allocation principles or examples of model portfolios.

### External Products

From time to time, certain Legacy External Products may be held in Advisory Accounts if the client previously held the position prior to becoming a client of United Capital. These Legacy External Products are not part of United Capital's platform and if they do not meet certain criteria, they will be classified as a Legacy Security as defined in United Capital's Investment Management agreement and be subject to United Capital's management fee. It will remain the client's exclusive ongoing responsibility for monitoring and taking other action with regard to such Legacy Security, including the disposition thereof. United Capital will not be responsible for the investment performance and/or adverse financial consequences of such Legacy Securities.

After investment products have been approved for offering by United Capital, Financial Advisors determine which products to select or recommend to clients. When considering potential investment products for a particular Advisory Account, Financial Advisors give different weights to different factors depending on the nature of the client. Such factors include quantitative considerations (such as the investment product's returns and performance consistency over specified time periods) and qualitative considerations (such as the investment product's investment objective and process), which are inherently subjective and include a wide variety of factors. Financial Advisors generally consider, for example, without limitation: (i) product-related factors, such as track record, index comparisons, risk and return assumptions; (ii) the Financial Advisors' experience and familiarity with particular potential investment products, and, if applicable, the Investment Management teams managing such investment products or their organizations; (iii) client-driven factors, such as the client's investment objective, the effect on the client's portfolio diversification objectives, consistency with the client's asset allocation mode and investment program, and the projected timing of implementation; and (iv) other factors, such as capacity constraints and minimum investment requirements. It should be expected that consideration of such factors will not be applied consistently over time or by a particular Financial Advisor across all Advisory Accounts or across different products and may play a greater role in the review of certain strategies or products while others play no role at all, and the factors are subject to change from time to time.

It should be expected that Financial Advisors will not review the entire universe of External Products that are appropriate for an Advisory Account. As a result, there may be one or more External Products that would be a more appropriate addition to the Advisory Account than the investment product selected by Financial Advisors. Such External Products may outperform the investment product selected for the Advisory Account.

### Securities-Based Loans and Margin

Clients may, if the use of leverage is determined to be a suitable investment strategy and legally permissible, be able to pledge account assets as collateral for loans obtained through certain affiliated and unaffiliated lenders ("Securities-Based Loans"). The Securities-Based Loans can be offered through Goldman Sachs Bank USA or other third-party banks. The Securities-Based Loan programs available to clients of the Advisor will depend on the Advisor and custodian selected by the client. There are risks, costs, and conflicts of interests associated with Securities-Based Loans and Margin loans made available to United Capital clients through Third-Party Custodians with the loans being provided on self-directed basis. United Capital does not recommend, monitor, or service such loans and any custodian communication facilitated from United Capital to clients regarding their margin loans is done so as a courtesy. Clients should regularly

monitor their loan activity and market values of their pledged accounts at their custodian. Interest or other fees charged for margin are paid to the custodian.

### Brokerage Activities

Certain Financial Advisors are registered with an unaffiliated broker dealer, LSF. These persons, in their capacity as registered representatives of LSF, can refer clients to LSF for brokerage services or effect securities transactions in brokerage accounts. Financial Advisors also refer clients to LSF for brokerage related services and United Capital refers clients to unaffiliated broker/dealers for other brokerage related services, including individually directed, non-discretionary brokerage accounts. Financial Advisors registered with LSF can also refer clients to LSF for Variable Products, as discussed above. Financial Advisors generally will receive commissions for these transactions. Clients are under no obligation to effect brokerage transactions through LSF. Because of the potential for Financial Advisors to generate a commission, Financial Advisors have an incentive to recommend insurance and investment products based on the potential compensation received, rather than the client's needs. See *Item 10 – Other Financial Activities and Affiliations* below.

LSF's primary role is to execute trades for the client based on the client's instructions and to place variable insurance products. The brokerage firm's obligations to the client are different when it acts as broker as compared to when United Capital acts as investment advisors. In brokerage relationships, the brokerage firm's interests will not always be aligned with the clients' interests, and any advice the brokerage firm gives is incidental to the brokerage services it provides. The client does not pay a separate fee for advice in brokerage transactions but compensates the brokerage firm for trade execution only by payment of a commission or, in the case of placement of an insurance product, the brokerage firm is paid a commission by the insurance company. In the brokerage account context, United Capital is not acting as a fiduciary investment advisor with respect to the assets held in a brokerage account (including an IDA). However, broker-dealers are subject to a best interest standard when recommending securities transactions or investment strategies to retail customers in brokerage accounts.

### Referrals to Third Parties

United Capital also provides referrals to unaffiliated third-party professionals ("Third-Party Professionals") to assist clients with recommendations, advice, financial planning strategies (including tax return preparation, household payment administration and bill payment), and services not directly related to United Capital's services. Unless otherwise indicated by United Capital in writing, United Capital does not undertake to, nor do they perform, specific due diligence regarding Third-Party Professionals and such referrals do not constitute recommendations by United Capital of the Third-Party Professional or their services. Referrals to Third-Party Professionals are made as an accommodation. United Capital does not undertake any fiduciary obligation when providing referrals to Third-Party Professionals. Services provided by Third-Party Professionals are distinct from those provided by United Capital and their affiliates and typically involve additional terms of service and related fees. Third-Party Professionals may be different from the service providers that United Capital and their affiliates use to provide the same or similar services due to regulatory limitations or other reasons. In instances where United Capital maintains a business relationship with a Third-Party Professional, such a relationship should not influence the referral or the service received by the Third-Party Professional.

### Legal, Tax, and Accounting Advice and Services

United Capital may, upon request, provide to clients various estate, insurance, tax, retirement, and investment planning that may include investment advice. The scope of such services will vary among clients and when limited to episodic and educational consultations, such services are not and should not be viewed as legal, tax, or accounting advice. United Capital may review with clients the general tax consequences of their investments, estate planning, philanthropic endeavors, real estate holdings, and certain other activities that may affect income tax, but any such review does not constitute tax advice. United Capital will refer clients to its affiliates for these types of services, for which the client will pay a fee that is different from the management fee that United Capital charges. See *Item 10* for more information on United Capital's affiliates.

United Capital may refer clients to non-affiliated companies offering tax preparation services. United Capital makes no representations as to the quality, accuracy, or results of any provider's tax return preparation services and is not liable for a client's ultimate selection and utilization of any particular provider. There may be other service providers offering

the same or similar products and services, either through United Capital, their affiliates, or the marketplace generally, that are more or less expensive. United Capital may provide documents and information or, if appropriate, facilitate payment to a provider in combination with the tax return preparation services provided by that provider to clients. The Advisor's limited involvement is not intended nor does it constitute an accountant-client relationship or tax advice.

### **FinLife Partners**

FinLife Partners, which is available through United Capital, provides a technology platform and related consulting services to third-party investment advisors, trust companies, and broker-dealers, including training, use of a certain technology platform, related marketing content and assistance in preparing certain client deliverables. The technology platform services do not include individual investment management or guidance provided directly to retail clients. Third-party advisors pay FinLife Partners an onboarding fee and a flat fee for its services for each financial advisor who uses the technology. FinLife Partners may also make available United Capital's sub-advisory services or mutual funds and ETFs managed by United Capital or other third parties. Depending on how third-party advisors structure their agreement with their retail clients, their retail clients will pay a portion of the investment management fees paid to FinLife Partners. Some retail clients pay different fees depending on the third-party advisor's arrangement with FinLife Partners. Such arrangements are negotiated between United Capital and the FinLife Partner. The FinLife Partner may also receive discounts towards the cost of technology platform based on their use of United Capital's sub-advisory services or mutual funds and ETFs managed by GSAM.

### **Wrap Fee Programs**

United Capital historically has offered certain managed strategies or accounts under a wrap fee whereby Execution Charges (custodian transaction fees and execution charges, including commissions, commission equivalents, mark-ups, mark-downs and spreads, unless waived by a third party (collectively, "Execution Charges"), custodian costs, technology platform fees, and/or other operational costs were included in the advisory fee. While some legacy clients may still have accounts under this arrangement, such fee structures are no longer available for new United Capital clients. For more information, please refer to United Capital's Wrap Fee Program Brochure located at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Persons Residing Outside of the United States**

Before engaging United Capital to provide services to a person residing outside of the United States, clients are required to enter into an Investment Management Agreement that sets forth the terms and conditions of the engagement (including termination) describing the scope of services to be provided. The client understands that some services may be restricted or limited due to custodial rules and other factors. Investment models and strategies may differ from our typical recommendations including, but not limited to, the foreign tax treatment of transactions in the United States. Foreign jurisdictions and requirements may also impact our ability to service accounts or provide additional disclosures depending on the country. It will be the responsibility of the client to satisfy all legal and tax reporting requirements of the United States and all applicable foreign governments.

Each custodian will have their own policies regarding the country the client resides in and the custodian has the right to decline to open or maintain the account. The custodian also has policies regarding applicable customer identification and anti-money laundering regulations.

It will remain in the sole discretion of United Capital to decline engagement with any prospective client living outside the United States or terminate an engagement with an existing client if they move outside the United States.

### **Assets Under Management**

Clients may elect to have assets in account(s) managed by the Financial Advisors, United Capital or Unaffiliated Managers. The figures below include those assets as well as investments in pooled vehicles reflected in Advisory Accounts that are managed by a third party. Excluded from the figures below are assets tied to clients of third-party investment advisors who utilize FinLife Partners.

Assets managed by United Capital is approximately \$17,693,379,042.29 as of December 31, 2023 which \$16,760,952,184.95 is managed on a discretionary basis and \$932,426,857.34 is managed on a non-discretionary basis.



## Item 5 — Fees and Compensation

United Capital is generally compensated through Financial Planning fees and/or Investment Management fees that are charged to clients, along with other fees that may be charged by affiliates. Clients are also responsible for third-party fees and charges, as described in more detail below.

### Investment Management Fees

Advisory fees are agreed upon with each client and confirmed in writing, which may be amended from time to time. United Capital typically charges an annual percentage-based fee for investment management. The fee is calculated based on the fair market value of the last day of the calendar quarter. Fees are annualized and applied quarterly in advance based on the number of calendar days of the quarter unless previously agreed that the fee will be paid in arrears. If a client terminates during the quarter, the pro-rated unearned fee will be returned to their Advisory Accounts. Account values are obtained from reliable sources when calculating the management fee. United Capital's annual investment management fees (between negotiable and 1.5%) are generally as followed:

Maret Value of Portfolio	% of Assets
\$0-\$500,000	1.50%
\$500,000 - \$1,000,000	1.25%
\$1,000,000 - \$3,000,000	1.0%
\$3,000,000 - \$5,000,000	0.75%
\$5,000,000 - \$10,000,000	0.65%
Over \$10,000,000	0.55%

Though this is United Capital's general fee schedule, in their sole discretion, United Capital can charge a tiered rate for the annual fee instead of a flat fee. The fee will be agreed upon and signed off by the client. Clients generally pay, as applicable, (i) an annual advisory fee that compensates United Capital for providing investment advisory services and Financial Planning (sometimes referred to as "Financial Guidance") in connection with the client's account; (ii) fees that compensate the Managers of each managed strategy in the client's account ("Managed Strategy Fees"); (iii) operational costs, including reporting, model maintenance, and other operational costs; and (iv) custody and Execution Charges.

Unless expressly excluded, we calculate our management fee against all assets in the investment account. Therefore, fee calculations include cash balances invested in money market funds, short-term investment funds, ETFs, mutual funds, the entire market value of margined assets and short positions (if any), alternative investments (if any), and all other investment holdings. Your advisory fee may sometimes exceed the money market yield, specifically during low-yield environments.

The market value of the client's account will be increased to the extent that margin is employed in managing the client's investment portfolio. Therefore, the corresponding fee payable by the client to United Capital will increase because margin is included in the balance of the client's overall management fee calculation. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the conflict of interest between United Capital and the client whereby we may recommend the use of margin, which will also increase the management fee payable to United Capital. This affects clients with a margin balance at the time of billing.

Minimum balances or minimum fees are modified and/or waived at the sole discretion of United Capital or their affiliates, as applicable. Certain clients may have access to strategies or products that may not be available to other clients and pursuant to different fee schedules or fee structures. Certain strategies may be available to United Capital's affiliates, or employees of United Capital and their affiliates, at lower rates than those available to clients. The same strategy or product can be subject to different fee schedules based on the Financial Advisor's management of the Advisory Account or the client's agreement with the Advisor on a particular advisory strategy.

The advisory fee will vary depending on a number of factors. Further, the advisory fee may be negotiated and customized depending on several factors as discussed. The advisory fee is generally determined at the time of initial investment; subsequent increases or decreases in investment size do not result in an adjustment to the advisory fee, unless specifically negotiated. United Capital Advisory Accounts fees are subject to change and the fees United Capital charges some clients will be different from the fees charged to other United Capital Advisory Accounts. A client may pay more or less than another client invested in similar strategies, asset classes or products, or where a client moves to United Capital from a United Capital Financial Advisor's prior firm or from an affiliate. Further, fees may vary depending on the custodian chosen by the client.

