Item 1 – Cover Page

ProEquities, Inc.

(doing business as Investment Advisors)
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Form ADV Part 2A Brochure

March 27, 2018

This Brochure provides clients with information about the qualifications and business practices of ProEquities, Inc. ("ProEquities"). If you have any questions about the contents of this Brochure, please contact us at 800-288-3035. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any governmental authority.

ProEquities, Inc. is a registered investment adviser. Registration as an Investment Adviser does not imply any level of skill or training.

Additional information about ProEquities also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Specific material changes were made to this Wrap Fee Brochure, the last update to which was made on March 27, 2018. These changes are summarized below. It is important to note that the changes discussed directly below are only those material changes that occurred since the last annual update to this Wrap Fee Brochure. The following material changes were made:

Item 4 Advisory Business

- Updated Item 4 for assets under management.
- On August 7, 2017, ProEquities added 2 new advisory fee programs, "PreTradePlus" and "ProTradePlus". PreTradePlus is a non-discretionary advisory fee program that complements the existing PreTrade program and ProTradePlus complements the existing ProTrade program.
- Changes to investment management services section, including updated disclosures and lists of third party managers and sponsors.
- Removed advice on accounts section where the adviser can provide advice on accounts not held with affiliated broker-dealer.
- Financial planning services section updated to include conflicts and requirement of deliverable.
- Replaced Retirement Plan Consulting Agreement with Master ERISA Fiduciary Account Application.
- Removed market timing services section.
- TAMP account minimum range updated to $0 and $25,000.
- Addition of TAMP Platform description of investment advisory responsibilities of co-advisory and sub-advisory relationship and responsibilities of each party.
- Updated list of TAMPs and added disclosure of adviser managed portfolios.
- Added program choice conflicts of interest section.

Item 5 Fees and Compensation

- Removed cash payments in form of rebates and incentives from ProEquities clearing firm reference to sweep funds, participation credits and temporary marketing programs.
- Updated products sponsors and strategic partners.
- Added conflicts of interest relating to payments.
- Added compensation disclosure for NTF program through Pershing.
- Added sub-distribution arrangement with SEI.
- Added other General Costs that may apply to all programs in the Brochure.

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

- Updated risks for all strategists or investments

Item 9 Disciplinary Information

- Added to settlement information with state of Michigan, Hawaii and Louisiana paid commissions to another registered broker-dealer while that broker-dealer was not registered as a broker-dealer in the state.
- Added State of Arkansas settlement for a registered representative, not registered with the department, who sold a security issued by FT. Collins Mutifamily III DST to one Arkansas resident.

Item 10 Other Financial Industry Activities and Affiliations

- Removed disclosure around affiliated broker-dealer introducing transactions to Pershing. Replaced with disclosure of ProEquities being an introducing broker to Pershing.

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

- Changes to Code of Ethics describing current firm practices and requirements.
- Removed disclosure around block trades, review of trades and allocation replaced with added conflict of interest disclosure around trading along with client transactions.

Item 12 Brokerage Practices

- Added cybersecurity disclosure.
- Change to Brokerage Practices including step out trades.

Item 13 Review of Accounts

- Removed discussion of home office review and added disclosure around advisor requirements for account review.

Item 14 Client Referrals and Other Compensation

- Included disclosure around account minimums for NTF purchases and additional fees.

Item 15 Custody

- Expanded disclosure of ProEquities custody practices as a qualified custodian and internal control report.

Currently, our Brochure may be requested by calling ProEquities at 800-288-3035. Our Brochure is also available on our web site (www.proequities.com), free of charge.