With respect to Retirement Accounts, United Capital's ability to collect certain fees and other compensation, to engage in certain transactions (including principal trades) and provide certain services may be limited by ERISA or the IRC and the regulations promulgated thereunder.

United Capital has acquired certain client relationships through its business acquisitions and recruiting efforts. To accommodate such transitions, the fees United Capital charges these clients is typically determined by the prior investment advisor relationship. Based on arrangements accompanying the transitions, some clients pay higher or lower rates than United Capital's current advisory fee rate. Through the acquisition of such firms, their billing practices may differ from that of United Capital. United Capital will work on transitioning the client to the United Capital billing procedures as set forth above. If applicable, any acquired client that terminates their advisory services will be promptly issued a refund for any unearned advisory fees paid.

There are also certain legacy fee arrangements in connection with accounts that have moved from an affiliate or for which an affiliate delegated the Investment Management to United Capital. Those legacy fee arrangements include asset-based advisory fees where the fees are charged differently depending on the sub-asset class and are subject to the fee schedules set in the brochures provided by the affiliates. The asset-based pricing model provides for lower fee rates on certain asset classes versus others, so that a client whose investments are primarily in such lower fee asset classes may have fees that are lower than those of another United Capital client who may have a similar asset allocation.

To the extent clients have entered into a wrap fee arrangement with United Capital, the wrap fee will typically cover United Capital's advisory fee, custody, Execution Charges, and operational costs. Some wrap fees may also include Managed Strategy Fees or some other combination of fees. Wrap fee arrangements may cover a client's entire Advisory Account or only with respect to certain Locally Managed Strategies or Centrally Managed Strategies.

For any client that is under the previous Client Agreement (anything dated prior to March 31, 2024) the following additional calculation is conducted for the quarter. For legacy United Capital Advisory Accounts and clients and for new assets added after the start of a quarter, the advisory fee will begin accruing on the date cash or in-kind transfers have been credited to a client's custodial accounts and either be billed when the assets are available to be managed by United Capital or in arrears after the end of the quarter. United Capital does not charge a pro-rated advisory fee for new money, if less than \$20,000 is added during a quarter, and does not credit any pre-paid advisory fee for Advisory Account withdrawals of less than \$20,000. It should be expected that the dollar threshold for crediting and debiting fees will change over time, at United Capital's discretion.

United Capital sends the custodian an invoice for quarterly fee debits, or, in some limited instances agreed upon by client and United Capital, clients can submit payment by check. United Capital is authorized (and any applicable Manager) to debit the advisory fee and any Managed Strategy Fees from client Advisory Accounts with custodian. Clients are encouraged to review the quarterly statement they receive from their account custodian showing the amount of Investment Management fees that have been debited from their United Capital Advisory Account.

Unless clients have previously agreed to a wrap fee arrangement with United Capital, clients will pay the additional investment implementation fees described below. If clients have entered into a wrap fee arrangement, they should refer to the United Capital Wrap Fee Brochure (ADV Part 2A – Appendix 1) for more information.



*Managed Strategy Fees.* Managed Strategy Fees begin accruing when assets in a United Capital Advisory Account (except for Retirement Accounts) are allocated to a managed strategy. The description of Managed Strategy Fees herein is meant to provide a general understanding of how Managed Strategy Fees are charged. The terms of a particular Managed Strategy Fee charged by a portfolio manager are subject to the terms of each portfolio manager's brochure. Unless a client specifies otherwise, or in the case of advice, for example, on 529 Plans, the advisory fee and Managed Strategy Fees will be debited proportionately from the accounts in which they accrued. The advisory fee for advice on 529 Plans or potentially other types of arrangements will be billed directly to the client or debited from another United Capital account (i.e. an account other than the 529 Plan) for the client. Specific Managed Strategy Fees are disclosed to clients in the United Capital Portfolio Manager Fee Summary available at <https://guidecenter.finlife.com/feeschedule>.

### Financial Planning and Guidance Fees

Generally, United Capital clients that receive only Financial Planning pay a Financial Guidance fee. Some clients pay a negotiated Financial Guidance fee in addition to an advisory fee where such separate fees were historically paid by the client. Such arrangements are specifically negotiated between United Capital and the client. The general range of the Financial Guidance fee is typically between \$2,500 and \$55,000 per year, paid quarterly in advance but may be significantly higher or lower. Fees for Financial Planning are negotiated and can vary for many reasons, including the scope and size of the relationship and the client's individual circumstances and needs. Prior to March 31, 2020, certain clients agreed to pay for Financial Planning as a percentage of assets, a flat dollar amount, or hourly fees at a minimum of \$200 per hour and a maximum of \$500 per hour. Typically, the Financial Planning fee is due quarterly in advance; however, some clients may have different legacy payment arrangements.

### Billing

Billing arrangements related to Financial Planning, educational programs, and seminar fees (as applicable) are negotiable. Clients may be billed directly, and/or the client may authorize the payment of fees directly in writing from certain eligible investment accounts. Payment of fees from a client's investment account will impact the overall investment return relative to such account. Unless otherwise agreed and as specifically noted below, upon termination of a Financial Planning relationship before prepaid services are rendered, United Capital will refund such portion of the management, Guidance or Financial Planning fee that has been prepaid but remains unearned.

Financial Planning, educational programs, and seminar fees (as applicable) may be adjusted automatically by terms mutually agreed upon by United Capital and the client. Examples of automatic adjustment include increases to Financial Planning and certain program fees (e.g., the annual account maintenance fee, if applicable) based on an increase in the Consumer Price Index ("CPI") for the services industry. United Capital also reserves the right to adjust fees in the event of extraordinary circumstances. In such cases, the client and/or third party responsible for payment for services will be notified of any such proposed adjustment.

### Other Fees and Expenses

#### Advisory Services

Financial Planning fees only cover Financial Planning and do not cover any other services, accounts, or products that clients obtain from United Capital or their affiliates provided that the cost of certain non-investment advisory services (e.g. business tax preparation) may be included when clients are charged for Financial Planning. Unless otherwise agreed, clients who receive Investment Management services through United Capital will pay additional fees and expenses in connection with such services. Those fees and expenses are described below. Clients who receive Investment Management services through affiliates will also pay separate fees and expenses for those services, which are described in the affiliate's ADV Part 2A brochure and in any applicable fee schedules or agreements.

### Alternative Investment Fees

United Capital may recommend that a client invest a portion of the client's assets, as permitted, in an Alternative Investment, based on the individual client's risk tolerance, objectives and eligibility. Actual fees paid to the Alternative Investment fund are disclosed in the private placement memorandum ("PPM"), a supplement to the PPM or in a prospectus of the Alternative Investment fund.

An advisory fee in unaffiliated Alternative Investment offering documents, is assessed on assets invested in Alternative Investments in advisory accounts. In addition, clients investing in Alternative Investments may pay an additional management fee, which has a range, and an access fund management or servicing fee paid to iCapital. The amount United Capital is compensated for Alternative Investment recommendations and investment management services associated with the Alternative Investment varies by Alternative Investment. United Capital has an incentive to recommend the investment vehicle that pays a higher fee. Additionally, certain Alternative Investments will increase the amount paid to United Capital based on the amount of assets invested by United Capital's clients. Clients of United Capital are under no obligation to invest in, and can choose to not invest in, Alternative Investments.

### Underlying Fund Fees and Pooled Investment Fees

Advisory Account assets invested in certain funds (including U.S. and non-U.S. investment companies as well as other pooled investment vehicles, including collective trusts, ETFs, closed-end funds, business development companies, private investment funds, special purpose acquisition vehicles, and operating companies) pay all fees and expenses applicable to an investment in the funds, including fixed fees, asset-based fees, performance-based fees, carried interest, incentive allocation, and other compensation, fees, expenses and transaction charges payable to the managers in consideration of the managers' services to the funds and fees paid for advisory, administration, distribution, shareholder servicing, sub-accounting, custody sub-transfer agency, and other related services, or "12b-1" fees. Fund fees and expenses are described in the relevant fund prospectuses and are paid by the funds but are ultimately borne by clients as shareholders in the funds. These fees and expenses are generally in addition to the advisory fees (if any) each Advisory Account pays to the Advisor and any applicable Execution Charges. In other circumstances advisory fees will be waived if required by applicable law. The custodians (or their broker-dealers) make available mutual fund share classes on their platforms at their sole discretion. Different mutual funds with similar investment policies, and different share classes within those funds, will have different expense levels. The share classes made available by the various custodians (or their broker-dealers) and which the Advisor selects for clients' accounts will not necessarily be the lowest cost share classes for which clients might be eligible or that might otherwise be available if clients invested in mutual funds through another firm or through the mutual funds directly. In addition, a manager of a private investment fund typically receives deal fees, sponsor fees, monitoring fees or other similar fees for services provided to portfolio companies. The fees and expenses imposed by a private investment fund may offset trading profits and, therefore, reduce returns. An investor in a fund-of-funds vehicle also bears a proportionate share of the fees and expenses of each underlying investment fund. These fees and expenses generally differ depending on the class of shares or other interests purchased.

Mutual fund and ETF fees and expenses will result in a client paying multiple fees with respect to mutual funds and ETFs held in an Advisory Account and clients may be able to obtain these services elsewhere at a lower cost. For example, if a client were to purchase a mutual fund or ETF directly in a brokerage account, the client would not pay an advisory fee to its Advisor. For additional information on compensation earned for the sale of these products, please see below and *Item 10 – Other Financial Industry Activities and Affiliations*.

Certain investors that are invested in pooled investment vehicles pay higher or lower fees or are subject to higher or lower incentive allocations than similarly situated investors that are invested in the same pooled investment vehicle. Amounts vary as a result of negotiations, discussions and/or factors that include the particular circumstances of the investor, the size and scope of the overall relationship, whether the investor has a multi-strategy, multi-asset class or multi-product investment program, or as otherwise agreed with specific investors. Fees and allocations charged to investors may differ depending on the class of shares or other interests purchased.

### Compensation for the Sale of Securities and Other Investment Products

United Capital and, in many cases, the Financial Advisors (including those who provide Financial Planning) receive compensation based upon the sale of securities (including Goldman Sachs managed funds), banking products and other investments and services to clients. Such compensation creates a conflict of interest that gives United Capital and certain Financial Advisors an incentive to recommend securities, banking products and other investments or services based upon the compensation received. Fees are higher for some products or services than others, and the compensation paid to United Capital and certain Financial Advisors is greater in certain cases. Clients are not entitled to receive any portion of such additional compensation. The amount of compensation paid to Financial Advisors will be more or less depending on many factors, including the managed strategy selected, the length of time clients' assets remains under

management, and the client's fee arrangement. Moreover, the timing of compensation to Financial Advisors differs as between investment products and annuities. With respect to Retirement Accounts, Financial Advisors receive the same compensation regardless of the managed strategy selected. Not all clients are eligible for or offered all products. Further, Financial Advisors who transfer from one affiliate to another or joined the advisor via acquisition may continue to receive compensation under the same terms that they did prior to the transfer and such terms may differ from the compensation arrangements of other advisors. In addition to the information contained in this Brochure, other potential conflicts of interest, if any, are disclosed in strategy and transaction specific documents provided to clients from time to time and in separate agreements, including agreements for Investment Management services.

Clients may allocate assets to Separately Managed Accounts managed by Financial Advisors or to wrap fee accounts. Wrap fee accounts are managed by Unaffiliated Managers.

The advisory fee paid for Separately Managed Accounts to United Capital does not include Execution Charges, custodial or other fees, which instead are paid separately by the client. If the wrap fee or the investment advisory fee charged to strategies where Execution Charges are currently waived is not priced to account for the total cost of Execution Charges expected to be generated in a traditional separate account, the client may pay more for the traditional separate account.

In some cases, a wrap fee charged by United Capital typically will be greater than the fees that are charged for a different advisory program offered by United Capital that do not include costs for execution, custody or other services utilized by the client. The Wrap Fee Program is no longer available to United Capital clients. Those legacy clients in a wrap fee program can refer to United Capital's Wrap Fee Program Brochure located at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

United Capital's unaffiliated broker-dealer, LSF, and its affiliated insurance agency, UCRM, receives insurance commissions and other compensation from insurers for the distribution of insurance policies and annuities, including Variable Products, which inure to the benefit of United Capital. Commissions and other compensation are paid to LSF and UCRM by insurance companies for the placement and distribution of insurance and annuity products. These commissions and other compensation may be paid to LSF and UCRM for acting as a retail distributor, wholesale distributor, or both. Other compensation from the insurance companies might also include various incentives in addition to standard commissions or referral fees, including legacy contingent commissions, and other awards and bonuses, such as trips, expense allowances, marketing allowances, training and education. Incentive or contingent compensation is based upon a variety of factors including the level of aggregated premiums, client retention, revenue growth, overall profitability, or other performance measures pre-established by insurance companies. This incentive or contingent compensation is not tied to any individual transaction. Financial Advisors licensed as insurance agents receive referral fees when they refer clients to internal insurance teams, subject to applicable law. Compensation to licensed Financial Advisors will vary based on the insurance or annuity product type selected. As compared to managed investment strategies available through United Capital or their affiliates, the amount of compensation to Financial Advisors is more or less depending on many factors including the strategy selected and the length of time assets remain under management. Moreover, the timing of compensation to Financial Advisors differs as between investment products and annuities. Such compensation creates a conflict of interest that gives United Capital and such Financial Advisors an incentive to recommend insurance policies and annuities based on the compensation received.

Financial Advisors who participate in compensation plans are compensated based on revenues generated by Financial Planning and client accounts, including advisory fees, commissions and other revenues related to the purchase and sale of securities, insurance and banking products, and fees associated with other products as applicable. Such compensation creates an incentive for Financial Advisors to recommend certain investments or pricing models based on the compensation received. Fees are higher for some investments and services, and the compensation directly or indirectly paid to Financial Advisors is greater in certain cases. Certain Financial Advisors are eligible for additional compensation based upon revenue generated by client accounts and growth in client assets. No matter which compensation plan applies at a given time, Financial Advisors' compensation varies according to the level of fees they charge (including whether Advisory Accounts are set up as wrap fee or non-wrap fee accounts), and they are motivated to charge higher fees and other charges in order to earn greater compensation.

Certain eligible Financial Advisors who retire from United Capital may also continue to collect a percentage of revenue generated from client accounts or other fees for a period of time after retiring from the firm in accordance with United Capital' internal policies, the terms of the applicable agreement between United Capital' and the Financial Advisor, and applicable law.

### Transaction Fees

Depending on the strategy or investment selected, clients will pay transaction fees and execution charges, including commissions, commission equivalents, mark-ups, mark-downs and spreads, unless waived by a third party (collectively, "Execution Charges"). Generally, clients will be responsible for payment of all Execution Charges arising from transactions effected for client accounts to third parties if a third party is providing execution services (other than for wrap accounts). Commission schedules vary depending on the custodian and clients may pay more or less in Execution Charges depending on the custodian, including when the same strategies are offered through multiple custodians. Additionally, compensation paid to United Capital and Financial Advisors based on Execution Charges differs depending on the custodian.

Third-Party Custodians reserve the right to charge fees in addition to what is described below including trade away fees and fees related to specific investments such as mutual funds and alternative investments. For a complete list of transaction fees that may apply to Advisory Accounts, clients should review their customer agreements with the applicable custodian. Additionally, from time to time, Execution Charges are waived by the broker-dealer or paid by United Capital on behalf of the client.

Transaction fees are charged by the broker-dealer executing the transactions for client accounts. Clients will be responsible for payment of all commissions (and commission equivalents), transfer fees, registration costs, taxes and any other costs and transaction-related expenses and fees arising from transactions effected for client accounts, including markups, markdowns, and spreads on principal transactions, auction fees, fees charged for specified securities transactions on exchanges and in the over-the-counter markets, American Depositary Receipt execution costs (such as conversion or creation fees, foreign exchange costs and foreign tax charges), debit balances and margin interest, certain odd-lot differentials, transfer taxes, electronic fund and wire transfer fees, fees in connection with trustee and other services rendered by custodian, fees on NASDAQ trades, certain costs associated with trading in foreign securities and other property, and any other charges mandated by law or otherwise agreed to by the client and United Capital or custodian unless the client has a wrap fee structure; certain fees in connection with trust accounting, or the establishment, administration, or termination of Retirement Accounts or other fees in connection with the provision of services by the Retirement Account trustee or custodian, as applicable. The custody, brokerage, and other expenses clients are charged by the custodian will be different from those incurred by clients that use a different custodian. Commissions will be reflected on the confirmations clients receive for such trades. Execution charges in connection with any trades in fixed income securities will be included in the net price shown (but not separately itemized unless required under applicable law) on client confirmations for such trades. United Capital does not reduce their advisory fees to offset Execution Charges except to the extent required by applicable law.

If United Capital provides services to Advisory Accounts that have separate fees or costs not included in the advisory fee, then United Capital (as applicable) will be entitled to retain such amounts and they will not offset any other fees or compensation, unless expressly agreed.

### Custody, Administration and Other Fees

Custody fees, administration fees and all other fees charged by service providers providing services relating to Advisory Accounts are generally levied by the custodian, the administrator or other service providers for the Advisory Account. While fees charged by service providers providing services relating to Advisory Accounts are generally not included in the advisory fees payable to United Capital, United Capital may receive a portion of this revenue. The client will be charged for non-standard service fees incurred as a result of any special requests made by the client, such as overnight courier or wiring fees. Custodians may also charge clients account transfer and/or termination fees.

Custodial transaction fees (for transactions executed through the custodian's broker-dealer) will be paid by the client or by the Advisor as negotiated and stated in the client's agreement with the account custodian. Additional fees charged

to clients by the custodian include, but are not limited to, fees related to custodial and clearing agent services, maintenance of portfolio accounting systems, preparation and mailing of client statements, account processing, systematic withdrawals, redemptions, terminations, account transfers, Retirement Account custodial services, or maintenance of a client inquiry system.

Depending on the custodian relationship, the Advisor, and/or the account type, additional expenses charged to an Advisory Account, either directly or indirectly through a Manager, investment advisor or vendor, could include debt-related expenses, investment related expenses, expenses relating to hedging, professional fees and/or trustee fees. Those fees will be dependent upon the Manager, investment advisor, or vendor and the agreement with the client.

Additionally, a transaction cost is charged by the SEC to sellers of securities that are traded on stock exchanges and subsequently assessed to clients. These fees are required by Section 31(b) of the Securities Exchange Act of 1934 and are charged to recover the fees associated with the government's supervision and regulation of the securities markets and securities professionals.

#### Terminated Accounts

If United Capital's services are terminated by written notice by either party and the advisory fee was paid in advance, United Capital will conduct an analysis of services provided to determine whether any pre-paid costs were unearned, and any such unearned pre-paid costs will be refunded to the client on a pro rata basis. If the advisory fee was paid in arrears, fees will be prorated and due upon termination or for partial periods as applicable.

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

United Capital does not charge performance-based fees. Client investments in certain Alternative Investments offered by Goldman Sachs, such as private funds, are subject to performance fees assessed by those investment managers. United Capital receives an allocation for performance fees for such Alternative Investments managed by GSAM.

### **Item 7 — Types of Clients**

#### Investment Management

United Capital generally provides Investment Management to corporate pension and profit-sharing plans; corporations, government entities; individuals, high net worth individuals, who invest directly, as individuals, or through private investment vehicles, such as privately held corporations, partnerships or limited liability companies; profit sharing plans; trusts; estates; endowments; public charities; private foundations; and charitable organizations. United Capital also provides Investment Management services to institutional clients and charitable organizations. In addition, United Capital provides investment advice to unaffiliated investment advisors.

To open or maintain an Advisory Account with United Capital, clients are required to sign an Investment Management Agreement that, among other things, describes the nature of the Investment Management authority granted to United Capital. The agreements may be different depending on a number of factors including the products and services for which the client may be contracting and the Advisor and/or custodian that the client selects.

United Capital generally accepts discretionary authority to manage accounts with minimum assets of at least \$500,000. The United Capital Financial Advisor has discretion to make exceptions to the minimums, as the Financial Advisor deems appropriate. United Capital generally requires institutional clients to have assets under management with United Capital of at least \$2,000,000 to receive Investment Management services. United Capital may waive account minimums for institutional clients in its sole discretion.

If at any time the client's account is less than the account minimum and/or household size designated, the Investment Management agreement is subject to termination by their Advisor after formal written notice is provided to the client.

Generally, Investment Management or Financial Planning services provided by United Capital are limited to clients that are United States citizens or residents, or otherwise subject to United States tax laws. United Capital's services may be limited for, or altogether unavailable to, clients, individuals, or entities that are not United States citizens or that reside

outside the United States. When a Financial Planning client or a Related Party elects to also receive Investment Management services through United Capital, Financial Advisors are responsible for analyzing the financial needs of each particular client and determining the suitability of the Investment Management services.

#### Financial Planning and Guidance

Financial Planning is typically provided to individuals who enter into Financial Planning agreements directly with United Capital. On a limited basis, United Capital provides Financial Planning directly to trusts pursuant to customer agreements entered into directly by the trust.

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

#### Methods of Analysis

Advisory Accounts managed by Financial Advisors invest in multiple asset classes. Different Financial Advisors may use different tools, analysis and other inputs to advise Financial Planning clients or manage Advisory Accounts. These strategic or tactical models are generally implemented through internally and externally managed products, including funds and separate accounts. However, there is no guarantee that the actual performance of any Advisory Account will, in fact, track these recommendations. In the event the models or research cease to be published at any time, an Advisory Account will need to be managed differently.

The frequency and timing of transactions in Advisory Accounts vary significantly, and certain investment strategies, such as index strategies, trade infrequently. Other strategies are tactical and adjust depending on micro- and macro-economic indicators. When there is significant trading activity, there is a potential that a wash sale is generated, negating the taxable advantage of realizing investment losses from sale of securities. Other strategies attempt to improve the taxable consequence of the assets invested, using tax loss harvesting and other tax management strategies. When deploying tax loss harvesting and other tax management strategies, United Capital does not guarantee the ability to reduce the taxable consequence from managing assets. Further, attempts to reduce the taxable consequence of a portfolio may cause a disparity in the performance of the Advisory Account where, for example, certain assets are not sold when they might have been sold if taxes were not considered.

#### Investment Philosophy and Strategies

United Capital believes that wealth management is about managing wealth so that the client can feel more confident about using their money to live the life they want today while planning for tomorrow. A critical component of United Capital's investment philosophy is to help clients achieve their goals for today and for the future based on their unique and personalized financial plan. Specific portfolios can be tailored to each client's needs and preferences. As a fiduciary, we endeavor to put our client's interests first. United Capital has an Investment Policy Committee that meets regularly to review both quantitative and qualitative factors. Broadly speaking, United Capital believes in long-term goals while keeping in mind that portfolios can adapt to our clients' lives as things continue to change in the world.

#### Asset Allocation Models

In formulating asset allocation advice, Financial Advisors rely on strategic allocation models prepared by the Investment Policy Committee ("IPC") third parties. However, there is no guarantee that any client's portfolio will, in fact, track these models. Depending on individual clients' circumstances or instructions, portfolios may be subject to concentration risk; that is the increased risk of loss associated with not having a diversified portfolio (*i.e.*, investments concentrated in a geographic region, industry sector or issuer are more likely to experience greater loss due to an adverse economic, business or political development affecting the region, sector or issuer than an account that is diversified and therefore has less overall exposure to a particular region, sector or issuer).

#### Legacy Managers

A "Legacy Manager" is a manager of a mutual fund, ETF or Variable Subaccount that has not been recommended by United Capital. United Capital does not make any recommendations concerning Legacy Managers.

As an accommodation, United Capital will include investments managed by Legacy Managers in asset allocation discussions or in an asset allocation and other financial planning exhibits and provide clients with Legacy Manager



information prepared by third parties upon request; however, any decision to invest or maintain assets with a Legacy Manager is determined solely by the client. United Capital and its affiliates are not responsible for the selection, supervision, management, performance or other similar services of or in connection with any Legacy Manager.

United Capital and its affiliates do not assume any liability related to a client's acquisition, disposal or holding of investments managed by a Legacy Manager. United Capital will rely on information provided by or on behalf of clients when including a Legacy Manager in asset allocation discussions or preparing an asset allocation and other Financial Planning exhibits. Neither United Capital nor its affiliates verify the accuracy or completeness of the information concerning Legacy Managers provided by or on behalf of clients.

### Retirement Accounts

For Retirement Accounts, Financial Advisors provide recommendations or investment advice as part of Investment Management only where United Capital agrees in writing to do so with respect to the particular Retirement Account.

If a client maintains both Retirement Accounts and other accounts, that are not Retirement Accounts, with United Capital, any advice or recommendations made by United Capital for an account that is not a Retirement Account does not apply to, and should not be used by the client for any decision made regarding, a Retirement Account.

### Single Stock and Bond Positions

As part of its Financial Planning, United Capital provides recommendations to clients concerning participation in corporate benefit plans and changes in investment elections under their corporate benefit plans, however, Financial Advisors generally do not make single stock or bond recommendations with respect to positions held within such corporate benefit plans. With respect to a client's single stock or bond positions, investment services provided by Financial Advisors are generally limited to addressing asset allocation issues, and do not include any other investment advice related thereto. However, some United Capital Financial Advisors may continue to provide recommendations related to single stock or bond positions that were transferred into an Advisory Account at the client's direction.

### Variable Subaccounts

Certain Advisory Accounts managed by United Capital may receive advice on, or recommendations of, individual Variable Subaccounts.

With the exception of certain United Capital clients receiving Variable Subaccount Allocation Services and when applicable, the Advisory Annuities, any assessment as to whether a particular Variable Subaccount fits within a client's investment objectives and any decision to allocate premiums to a particular account must be determined solely by the client. United Capital does not have discretion to allocate premiums on behalf of clients. Inclusion of any Variable Subaccounts in any model portfolio(s) is based on the information provided by the issuing carrier and/or third-party database providers and United Capital has not verified the accuracy or completeness of any information provided by or about the Variable Subaccount. Performance of any Variable Product will be impacted by the performance of the Variable Subaccounts selected by the Advisor or the client. Past performance of Variable Subaccounts may not be indicative of future results. Variable Products have inherent risks, will fluctuate in value, incur losses based on the performance of selected financial indices or sub-accounts, are suitable only as long-term investments, and should not be viewed as short-term trading vehicles. Clients should carefully review the prospectus and other offering documents for more information on variable annuities.

Clients should understand that all investment strategies and the investments made when implementing those investment strategies involve risk of loss and clients should be prepared to bear the loss of assets invested and, in the case of uncovered option strategies, beyond the amount invested. The investment performance and the success of any investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investments fluctuates due to market conditions and other factors. The investment decisions and recommendations made and the actions taken for clients' accounts are subject to various market, liquidity, currency, economic and political risks, and will not necessarily be profitable. Past performance of accounts is not indicative of future performance.

### General Risks

This Brochure does not include every potential risk associated with an investment strategy or all of the risks applicable to advisory services generally, a particular Advisory Account, or in connection with recommendations made by United Capital. Rather, it is a general description of the nature and risks of investing and of the strategies and securities and other financial instruments in which Advisory Accounts may invest.

In addition to the foregoing risks, the following risks should be considered before deciding on any investment or investment strategy for an Advisory Account.

- *Alternative Investment Risk* - Alternative Investments (1) involve a high degree of risk, (2) often engage in leveraging and other speculative investment practices that increase the risk of investment loss, (3) can be highly illiquid with extended lock-up periods where assets may not be sold, (4) may lack a secondary market to purchase shares that investors care to redeem, (5) are not required to provide periodic pricing or valuation information to investors, (6) sometimes involve complex tax structures and delays in distributing important tax information, (7) are not subject to the same regulatory requirements as publicly traded securities, (8) often charge high fees which offset any trading profits, and (9) in many cases execute investments which are not transparent and are known only to the investment manager. The use of a single manager applying generally similar trading programs could mean lack of diversification and, consequently, higher risk. There is often no secondary market for an investor's interest in Alternative Investments, including hedge funds and managed futures, and none is expected to develop. There may be restrictions on transferring interests in any Alternative Investment. Alternative Investments may execute some portion of their trades on non-U.S. exchanges. Investing in foreign markets generally entails risks that differ from those associated with investments in U.S. markets.
- *Asset Allocation and Rebalancing Risk* – The risk that an Advisory Account's assets are out of balance with the target allocation. Any rebalancing of such assets may be infrequent and limited by several factors and, even if achieved, may have an adverse effect on the performance of the Advisory Account's assets.
- *Additional Risks Related to Portfolio Construction Services* – Certain strategies are composed of a selection of mutual funds and have a primary objective of capital growth in a low volatility (relative to equities) and diversified manner when compared to core equity and bond markets. These strategies may invest in alternative mutual funds that use investment strategies that differ from more traditional investment and trading strategies typical in the mutual fund industry. Compared to a traditional mutual fund, an alternative fund may hold more non-traditional investments and employ more complex trading strategies. Examples include hedging and leveraging through derivatives, short selling and "opportunistic" strategies that change with market conditions as various opportunities present themselves.
- *Call Options Risk* – The risk of significant losses including the risk of losses equal to or greater than the premium paid/received in a relatively short period of time. The seller (writer) of a call option which is covered (*i.e.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The seller (writer) of a call option assumes the risk of the appreciation of the security underlying the option, which will negatively impact the performance of the call option selling strategy. If the underlying security appreciates above the option strike price, when the option is exercised against the seller, the seller of the call option will be required to deliver the underlying asset at the strike price and forego any appreciation that could have been realized if the asset were liquidated at the current market price. The seller (writer) of the option may close out an existing option position before it is exercised by paying the cost to close out the position, which will generally be higher than the original premium received. The seller may also determine to roll the existing option position by closing out the position and replacing it with a new option. The options seller will need to pay the cost to close out the existing position and the premium received from the sale of the new option will likely be less than the amount paid to close out the original position. The



options seller will bear the full amount of any cost to close out an existing position. Sales of shares underlying options positions to meet settlement obligations to close out an options position on a roll or otherwise may result in tax consequences, including the realization of tax gains or losses.

- *Capital Markets Risk* – The risk that a client will not receive distributions or experiences a significant loss in the value of its investment if the issuer cannot obtain funding in the capital markets.
- *Cash Management Risk* – Where an Advisor invests some of an Advisory Account's assets temporarily in money market funds or other similar types of investments, an Advisory Account may be prevented from achieving its investment objectives during such time.
- *Concentration Risk* – The increased risk of loss associated with not having a diversified portfolio (*i.e.*, Advisory Accounts concentrated in a geographic region, industry sector or issuer are more likely to experience greater loss due to an adverse economic, business or political development affecting the region, sector or issuer than an account that is diversified and therefore has less overall exposure to a particular region, sector or issuer).
- *Derivative Investment Risk* – The risk of loss as a result of investments in potentially illiquid derivative instruments, failure of the counterparty to perform its contractual obligations, or the risks arising from margin requirements and related leverage factors associated with such transactions.
- *Environmental, Social, and Sustainability Impact Considerations* – United Capital has the discretion to take into account ESG considerations and political, media and reputational considerations relating thereto, resulting in United Capital making or recommending investments when it would otherwise have not done so, or disposing or recommending the disposition of investments, when it would otherwise not have done so, in each case which could adversely affect the performance of Advisory Accounts. On the other hand, United Capital may determine not to take such considerations into account, or to take such considerations into account but not make the same decision or recommendation that it would have made regardless of such considerations, and such considerations may prove to have an adverse effect on the performance of the applicable investments. United Capital may rely on third-party service providers in determining, from an ESG perspective, what investments to exclude from its selection or recommendation based on such service providers' categorization of the types of companies, industries, or sectors, as the case may be, that should potentially be excluded from investment.
- *Equity and Equity-Related Securities and Instruments Risk* — The risk that the value of common stocks of U.S. and non-U.S. issuers is affected by factors specific to the issuer, the issuer's industry and the risk that stock prices historically rise and fall in periodic cycles.
- *ESG Definitional Risk* – The risk that another party disagrees on differences in interpretations of what it means for a company to be an environmental and/or social impact investment. There are significant differences in interpretations of what it means for a company to be an environmental and/or social impact investment, and United Capital's interpretations may differ from others' interpretations. There exists no binding third-party authority to certify all Green, Social, Sustainable, or other labeled issuance at this time.
- *ETF Risk* – The risk that ETFs fail to accurately track the market segment or index that underlies their investment objective. Moreover, ETFs are subject to the following risks that do not apply to conventional funds: (i) the market price of the ETF's shares trade at a premium or a discount to their net asset value; (ii) an active trading market for an ETF's shares are not developed or maintained; and (iii) there is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged. Certain United Capital Advisory Accounts have legacy positions in leveraged and inverse ETFs. These securities carry certain specific risks to investors. Leveraged ETF shares typically represent interest in a portfolio of securities that track an underlying benchmark or index and seek to deliver multiples of the performance of the index or benchmark. An inverse ETF seeks to deliver the opposite of the performance of the index or benchmark it tracks.

- *Exercise Risk* – The risk of loss associated with the early exercise of an option, which could result in the underlying stock position being called away or having to cash settle the option prior to expiration. All options, whether those with American style or European style exercise features are exposed to the fluctuation in the market price of the underlier. There is no guarantee that an option will expire or be exercised at the optimal time, considering the price movements in the underlier during the time the option is held in a portfolio.
- *Fixed Income Securities Risk* – Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.
- *Index/Tracking Error Risks* – The risk that the performance of an Advisory Account or Variable Subaccount that tracks an index does not match, and varies substantially from, the index for any period of time and is negatively impacted by any errors in the index, including as a result of an Advisory Account's or Variable Subaccount's inability to invest in certain securities as a result of legal and compliance restrictions, regulatory limits or other restrictions applicable to the Advisory Account, the Variable Subaccount, reputational considerations or other reasons. Where an index consists of relatively few securities or issuers, it should be expected that tracking error will be heightened at times when an Advisory Account or Variable Subaccount is limited by restrictions on investments that the Advisory Account or Variable Subaccount may make.
- *Interest Rate Risk* – The risk that interest rates fluctuate significantly, causing price volatility with respect to securities or instruments held by an Advisory Account. Interest rate risk includes the risk of loss as a result of the decrease in the value of fixed income securities due to interest rate increases. Long-term fixed income securities will normally have more price volatility because of interest rate risk than short-term fixed income securities. Risks associated with changing interest rates can have unpredictable effects on the markets and Advisory Accounts.
- *Liquidity Risk* – The risk that an Advisory Account is not able to monetize investments and must hold to maturity or obtain a lower price for investments either because those investments have become less liquid or illiquid in response to market developments, including adverse investor perceptions. This includes Alternative Investments such as hedge funds, funds of hedge funds, private equity funds, funds of private equity funds, private credit funds and real estate funds. It should be expected that these risks will be more pronounced in connection with an Advisory Account's investments in securities of issuers located in emerging market countries.
- *Low Trading Volume Risk* – The risk that a client is not able to monetize his/her investment or will have to do so at a loss as a result of generally lower trading volumes of the securities compared to other types of securities or financial instruments.
- *Margin Risk* – Securities can be paid by securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intend to borrow funds in connection with your account, you must open a margin account, which will be carried by the qualified custodian. The securities purchased in such an account are the qualified custodian's collateral for its loan to you. Some risks associated with margin include having a forced sale of securities to cover the margin balance and can lose more funds than are deposited.
- *Market/Volatility Risk* – The risk that the value of the assets in which an Advisory Account invests decreases (potentially dramatically) in response to the prospects of individual companies, particular industry sectors or governments, changes in interest rates, regional or global pandemics, and national and international political and economic events due to increasingly interconnected global economies and financial markets.
- *Model Risk* – Where the management of an Advisory Account by United Capital includes the use of various proprietary quantitative or investment models. It should be expected that there may be deficiencies in the design or operation of these models, including as a result of shortcomings or failures of processes, people or systems. Investments selected using models may perform differently than expected as a result of the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, the speed

that market conditions change and technical issues in the construction and implementation of the models (including, for example, data problems and/or software issues). Models may not be predictive of future price movements if their return mapping is based on historical data regarding particular asset classes, particularly if unusual or disruptive events cause market movements, the nature or size of which are inconsistent with the historical performance of individual markets and their relationship to one another or to other macroeconomic events. In addition, certain strategies can be dynamic and unpredictable, and a model used to estimate asset allocation may not yield an accurate estimate of the then current allocation.

- *Multiple Levels of Fees and Expenses* – Subject to applicable law, Advisory Accounts investing in advisors or underlying funds generally bear any asset-based and performance-based fees or allocations and expenses at the Advisory Account level and at the Advisor or underlying fund level (although there will be circumstances in which Advisory Accounts bear such fees at only the Advisory Account level, or only the Advisor level).
- *Open-End & Closed-End Mutual Fund Risk* – Advisory Accounts may invest in open-end mutual funds, and to a lesser extent, closed-end mutual funds, as well as ETFs. Open-end mutual funds and closed-end mutual funds have different risk characteristics. Shares of an open-end fund are purchased directly from the fund whereas closed-end fund shares are purchased and sold in the market, typically on a recognized stock exchange. Therefore, shares of a closed-end fund, when available, can be traded during the day at any time and shares in an open-end fund can be purchased from or sold back to the fund only at the end of the trading day. In addition, the price per share of a closed-end mutual fund is determined by the market whereas the price per share of an open-end fund will vary in direct proportion to the fund net asset value or “NAV.” Both open-end mutual funds and closed-end funds may own unlisted securities and use leverage to enhance returns. Furthermore, both open-end and closed-end fund underlying fund holdings are reported with a lag. It should be expected that when underlying mutual fund holdings change rapidly fund performance will differ from expectations. Different mutual funds with similar investment policies, and different share classes within those funds will have different expense levels.
- *Operational Risk* – The risk of loss arising from shortcomings or failures in internal processes or systems of United Capital or Third-Party Custodians, external events impacting those systems and human error. Operational risk can arise from many factors ranging from routine processing errors to potentially costly incidents such as major system failures. Advisory Accounts trade instruments where operational risk is heightened due to such instruments’ complexity.
- *Options Close-out Risk* – The risk of losses associated with the inability to close out of existing positions if those options were to become unavailable, including because regulatory agencies may impose exercise restrictions that may prevent the holder of an option from realizing value. Options trading is a speculative investment activity that involves a high degree of risk of loss beyond the value of the underlying securities investment. Transaction costs may be significant in option strategies that require multiple purchases and sales of options.
- *Options Risk* – To the extent Advisory Accounts invest in options, the strategy can involve high inherent risk. Option transactions establish a contract between two parties concerning buying or selling an asset at a predetermined price during a specific period. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. There can be no guarantee that an option will achieve its objective or prove successful.
- *Over-the-Counter (“OTC”) Risk* – Lack of liquidity in OTC markets may make one or more of the investments more difficult to dispose of and to value, and, therefore, may result in the strategy being less liquid than other strategies that do not invest in securities through OTC markets. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

- *Private Equity Managed Accounts* – As noted above, these advisory accounts will bear liquidity risk since all of the investment will have no active secondary market liquidity and to the extent any investments can be resold, such resales will be at a discount and to a limited universe of eligible investors.
- *Put Options Risk* – The seller (writer) of a put option which is covered (i.e., the writer has cash to cover the full strike notional of the option) assumes the risk of a decrease in the market price of the underlying security below the strike price of the option less the premium received, and gives up the opportunity for gain above the premium received. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option and gives up the opportunity for gain above the premium received. A put writing strategy may significantly underperform a stand-alone equity position if the stock appreciates/depreciates very rapidly or is more volatile than anticipated by the market. With an ongoing put writing strategy, losses may also exceed the notional amount of the strategy over time. A seller (writer) of a put writing strategy assumes the risk that the underlying security drops in value and, as a result of exercise by the purchaser of the option, the seller (writer) of the put option may be required to purchase the underlier of the option at a price above the current market price or deliver cash to cash settle an option where the value of the underlier is lower than the strike price. It may not be possible to trade out of the options in the portfolio prior to their maturity, and even if it is possible, there are transaction costs, which may be significant. If the seller (writer) of an uncovered put option is assigned on an open option position that has been exercised, the seller (writer) may be required to liquidate assets to satisfy the settlement obligations. If the market moves against uncovered put options positions, additional securities and other assets will be required as margin, on short notice, in order to maintain the put option positions, or options positions for which there is a margin deficiency will be liquidated, most likely at a loss and the seller (writer) will be liable for any resulting deficit. The risk of uncovered options is potentially unlimited and a seller (writer) of put options may sustain a loss of all assets posted as margin.
- *Short Duration Fixed-Income Strategies* – The risk that the strategy focused on maintaining fixed-income securities of short duration will earn less income and, during periods of declining interest rates will provide lower total returns, than longer duration strategies. Although any rise in interest rates is likely to cause the prices of debt obligations to fall, the comparatively short duration utilized in connection with such a strategy is generally intended to keep the value of such securities within a relatively narrow range.
- *Tactical Tilts* – Where Financial Advisors use tactical investment ideas derived from short-term market views (“Tactical Tilts”) for Advisory Accounts material risks exist. For example, the timing for implementing a Tactical Tilt or unwinding a position can materially affect the performance of such Tactical Tilt. For various reasons, United Capital and their affiliates may implement a Tactical Tilt, invest in an affiliated fund that invests in Tactical Tilts, or unwind a position for its client accounts or on its own behalf before Financial Advisors do on behalf of Advisory Accounts, or implement a Tactical Tilt that is different from the Tactical Tilt implemented by Financial Advisors on behalf of Advisory Accounts, which could have an adverse effect on Advisory Accounts and result in poorer performance by Advisory Accounts than by United Capital or other client accounts. Changes in market conditions and other factors may result in substantial losses to an Advisory Account, and no assurance can be given that a Tactical Tilt position will be unwound before the Advisory Account suffers losses. The use of Tactical Tilts also includes the risk of reliance on models.
- *Target Ranges and Rebalancing Risks* – To the extent a client designates target allocations or target ranges within an Advisory Account in connection with particular asset classes, an Advisory Account’s assets may, from time to time, be out of balance with the Advisory Account’s target ranges for extended periods of time or at all times due to various factors, such as fluctuations in, and variations among, the performance of the investment products to which the assets are allocated and reliance on estimates in connection with the determination of percentage allocations. Any rebalancing by Financial Advisors of the Advisory Account’s assets may have an adverse effect on the performance of the Advisory Account’s assets.
- *Underlying Portfolios Market Risk* – The risk that certain equity portfolios underlying options positions may have losses that are greater than gains in the value of the options positions in the strategy, or that losses on the option positions will occur at the same time as losses in the value of the underlying equity positions of a

strategy. In addition, certain instruments, including exchange-listed and OTC put and call options, may not be liquid in all circumstances. As a result, in volatile markets, a customer may not be able to close out of some transactions without incurring losses substantially greater than the initial deposit.

- *Variable Annuity Risk* – The Variable Subaccount are selected by the sponsor of the variable annuity and may be limited in number when compared to investment options available through Third-Party Custodians or United Capital may decide not to exercise discretion on, or make recommendations related to, certain Variable Subaccounts available due to regulatory restrictions or United Capital's policy or practice. In attempting to implement a model investment portfolio consistent with the client's agreed investment strategy, the performance of the client's variable annuity may be different than the performance of the client's other assets invested to achieve the same investment strategy because of the different investment options available through the variable annuity as compared to when other financial institutions act as custodian.

## **Item 9 — Disciplinary Information**

There are no reportable material legal or disciplinary events related to United Capital.

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

### *Material Relationships with Affiliated Entities*

United Capital uses, suggests and recommends its own services or the services of Creative Planning, LLC ("Creative Planning") in connection with their advisory businesses. The particular services involved will depend on the types of services offered by the affiliate. The arrangements involve separate compensation, subject to the requirements of applicable law. Particular relationships include, but are not limited to, those discussed below. United Capital's affiliates will retain any compensation when providing services to, or in connection with investment activities of, Advisory Accounts, subject to applicable law.

### **Business Advisory Services — Creative Planning Business Advisory, LLC**

United Capital is under common ownership with Creative Planning Business Advisory, LLC ("CPBA"). Clients of United Capital may be referred to CPBA for advice and assistance in marketing and/or selling their privately held business. CPBA does not arrange financing or securities issuance to facilitate business transactions. Because United Capital and CPBA are related entities, it presents a conflict of interest. Both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

If we recommend you use the services of CPBA, you are not obligated or required to use them. Other firms provide services like those offered by CPBA and may provide such services for less expensive rates. Whenever we recommend CPBA, you are encouraged to consider other firms too. The services of United Capital and CPBA are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

### **Business Valuation Services — Creative Planning Valuations, LLC**

United Capital is under common ownership with Creative Planning Valuation, LLC ("CPV"). Clients of United Capital may be referred to CPV for advice and assistance in preparing business valuations for established, closely held companies. Because United Capital and CPV are related entities, it presents a conflict of interest. Both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

If we recommend you use the services of CPV, you are not obligated or required to use them. There are other firms that provide services similar to those offered by CPV and may provide such services for less expensive rates. Whenever we recommend CPV, you are encouraged to consider other firms too. The services of United Capital and CPV are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

### **Legal Activities — Creative Planning Legal, P.A.**

United Capital is under common ownership with the law firm, Creative Planning Legal, P.A. Clients of United Capital may be referred to Creative Planning Legal, P.A. for estate planning and other legal services. Because United Capital and

Creative Planning Legal, P.A. are related entities, it presents a conflict of interest as both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

If we recommend you use the services of Creative Planning Legal, P.A., you are never obligated or required to use them. Other law firms provide legal services similar to those offered by Creative Planning Legal, P.A. and may provide such services for a lower rate. Whenever we recommend Creative Planning Legal, P.A., you are encouraged to consider other law firms too. The services of United Capital and Creative Planning Legal, P.A. are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

#### Trust Services — Creative Planning Trust Company, LLC

United Capital is affiliated with Creative Planning Trust Company, LLC ("CPTC"). CPTC is domiciled in Nevada and is a non-depository retail trust company regulated by the Nevada Financial Institutions Division. CPTC was created to provide trust administrative services for clients who have financial, family, or business needs that require the services of a professional fiduciary and trust company. Because United Capital and CPTC are related entities, it presents a conflict of interest. Both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

Specific services provided by CPTC include but are not limited to (1) corporate trustee services for personal trusts or certain retirement plan accounts, (2) corporate trustee for life insurance trusts, and (3) corporate trustee services for charitable trust accounts. These services entail the safekeeping of trust assets. CPTC also performs trust administration duties outlined in each trust document, such as distributions and principal and income trust accounting. Generally, no assets are held in the name of the trust company; all assets will be held via segregated trust accounts at qualified third-party custodians, identifying the trust company as trustee.

We have a conflict of interest when recommending the services of CPTC. Clients are never obligated to use the services of CPTC and can establish their trust account at any custodian or trustee of their own choosing. Clients pay fees and expenses to the trust company, separate from and in addition to the fees charged by United Capital.

#### Accounting and Tax Services — Creative Planning Tax, LLC and CP Strategic Advisors, LLC

United Capital is under common ownership with Creative Planning Tax, LLC and CP Strategic Advisors, LLC. Clients needing assistance with tax preparation and/or accounting services may be referred to either of these entities. Our affiliation with these entities presents a conflict of interest as each of the Firms has an economic incentive to refer clients to each other instead of referring clients to other like firms. Clients are not obligated to use the services of either entity for their tax or accounting needs. However, if a client chooses to engage either of these entities, they may pay fees and expenses for their services, separate from and in addition to the fees charged by United Capital.

#### Insurance — Creative Planning Risk Management and Creative Planning Insurance, LLC

Creative Planning Insurance, LLC provides the following services:

- Individual life, disability, and long-term care coverage through various insurance companies.
- Property and casualty coverage.
- Medicare consultation, portfolio review, and coverage enrollment.

Our affiliation with these entities presents a conflict of interest as each of these Firms has an economic incentive to refer clients to each other instead of referring clients to other like firms.

Clients are never obligated or required to purchase insurance products from one of our affiliated insurance companies. They may choose an independent insurance agent and insurance company to buy insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

United Capital has acquired other advisory firms. Financial Advisors of those firms may be licensed independent insurance agents for various companies not affiliated with those firms or United Capital. These Financial Advisors may still receive some trail commissions from insurance product sales before the acquisition.



### Technology Services — Creative Planning Tech, LLC

Creative Planning Tech, LLC provides outsourced IT services, cloud management, etc., for small businesses that do not have internal IT departments. Clients of United Capital may be referred to Creative Planning Tech for this service. Because United Capital and Creative Planning Tech are related entities, it presents a conflict of interest as both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

If we recommend you use the services of Creative Planning Tech, you are not obligated or required to use them. There are other firms that provide services like those offered by Creative Planning Tech and may provide such services for less expensive rates. You are encouraged to consider other firms whenever we recommend Creative Planning Tech. The services of United Capital and Creative Planning Tech are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

### Creative Planning Lending, LLC

United Capital is under common ownership with Creative Planning Lending, LLC. United Capital refers clients with residential and non-residential lending needs to Creative Planning Lending, which has formed partnerships for lending requests. United Capital receives no direct or indirect compensation when we make residential lending referrals. United Capital receives a fee for non-residential lending referrals that result in a closing of a loan.

The services of Creative Planning Lending and the partnered lenders are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered. Because United Capital and Creative Planning Lending are related entities, it presents a conflict of interest as both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms. Clients are not obligated or required to use Creative Planning Lending or any of its services and can choose to work with a different financial professional.

### Creative Planning Business Accounting Services, LLC

United Capital is under common ownership with Creative Planning Business Accounting Services, LLC. Creative Planning Business Accounting Services provides accounting services to businesses. Clients of United Capital may be referred to Creative Planning Business Accounting Services. Because both are related entities, it presents a conflict of interest as both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

If we recommend you use the services of Creative Planning Business Accounting Services, you are not obligated or required to use them. There are other firms that provide services like those offered by Creative Planning Business Accounting Services and may provide such services for less expensive rates. You are encouraged to consider other firms whenever we recommend Creative Planning Business Accounting Services. The services of United Capital and Creative Planning Business Accounting Services are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

### BerganKDV, Ltd. And BerganKDV, LLC

United Capital works closely with BerganKDV, Ltd. and BerganKDV, LLC (jointly BerganKDV). BerganKDV leases professional staff from Creative Planning pursuant to a services agreement to provide audit and attest services to their clients. BerganKDV is an independent and separately governed and licensed CPA firm.

If we recommend you use the services of BerganKDV, you are not obligated or required to use them. There are other firms that provide services like those offered by BerganKDV and may provide such services for less expensive rates. You are encouraged to consider other firms whenever we recommend BerganKDV. The services of United Capital and BerganKDV are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

### Creative Planning Business Alliance, LLC

Creative Planning Business Alliance, LLC provides a broad variety of services to business challenges that fall outside of their core capabilities or expertise. These services include turnaround services, investment banking, succession planning, business valuations, mergers and acquisitions, litigation support and internal controls and operations. Clients of United Capital may be referred to Creative Planning Business Alliance. Because both are related entities, it presents a conflict

of interest as both Firms have an economic incentive to refer clients to each other instead of referring clients to other like firms.

If we recommend you use the services of Creative Planning Business Alliance, you are not obligated or required to use them. There are other firms that provide services like those offered by Creative Planning Business Alliance and may provide such services for less expensive rates. You are encouraged to consider other firms whenever we recommend Creative Planning Business Alliance. The services of United Capital and Creative Planning Business Alliance are separate and distinct from one another, each with a separate compensation arrangement typical for the services rendered.

#### Insurance Company or Agency

The Advisor's affiliate, United Capital Risk Management, LLC ("UCRM"), engages in the insurance agency business for purposes of selling, brokering and co-brokering, including, but not limited to, life insurance policies and annuity contracts (both fixed and variable) and long-term care insurance contracts for separate compensation. UCRM participates in the distribution of insurance securities through LSF. Commissions are paid to LSF and UCRM by insurance companies for the placement and distribution of insurance and annuity products. These commissions may be paid to LSF or UCRM for acting as an insurance producer, retail distributor and/or wholesale distributor. In addition, compensation from the insurance companies might also include various incentives in addition to standard commissions or referral fees, including contingent commissions, and other awards and bonuses, such as trips, expense allowances, marketing allowances, training and education. Incentive or contingent compensation is based upon a variety of factors including the level of aggregated premiums, client retention, revenue growth, overall profitability, or other performance measures pre-established by insurance companies. This incentive or contingent compensation is not tied to any individual transaction. LSF may make available to advisory clients Advisory Annuities, for which the compensation, in the form of advisory fees, are paid by the advisory client and no commissions are paid by the insurance companies sponsoring the products. In limited circumstances, LSF may receive compensation from insurance companies in the form of servicing or distribution fees for these products.

Different compensation arrangements are in place for UCRM, LSF and individual Financial Advisors for the same or similar insurance products depending on the relationship between the insurance company and agency that sold the insurance product, and the affiliate and Financial Advisors. If Financial Advisors can refer a client to any of UCRM, LSF, or to any third party for the purchase of an insurance product, these different compensation arrangements create a conflict of interest.

Advisory clients are not obligated to use United Capital's affiliated persons to purchase insurance or annuities. Certain Financial Advisors who are licensed insurance agents act as sub-producers of UCRM. Certain appropriately licensed Financial Advisors are appointed as agents of the issuing insurer.

Recommendations to purchase or exchange insurance products are made by United Capital's personnel solely in their capacity as licensed insurance agents or, in the case of variable annuities or variable insurance products, in their capacity as registered representatives of LSF and such recommendation does not result in an investment advisory relationship with United Capital or any affiliate, and none of United Capital or any affiliate has a corresponding fiduciary duty with respect to such clients with respect to such recommendation. United Capital's affiliates do not use any separate investment advisory agreement when distributing insurance.

Certain life insurance policies and annuity contracts, including Variable Products, offer an allocation option reflecting the performance of an Index (defined below) sponsored by or otherwise supported by United Capital. The Advisor's affiliates receive compensation if any portion of the policy or contract's account value is allocated to that option. Such compensation is not paid to United Capital, UCRM or any Financial Advisor.

UCRM continues to provide agent of record services to certain policy owners, including those who have terminated their financial management services or Advisory Accounts. However, such agent of record services are primarily administrative, and do not include any fiduciary advice, including investment advice or education related to separate



accounts underlying Variable Products or otherwise. United Capital and UCRM have overlapping officers and share office space and expenses.

#### *Broker-Dealer*

Lion Street Financial, LLC ("LSF") is registered with the SEC as a broker-dealer. Certain of United Capital's management persons and employees are registered representatives of LSF. When acting as a registered representative, these individuals offer brokerage services and receive commissions for those brokerage transactions. Brokerage services provided by a registered representative are different from advisory services offered through United Capital. Because of the potential for the Financial Advisors to generate a commission separate from, or in addition to fees charged by United Capital, Financial Advisors are incentivized to refer clients for investment in brokerage products based on the potential compensation rather than considering the client's interest. This conflict is mitigated by the broker-dealers' oversight of brokerage products and sales activity of the registered representative as well as the obligation to act in a client's best interest. Further, clients are under no obligation to conduct brokerage services through the broker-dealer which the Financial Advisors are associated with as a registered representative.

#### *Investment Companies and Other Pooled Investment Vehicles*

United Capital acts in an advisory or sub-advisory capacity with respect to Separately Managed Accounts and private investment funds and in other capacities, including as trustee, managing member, advisor, administrator and/or distributor to a variety of U.S. and non-U.S. investment companies (including Variable Subaccounts that are structured as registered investment companies) as well as other pooled investment vehicles, including collective trusts, ETFs, closed-end funds, business development companies, private investment funds, special purpose acquisition vehicles, and operating companies. United Capital in its capacity as an advisor or sub-advisor to these investment companies or pooled vehicles, including ETFs (collectively, "Funds"), will receive management or advisory fees in connection with their advisory roles. Although such fees are generally paid by the Funds, the costs are ultimately borne by clients as shareholders. These fees will be in addition to any advisory fees or other fees agreed between the client and United Capital for investment advisory services.

#### *Third-Party Advisory Committees, Board and Panels*

Financial Advisors are sometimes asked to and agree to participate as a member of various third-party company's advisory committee, board or panel ("Advisory Panel"). The participation is typically done to benefit United Capital's business, for current or future use of the third-party company's products and services. Advisory Panel participants are typically informed about confidential company information which cannot be used for the benefit of third parties. Advisory Panel members are not typically paid any compensation. However, the third-party company typically pays or reimburses the participant for travel, lodging and meal expenses incurred in attending Advisory Panel meetings. The participation and benefit do not depend on any amount of business directed to the third-party; however, the receipt of travel and related benefits creates an incentive for the participant to recommend the third-party company's services. This conflict is addressed through the initial reason for participating in the Advisory Panel, that being a desire to benefit United Capital's clients through improving the products and services offered by the third-party company.

As an outside business activity, certain supervised persons of United Capital sit on the boards of private and public companies, non-profit organizations, and state and local government agencies. The boards that supervised persons sit on may include third parties that United Capital hires to help support the advisory services it provides to clients and client accounts.

#### *Management Persons- Policies and Procedures*

United Capital have adopted a variety of restrictions, policies, procedures, and disclosures designed to address potential conflicts that arise between United Capital, their management persons and their affiliates. These policies and procedures include: information barriers designed to prevent the flow of information between United Capital, their personnel and certain other affiliates; policies and procedures relating to brokerage selection, trading with affiliates or investing in products managed or sponsored by affiliates; and allocation and trade sequencing policies applicable to Advisory Accounts and Accounts. No assurance can be made that any of United Capital's current policies and procedures, or any policies and procedures that are established by United Capital in the future, will have their desired effect.

Additional information about these conflicts and the policies and procedures designed to address them is available in *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

#### [Receipt of Compensation from Investment Advisors](#)

United Capital may select or recommend that clients allocate assets to one or more accounts or funds managed by one or more Unaffiliated Managers, as defined in *Item 4 – Investment Management Services* above. The ability to recommend Unaffiliated Managers creates conflicts for United Capital and could impact our decisions regarding manager selection when affiliation is considered by United Capital, among other factors, in deciding whether to make Managers available to clients, to increase client investments with Managers, and to retain or withdraw client investments from Managers. United Capital receives compensation in connection with clients' investments in and selection of such Managers, and such compensation creates a conflict of interest.

The compensation United Capital receives (either directly from Unaffiliated Managers or in the form of fees or allocations payable by client accounts) generally increases as the amount of assets that Managers manage increases.

United Capital will be incentivized to make available, allocate assets to, and refrain from withdrawing assets from Unaffiliated Managers whose principals or employees are clients of United Capital.

From time to time, United Capital receives notice of, or offers to participate in, investment opportunities from Unaffiliated Managers or their affiliates. Unaffiliated Managers or their affiliates offer United Capital investment opportunities for various reasons including United Capital's use of the services provided by Unaffiliated Managers and their affiliates for United Capital client investments. Such opportunities will generally not be required to be allocated to Advisory Accounts. Therefore, investment (or continued investment) by particular Advisory Accounts with Unaffiliated Managers may result in additional investment opportunities.

In addition, the fee structure of certain Advisory Accounts (other than Retirement Accounts) where United Capital must compensate Managers from the fee it receives from the client provides an incentive for United Capital to recommend or select Managers with lower compensation levels including Managers that discount their fees based on aggregate Account size or other relationships in order to increase the net fee to United Capital instead of recommending or selecting other Managers that might also be appropriate for the Advisory Accounts.

United Capital addresses these potential conflicts of interest in a manner that is consistent with its fiduciary duties.

## **Item 11 — Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

United Capital has adopted a Code of Ethics ("Code") under Rule 204A-1 of the Advisers Act designed to provide that Financial Advisors, and certain additional personnel who support United Capital comply with applicable federal securities laws and place the interests of clients first in conducting personal securities transactions. The Code imposes certain restrictions on securities transactions in the personal accounts of covered persons to help avoid conflicts of interest. Subject to the limitations of the Code, covered persons buy and sell securities or other investments for their personal accounts, including investments in pooled investment vehicles that are managed or advised by United Capital, and also take positions that are the same as, different from, or made at different times than, positions taken (directly or indirectly) for Advisory Accounts. United Capital provides a copy of the Code to clients or prospective clients upon request.

Additionally, all personnel of United Capital, including Financial Advisors, are subject to firmwide policies and procedures regarding confidential and proprietary information, private investments, outside business activities and personal trading. In addition, United Capital prohibits its employees from accepting gifts and entertainment that could influence or appear to influence, their business judgment. This generally includes gifts of more than \$100 or meals and other business-related entertainment that may be considered lavish or extraordinary and therefore raise a question or appearance of impropriety.

### *Differing Advice and Competing Interests*

It should be expected that advice given to, or investment decisions made or other actions taken for, one or more Advisory Accounts will compete with, affect, differ from, conflict with, or involve timing different from, advice given to or investment decisions made for other Accounts (including Advisory Accounts). United Capital, the clients it advises, and its personnel have interests in and advise Accounts, including Advisory Accounts, that have investment objectives or portfolios similar to, related to or opposed to those of particular Advisory Accounts. In this regard, it should be expected that United Capital makes investment decisions for such Accounts that are different from the investment decisions made for Advisory Accounts and that adversely impact Advisory Accounts, as described below. In addition, United Capital, the clients it advises, and its personnel engage (or consider engaging) in commercial arrangements or transactions with Accounts, and/or compete for commercial arrangements or transactions or invest in the same types of companies, assets, securities and other instruments, as particular Advisory Accounts. Such arrangements, transactions or investments adversely affect such Advisory Accounts by, for example, limiting clients' ability to engage in such activity or by effecting the pricing or terms of such arrangements, transactions or investments. Moreover, a particular Advisory Account on the one hand, and United Capital, its personnel, or other Accounts (including other Advisory Accounts) on the other hand, may vote differently on, or take or refrain from taking different actions with respect to, the same security, which disadvantages the Advisory Account. Where United Capital receives greater fees or other compensation from such Accounts than it does from the particular Advisory Accounts, United Capital will be incentivized to favor such other Accounts.

It should be expected that other Accounts (including other Advisory Accounts) engage in a strategy while an Advisory Account is undertaking the same or a differing strategy, any of which could directly or indirectly disadvantage the Advisory Account (including its ability to engage in a transaction or other activities). For example, if an Advisory Account buys a security, and United Capital or a United Capital client establishes a short position in that same security or in similar securities, any such short position may result in the impairment of the price of the security that the Advisory Account holds or could be designed to profit from a decline in the price of the security. An Advisory Account could similarly be adversely impacted if it establishes a short position, following which United Capital or a United Capital client takes a long position in the same security or in similar securities. Similarly, where United Capital is engaged to provide advice to a client that is considering entering into a transaction with a particular Advisory Account, and United Capital advises the client not to pursue the transaction with the particular Advisory Account, or otherwise in connection with a potential transaction provides advice to the client this will be adverse to the particular Advisory Account.

The terms of an investment formed to facilitate investment by personnel of United Capital are typically different from, and more favorable than, those by a third-party investor in such investment. For example, it should be expected that investors in such an investment generally are not subject to management fees or performance-based compensation, share in the performance-based compensation, will not have their commitments pledged under a subscription facility, and will receive capital calls, distributions and information regarding investments at different times than third-party investors. It should be expected that, to the extent permitted by law, certain investors in such investment will be provided leverage by United Capital. In the event of a substantial decline in the value of such investments, the leverage provided to employees can render the investments by employees effectively worthless, which could undermine the potential alignment of interest between employees and third-party investors. In certain circumstances, subject to applicable law, including the Dodd-Frank Act, United Capital will offer to purchase, redeem, or liquidate the interests held by one or more investors (potentially on terms advantageous to such investors) or to release one or more investors from their obligations to fund capital commitments without offering third-party investors the same or a similar opportunity.

Certain Financial Advisors have accounts managed by United Capital and/or invest in the same securities that are recommended to clients or held in client accounts. Financial Advisors also hold securities and are able to trade for their own accounts contrary to financial guidance provided to clients. If Financial Advisors have hired United Capital to manage their accounts on a discretionary basis, those accounts are traded along with other client accounts and are not given any different or special treatment.

UCRM receives insurance commissions from insurers for the distribution of fixed and variable insurance policies and annuities, which inure to the benefit of United Capital. The receipt of remuneration by the affiliates creates a conflict of

interest between the interests of clients, including any recommendation to implement insurance strategies, and the interests of United Capital and their affiliates, namely the benefits that United Capital' affiliates will receive on the policy and/or annuity distribution. Additionally, appropriately licensed personnel of United Capital including Financial Advisors, will receive compensation for referring clients to UCRM or for recommending Fixed Products. Such compensation will vary depending on the insurance carrier, product type and product features, and such personnel may also be appointed as an agent of the issuing insurer.

Different compensation arrangements are in place for UCRM and individual Financial Advisors for the same or similar insurance products depending on the relationship between the insurance company and agency that sold the insurance product, and the affiliate and the Financial Advisors. If a Financial Advisor can refer a client to any of UCRM or to any third party for the purchase of an insurance product, these different compensation arrangements create a conflict of interest.

#### Allocation of Investment Opportunities

United Capital and its Financial Advisors manage multiple Advisory Accounts, including Advisory Accounts in which Goldman Sachs and its personnel have an interest, and pay different fees based on a client's particular circumstances, including the size of the relationship and required service levels. This creates an incentive to allocate investments with limited availability to the Advisory Accounts for which United Capital and their Financial Advisors receive higher fees. Such investments may include local emerging markets securities, high yield securities, fixed-income securities, interests in Alternative Investment funds and MLPs.

To help address potential conflicts regarding allocations among multiple Advisory Accounts, United Capital has adopted allocation policies and procedures that provide that Financial Advisors allocate investment opportunities among Advisory Accounts consistent with their fiduciary obligations. In some cases, these policies and procedures result in the pro rata allocation (on a basis determined by United Capital) of limited opportunities across eligible Advisory Accounts. In other cases, the allocations reflect the consideration of numerous other factors, including, but not limited to, those described below. The allocation methodology varies based on the type of investment opportunity. In some cases, Advisory Accounts managed by different teams of Financial Advisors are generally viewed separately for allocation purposes.

#### Cross Transactions with Advisory Accounts

When permitted by applicable law and United Capital's policy, United Capital, acting on behalf of its Advisory Accounts (for example, taxable fixed income and municipal bond fixed income and structured investment strategies), can enter into transactions in securities and cause Advisory Accounts to engage in cross transactions. There are potential conflicts of interest or regulatory requirements or restrictions relating to these transactions that could limit United Capital's decision to engage in these transactions for Advisory Accounts. In certain circumstances, such as when United Capital is the only participant, or one of a few participants, in a particular market, or is one of the largest such participants, such limitations will eliminate or reduce the availability of certain investment opportunities to Advisory Accounts or impact the price or terms on which transactions relating to such investment opportunities may be effected. A cross transaction occurs when United Capital causes an Advisory Account to buy securities or other instruments from, or sell securities or other instruments to, another Advisory Account and does not receive a commission from the transaction. United Capital may (but is under no obligation to) cause Advisory Accounts to engage in cross transactions.

United Capital will have a potentially conflicting division of loyalties and responsibilities to the parties to cross transactions, including with respect to a decision to enter into such transaction as well as with respect to valuation, pricing and other terms. United Capital has adopted policies and procedures in relation to such transactions and conflicts. However, there can be no assurance that such transactions will be effected, or that such transactions will be effected in the manner that is most favorable to an Advisory Account that is a party to any such transactions. Cross transactions may disproportionately benefit some Advisory Accounts relative to other Advisory Accounts due to the relative amount of market savings obtained by the Advisory Accounts. Cross transactions are effected in accordance with fiduciary requirements and applicable law (which include providing disclosure and obtaining client consent, where required).

### Sale of Insurance Products

United Capital's unaffiliated broker-dealer, LSF, and United Capital's affiliated insurance agency, UCRM, receive insurance commissions from insurers for the distribution of fixed and variable insurance policies and annuities, which inure to the benefit of United Capital. The receipt of remuneration by UCRM creates a conflict of interest between the fiduciary duty United Capital owe to clients in offering investment advice, including any recommendation to implement insurance strategies, and the interests of United Capital and their affiliates, namely the benefits that UCRM will receive on the policy and/or annuity distribution. Additionally, Financial Advisors licensed as insurance agents receive compensation for referring clients to LSF or UCRM. Such compensation will vary depending on the insurance company and product purchased, and such personnel may also be appointed as an agent of the issuing insurer.

Different compensation arrangements are in place for LSF, UCRM and individual Financial Advisors for the same or similar insurance products depending on the relationship between the insurance company and agency that distributed the insurance product, and the affiliate and the Financial Advisors. If Financial Advisors can refer a client to any of LSF, UCRM or to any third party for the purchase of an insurance product, these different compensation arrangements create a conflict of interest.

## **Item 12 — Brokerage Practices**

### Broker-Dealer Section/Custody

United Capital is not a broker-dealer and does not have custody of client assets (other than deducting management fees when authorized and for third party standing letters of instruction for which written authorization is required from the client). With the exception of Retirement Accounts where United Capital provides education only as to custodian selection, United Capital will recommend that clients use certain non-affiliated third parties for custodian and brokerage services. Examples of companies that United Capital refers clients to for custodian and brokerage services include but are not limited to Schwab and Fidelity.

United Capital receives products and services from firms providing custodial services that benefit United Capital, but not all clients. These services are typically offered to all investment advisors working with the custodian and do not have a specific cost tied to the benefit. Some of these products and services assist United Capital in managing and administering client accounts. These products and services include software and other technology that provide access to client account data (such as trade confirmations and account statements); services that facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); research, pricing information and other market data; products and services that facilitate payment of United Capital fees from its client accounts; assistance with back office functions, recordkeeping and client reporting; receipt of duplicate account statements and confirmations; research related products and tools; consulting services; access to a trading desk serving United Capital participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to United Capital by third-party vendors. Generally, many of these services are used to service all or a substantial number of client accounts.

When United Capital recommends a custodian to clients for their non-Retirement Accounts, clients are not obligated to follow its recommendation. It is the client's decision on where they custody their assets. If a client chooses to custody their assets at a custodian other than what is currently supported by United Capital, the firm's ability to manage the client's assets may be restricted.

Substantially all transactions for Advisory Accounts are executed by Third-Party Custodians, as applicable. The Execution Charges charged by different custodians may differ and result in lower prices on one custodian platform versus the other.

Where United Capital selects an applicable Third-Party Custodian to execute transactions for an Advisory Account, it does so consistent with its best execution policies and procedures. Best price, giving effect to commissions and commission equivalents, if any, and other transaction costs, is normally an important factor in this decision, but the

selection also takes into account, among other factors, the quality of brokerage services, including execution capability, willingness to commit capital, responsiveness, clearance and settlement capability, and the provision of research and other services. Accordingly, transactions will not always be executed at the lowest available price or transaction cost.

### Soft Dollars

United Capital's recommendation to its clients, where applicable, to hold assets in custody with a particular firm is based on various factors, including, but not limited to, the historical place where the assets were held in custody prior to the client becoming a client of United Capital and the services provided by the custodian to United Capital to help service the client's assets. United Capital has an incentive to select or recommend a broker-dealer based on its interest in receiving certain services/benefits. It's possible that clients would pay lower commissions by using a broker-dealer that does not provide any benefit to United Capital. A conflict of interest exists when the services provided by the custodian are based on the amount of client assets that United Capital maintains with the third-party service provider.

Custodians that United Capital recommends, where applicable, to its clients may also provide certain services that benefit United Capital and its business in general, rather than benefit specific clients. Such benefits may include, but are not limited to, sharing in Financial Advisors recruitment expenses and other business growth initiatives providing research, trade administration, portfolio accounting systems, and supporting United Capital's management of client assets.

Custodians may also make available to United Capital other services intended to help United Capital manage and further develop its business enterprise but that do not directly benefit its clients. These services include consulting, offering conferences on practice management, information technology, third-party research, business succession, regulatory compliance and marketing. In addition, custodians may arrange and/or pay for these types of services rendered to United Capital by independent third-parties. In certain instances, custodians discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of other third-parties providing such services to United Capital. Custodians may also contribute to educational events held by United Capital for its supervised persons.

### Schwab Advisor Network® Referrals

United Capital participates in the institutional advisor referral programs offered by Schwab (the Schwab Advisor Network). These programs help investors find an investment advisor. As described below, United Capital pays Schwab fees for client referrals. United Capital's participation in this referral program raises conflicts of interest concerns described below. Schwab is independent of and unaffiliated with United Capital and there is no employee or agency relationship between them. Schwab's Advisor Network program was established as a means of referring brokerage customers and other investors seeking fee-based personal Investment Management services or financial planning services to investment advisors. Schwab does not supervise United Capital and has no responsibility for United Capital's management of client portfolios or United Capital's Financial Planning or other services.

Schwab has paid in the past, and may in the future, for business consulting and professional services received by United Capital's related persons. Some of the products and services made available by Schwab through their respective programs benefit United Capital but not client accounts. See the *Soft Dollars* section above for additional information about these benefits. These products or services assist United Capital in managing and administering client accounts, including accounts not maintained at Schwab. The other services made available by Schwab are intended to help United Capital manage and further develop its business enterprise.

The Schwab Advisor Network® client referral programs have minimum eligibility requirements. In addition, United Capital may have been selected to participate in these programs based on the amount and profitability to Schwab based on the assets in, and trades placed for, client accounts that are maintained at Schwab.

United Capital pays Schwab a fee (including the legacy TD Ameritrade AdvisorDirect and Fidelity Wealth Advisor Solutions® fees) for each successful client referral from their respective programs. The specific compensation



arrangement varies from one program to another and is disclosed to each client before or at the time that they initially establish a relationship with United Capital. The compensation arrangement between United Capital and each program is, generally, as follows:

- Fidelity – (a) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as “fixed income” assets by FPA and (b) an annual percentage of 0.25% of all other assets held in client accounts at Fidelity after the referral is made to United Capital. In addition, United Capital historically paid Fidelity a \$50,000 annual fee amount in connection with its participation in the WAS Program. United Capital has also historically paid Fidelity a one-time fee of 0.75% of assets if the referred client transfers custody of the assets it manages to a custodian other than an affiliate of Fidelity.
- TD Ameritrade – 0.25% of referred client assets up to \$2 million; 0.10% of referred client assets over \$2 million up to \$10 million; 0.05% of referred client assets over \$10 million. United Capital was historically obligated to pay TD Ameritrade a minimum of \$10,000 per calendar year for participation in their program.
- Schwab – 0.20% or 0.25% of any and all client assets held under United Capital’s management at Schwab. United Capital has also agreed to pay Schwab a Non-Schwab Custody fee if custody of a referred client’s account is not maintained by, or assets in the account are transferred from Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the participation fees United Capital generally would pay in a single year. Thus, United Capital has an incentive to recommend that client accounts be held in custody at Schwab.

United Capital will also pay Schwab the solicitation fee on any advisory fees received by United Capital from any referred client’s family members, including a spouse, child or any other immediate family member who resides with the referred client and hired United Capital on the recommendation of such referred client.

Fidelity, TD Ameritrade and Schwab charge the referral fees to United Capital quarterly and may increase, decrease or waive the fees charged to United Capital from time to time. United Capital does not charge clients referred through the Schwab Advisor Network® (including legacy TD AdvisorDirect and Fidelity Wealth Advisor Solutions fees) any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass solicitation fees paid to Fidelity, TD Ameritrade (acquired by Schwab) or Schwab to its clients. For information regarding additional or other fees paid directly or indirectly to Fidelity, please refer to the Fidelity WAS, or for Schwab, the associated separate written disclosure statement for the Schwab Advisor Network® program. United Capital encourages clients to review their custodian statements to ensure accuracy of the fee paid to United Capital.

For accounts of United Capital’s clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from United Capital’s clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab’s fees for trades executed at other broker-dealers are in addition to the other broker-dealers’ fees. Thus, United Capital has an incentive to cause trades to be executed through Schwab rather than another broker-dealer. United Capital, nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for United Capital’s other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

#### [Execution/Directed Brokerage for Discretionary Accounts](#)

Clients typically provide United Capital with the discretion to select the broker-dealer for execution of securities transactions. United Capital determines the securities to be bought or sold, the price, the timing, and the selection of broker-dealer it believes can provide best execution of client transactions. United Capital and Managers will generally place trades with the client’s custodian in light of the value of brokerage and other services received or made available by the custodian to client’s account (including, without limitation, the benefits provided by the custodian). However, United Capital and Managers place transactions with other broker-dealers consistent with their duty to seek best

execution. While United Capital believes the broker-dealer it has selected will provide best execution and services, it is possible that better execution is obtainable through another broker-dealer.

A client can choose to use a different broker-dealer (subject to United Capital's right to decline to work with the client), however by directing brokerage to a Third-Party Custodian, United Capital will not always be able to achieve the most favorable execution for client transactions, which may result in clients paying higher transaction costs or receive less favorable pricing. Clients will be responsible for negotiating the terms and arrangement for their account. Clients should understand that not all advisors require their clients to direct brokerage to a particular broker-dealer. Further, United Capital is incentivized to trade with a certain broker-dealer regardless of execution quality where doing so avoids incurring the charges that accompany trading with other broker-dealers.

If a client is invested in certain fixed income strategies managed by GSAM, subject to applicable law, United Capital will execute all transactions for such client's account through GS&Co., as agent or principal (including transactions in which Goldman Sachs or its personnel have an interest), in all programs and circumstances where the execution services of GS&Co. are available for direction on this basis in the ordinary course of GS&Co.'s business.

As United Capital utilizes a number of different broker-dealers for trade execution, the timing of the execution for the same transaction in different client accounts will differ, meaning similarly situated clients within United Capital may receive different prices on similar transactions even if the trades are placed by United Capital at the same time. The client may direct United Capital to use a particular broker-dealer (subject to United Capital's right to decline and/or terminate the engagement) to execute some or all transactions for the client's account. United Capital will generally direct transactions to designated broker-dealers based on their execution capabilities; however, the use of a designated broker may preclude United Capital and/or Managers from obtaining best price and execution of portfolio transactions. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and United Capital will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by United Capital. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

If transactions for client accounts are effected through a broker-dealer that refers clients to United Capital, the potential for conflict of interest arises due to the fact that United Capital is incentivized to refer clients to that broker-dealer in order to obtain more referrals.

#### Trade Errors

United Capital has policies and procedures to help it assess and determine when reimbursement is due to a client because United Capital has committed an error that has caused economic loss to a client.

#### Block Trading

When deciding the appropriate method for executing transactions, United Capital may choose to execute all client transactions at the same time in a block transaction, stage transactions, and/or submit each client's transaction independently. When trades are placed in a "block," all client shares, as part of that block, are aggregated and provided an average execution price. At times, because of the size of a transaction, United Capital, at its discretion, may choose to stage transactions. Staging transactions means that United Capital, or its trading agent, will submit the transactions for execution at varying times and/or days. This is done to minimize the price movement of the security attributable to the transaction. However, as a result of staging, clients may receive less favorable execution prices than if their trades were not aggregated, which will impact performance of the Advisory Accounts.

## **Item 13 — Review of Accounts**

#### Client Account Reviews

United Capital provides ongoing monitoring of United Capital Advisory Accounts for which United Capital exercises discretionary Investment Management to identify situations that warrant either a detailed review or specific action on behalf of a client. Such reviews include, but are not limited to, performance, client objectives, inactivity, high



concentrations in individual securities, or changes in the client's account information or financial situation. In addition, United Capital performs limited reviews of certain Locally Managed Strategies.

United Capital Financial Advisors attempt to meet with clients at least annually to discuss changes in the client's investment objectives, risk tolerance and changes to or new reasonable restrictions on the management of their investments. Clients are asked to either meet in person, by telephone, or online conference at which time their financial situation, condition, or investment objectives or goals are reviewed. If the client and United Capital Financial Advisors do not meet for a considerable period, greater than a year, after reasonable effort is made by the United Capital Financial Advisors to do so, the client's Advisory Account will be managed based on previously communicated expectations.

#### Financial Plan Reviews

As agreed between the Client and United Capital, Financial Advisors periodically review each of their individual client's allocations of assets among various asset groups held by third-party custodians, to the extent such assets are known to the Financial Advisor. Such reviews include, but are not limited to, performance, client objectives, inactivity, high concentrations in individual securities, or changes in the client's account information or financial situation. Such reviews may result in rebalancing a client's Advisory Accounts managed and/or monitored by the Financial Advisor in order to meet the clients' current investment objective, risk tolerance, and financial goals.

#### Rebalancing

United Capital will periodically rebalance the discretionary Investment Management account holdings within a client's Advisory Account. The primary goal is to ensure that the market value of the investments in each asset class remains aligned with the percentage of the total market value of the entire client account as determined by the asset allocation model or parameters selected by the client within a reasonable tolerance level. United Capital has discretion to change the allocations among the various asset classes on a periodic basis. Allocations among investments may, from time to time, be out of balance with the target asset class allocations for extended periods of time or at all times due to various factors, such as fluctuations in, and variations among, the performance of investments and reliance on estimates in connection with the determination of percentage allocations. Depending on the assets, the rebalancing will generate a taxable transaction for the client. United Capital does not typically factor the tax implication of a transaction when deciding when to rebalance a United Capital Advisory Account. Transactions will not take place in a United Capital Advisory Account if the United Capital Advisory Account remains within an appropriate variance for the applicable investment strategy, as determined by United Capital or a Manager, if applicable. When the account remains within an appropriate allocation range, no transactions are warranted, and significant periods of time may go by without any transactions taking place. If there is no account activity, United Capital is still supervising the assets.

#### Custodial Statements

Each client with an Advisory Account receives an account statement from the custodian on at least a quarterly basis. The statement provides detailed information including transactions, fee debits, and other activity during the period, securities positions and money market fund positions, and their end-of-period fair market values. Year-end summaries of realized gains and losses (IRS Schedule D information), and dividends and interest received (IRS 1099-INT and 1099-DIV) are generated and mailed by the custodian to all clients with taxable accounts.

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

#### Client Referrals

In addition, to the referral arrangements in Item 12, United Capital also has established an incentive program whereby employees and/or unaffiliated entities are compensated for referring clients to United Capital. In the case of client referrals, the compensation arrangements with the employee or third party generally can be either a flat fee calculated and paid on a periodic basis or a fee based on a percentage of the advisory fees received by United Capital for the referred client accounts. United Capital has entered into agreements whereby United Capital and the other entity refer clients to one another in a manner consistent with their respective fiduciary duties.

United Capital has relationships with one or more advertisers, including operators of websites matching consumers with providers of various financial products and services, pursuant to which United Capital compensates such advertiser for the advertising services provided. The referring party, at the time of initial introduction, is required to disclose the nature of the referral and must provide the prospective client with a copy of their Promoter disclosure statement explaining the terms and the compensation received, and United Capital's Brochure and Form CRS.

#### Other Referrals

United Capital also works with different affinity groups to market its services to their members. When working with affinity groups, United Capital generally pays the group for providing access to their members. If the payment is based on a percentage of the fees earned by United Capital from its members, such arrangements will comply with the requirements of the Marketing Rule.

In certain circumstances, United Capital will enter into agreements with third parties whereby such third parties offer promotional rates for their products to potential clients of United Capital if such individuals become clients of United Capital.

#### Continuing Education and Product Training

From time-to-time, United Capital organizes educational and training meetings for its supervised persons. Certain product providers, unaffiliated advisors, and vendors are permitted to make presentations to United Capital's supervised persons. The presentations may or may not provide continuing education credits, such as for insurance licensing. These providers may contribute to the cost of putting on these sessions at hotels or other meeting facilities. These products and services, how they benefit us, and the related conflicts of interest are described above in *Item 12 – Brokerage Practices* above. The availability of these products and services is not based on United Capital providing particular investment advice.

#### Insurance Commissions

Certain United Capital employees are licensed to sell insurance products and receive commissions. This causes a conflict of interest for the licensed employee to sell these products to clients to increase their pay. For more information, see *Item 10- Insurance Company or Agency*.

### **Item 15 — Custody**

Advisory Clients generally custody their funds and securities in their Advisory Accounts with Fidelity or Schwab. United Capital is not affiliated with Fidelity or Schwab. In limited circumstances, clients also may enter into separate custody agreements to maintain client funds and securities with other unaffiliated qualified custodians. However, under the Advisers Act, United Capital or their affiliates are "deemed" to have custody of client assets under certain circumstances, including where United Capital has a limited power of attorney for Advisory Accounts custodied at third-party custodians, which are ancillary non-investment advisory services. United Capital is deemed to have custody of client funds and securities whenever the Firm is given the authority to have fees deducted directly from client accounts. United Capital has the ability to deduct our advisory fee from the client's custodial account.

Clients will receive account statements at least quarterly from their broker-dealer, bank, or other qualified custodian that holds and maintains clients' investment assets. It is important in all cases for clients to carefully review their custodial statements to verify the accuracy of the calculation, as well as their holdings and activity. United Capital urges its clients to carefully review such statements for accuracy. Clients may also receive periodic account statements and performance reports from United Capital. Clients should understand that the statements received from the custodian of their funds or securities are the official records for their Advisory Accounts.

There are also accounts held at qualified custodians in the registration name of the client, where the client has provided United Capital with the authority to disburse client assets to an account not in the name of the client. The ability to disburse client assets to a third party is another form of custody.

For accounts in which United Capital is deemed to have custody, the Firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address, and the manner in which the funds or securities are maintained.

For accounts that the Firm is deemed to have custody of, other than the ability to deduct fees, we have engaged an independent public accounting firm not affiliated with United Capital to perform an annual surprise verification examination. The purpose of such an examination is to verify that the funds and securities held in accounts actually exist and are located at the applicable qualified custodian.

## **Item 16 — Investment Discretion**

United Capital accepts discretionary investment authority to manage Advisory Accounts on a client's behalf and at the client's risk. Clients who choose to grant United Capital discretion are required to sign an Investment Management agreement and complete account opening documentation appointing and authorizing United Capital to supervise and direct the investment of assets in the Advisory Account. United Capital's discretionary authority is limited by the terms of its Investment Management agreement and any written investment guidelines, including reasonable restrictions agreed to in writing between United Capital and each client. United Capital does not accept discretion over client's investment accounts and assets as part of its Financial Planning services.

In order to engage in certain transactions on behalf of Advisory Accounts, United Capital will be subject to (or cause Advisory Accounts to become subject to) the rules, terms and/or conditions of any venues through which it trades securities, derivatives or other instruments. The rules, terms and/or conditions of any such venue may result in United Capital (and/or the Advisory Accounts) being subject to, among other things, margin requirements, additional fees and other charges, disciplinary procedures, reporting and recordkeeping, position limits and other restrictions on trading, and settlement risks and other related conditions on trading.

Clients may impose reasonable restrictions or investment policy guidelines on the management of their Advisory Accounts, including prohibiting investments in particular securities, provided that United Capital or their affiliates or the Managers, as applicable, accept such restrictions. United Capital will not accommodate client restrictions if they are inconsistent with the specific mandates of particular strategies. If United Capital is unable to accommodate a client's requested restrictions, the client will need to find another firm to help meet the client's financial objectives. Managers will accept, or withdraw from the management of, a client's account based on the nature of the proposed restrictions or for any other reason. Further, each Manager may apply guidelines or restrictions differently. In connection with certain strategies and/or for purposes of seeking to apply the restrictions or limits requested by clients in connection with their account, United Capital and Managers may rely on third-party service providers in determining which securities to exclude from investment, based on such service providers' categorization of the types of companies, industries, or sectors that should be considered in this regard. Restrictions do not apply to underlying investments in pooled investment vehicles, structured notes, ETFs, Alternative Investments, or other similar investments.

For clients for whom an Unaffiliated Manager has been engaged, the Unaffiliated Manager will have discretionary authority to buy, sell, exchange, and otherwise trade securities within the client account. The investment strategies of the Unaffiliated Manager will be disclosed in their Disclosure Brochure (ADV Part 2A).

## **Item 17 — Voting Client Securities**

Unless expressly agreed to in writing, United Capital does not accept authority, or give any advice to clients about how to vote client securities, including for securities held in United Capital Advisory Accounts.

A client can elect to directly vote proxies for the securities in the United Capital Advisory Accounts by providing written notice to United Capital of the client's election to do so. Absent such written notice, by signing the discretionary Investment Management agreement and not electing otherwise, the client authorizes and directs United Capital to facilitate voting of all proxies related to the securities held in the client's Advisory Accounts in accordance with the recommendations of one or more third-party providers (the "United Capital Service Providers"). This is open to only

legacy clients in which United Capital has already been given authorization to do so. The proxy voting guidelines are available upon request. The client is responsible for voting proxies on securities or matters for which the United Capital Service Providers does not provide a recommendation. United Capital does not render any advice to the United Capital Service Providers with respect to a particular proxy solicitation. United Capital may hire other service providers to replace or supplement the Proxy Service with respect to any of the services United Capital currently receives from the United Capital Service Providers.

Unless client retains the right to directly vote proxies, the client authorizes the receipt of shareholder communications related to such proxy voting distributed by the issuers of such securities by the United Capital Service Providers.

If the client retains the right to directly vote proxies, the client maintains exclusive responsibility for (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted; and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. United Capital recommends that clients promptly review these materials, as they identify important deadlines and may require action on the client's part. United Capital is not required to notify unaffiliated custodians or clients who use unaffiliated custodians of proxy notices, shareholder class action lawsuits, or similar matters related to securities held in their United Capital Advisory Accounts. Unless otherwise agreed, United Capital does not render any advice or take any action with respect to securities or other property currently or formerly held in United Capital Advisory Accounts or the issuers thereof that become the subject of any legal proceedings, including bankruptcies and shareholder class action lawsuits. With respect to shareholder class action litigation and similar matters, United Capital's Advisory Account clients are encouraged to contact their custodians and ensure that they receive notices and are aware of the participation and filing requirements related to class action and similar proceedings. In addition, United Capital generally does not render any advice or take any action with respect to corporate actions relating to securities held in United Capital Advisory Accounts, including the right to participate in or consent to any distribution, plan or reorganization, creditors committee, merger, combination, consolidation, liquidation, underwriting or similar plan.

## **Item 18 — Financial Information**

United Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.