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Item 4 – Advisory Business

Our Firm

ProEquities, Inc. ("ProEquities" or the "Firm") is a registered broker-dealer and registered investment adviser that provides securities, investment advice and other financial services to clients. ProEquities is an independent investment advisory firm with representatives located geographically throughout the United States; and has been registered as an investment adviser with the SEC since 1998. ProEquities is a wholly-owned subsidiary of Protective Life Corporation. Protective Life Corporation was purchased by the Dai-ichi Life Insurance Company, Limited ("Dai-ichi") in February, 2015; therefore Dai-ichi is an indirect owner of ProEquities. Throughout the remainder of this text, "we," "us," and "our" refers to ProEquities.

We provide investment advice through investment adviser representatives ("Advisers") who are associated with us as independent contractors and business owners. Representatives of ProEquities' investment advisory business are also registered as independent contractor representatives with ProEquities' registered broker-dealer business (member FINRA/SIPC), which allows them to offer brokerage products and services to clients. Therefore, an Adviser is able to offer a client both investment advisory and brokerage services. Before engaging with an Adviser, clients should take time to consider the differences between an advisory relationship and a brokerage relationship to determine which type of service best serves the client's investment needs and goals. Clients should speak to the Adviser to understand the different types of services available through ProEquities. ProEquities, through its Advisers, provides investment advice and management on assets in the client's account. Each Adviser is responsible for maintaining their client relationships.

As of December 31, 2017, ProEquities had $3,243,036,889 in assets under management ("AUM"), of which $2,579,491,585 was managed on a discretionary basis and $ $663,545,304 was managed on a nondiscretionary basis.

Our Advisory Services

ProEquities offers a variety of investment advisory services and programs to its Advisers for use with their clients, including wrap fee programs, advisory programs offered by third party investment adviser firms, financial planning services, and retirement plan consulting services. ProEquities investment advisory services and programs are designed to accommodate a wide range of client investment philosophies, goals, needs, and investment objectives.

ProEquities offers advisory services on a discretionary and non-discretionary basis. If a client participates in our discretionary portfolio management services, we require the client to grant our firm discretionary authority to manage their account. Discretionary authorization will allow ProEquities to determine the specific securities and the amount of securities to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement the client signs with our firm, a power of attorney, or trading authorization form. A client may limit ProEquities discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing ProEquities with your restrictions and guidelines in writing.

A more detailed description of each service is provided under the corresponding headings below, as well as in Item 5: Fees and Compensation.

Investment Advisory Services

- ***Advisory Management Plus (AMP) Platform***

Advisers offer investment management services through the selection of a ProEquities sponsored wrap fee program managed by the Adviser, ProEquities as the Portfolio Manager or with access to non-affiliated third party managers. These services include, but are not limited to, providing ongoing investment advice; implementation of portfolio plan which may include trading and rebalancing of funds necessary to meet the client's objectives and risk/return tolerance; as well as continual review of client's portfolio plan to ensure this plan remains consistent with the client's financial and personal objectives and risk/return tolerance. The IAR will review with each client their investment objectives and risk/return tolerance and may recommend investment in the appropriate ProEquities-sponsored wrap-fee program. The advisory services offered are tailored to the individual needs of each client, taking into consideration the client's risk tolerance, investment objective, time horizon, and other factors. Clients may impose restrictions on investments in certain securities or types of securities; however, such restrictions may impact the performance of the account.

AMP Platform is a ProEquities Sponsored "Wrap" Fee Program which offers two broad categories of fee-based managed account programs – Advisor Managed and Third Party Managed accounts, as follows:

ADVISOR MANAGED ACCOUNT PROGRAMS

- Capital Asset Management ("CAM") Program (no new accounts)
- PreTrade Program
- PreTradePlus Program
- ProTrade Program
- ProTradePlus Program

THIRD PARTY MANAGED ACCOUNT PROGRAMS

- Advisor's Choice Separately Managed Account ("SMA") Program
- Advisor's Choice Strategist Program
- Unified Managed Account ("UMA") Program

CAM, PreTrade, ProTrade, PreTradePlus, ProTradePlus, SMA, Strategist and UMA Programs, are considered "wrap fee" programs in which the client pays a specified fee for portfolio management services and trade execution. Wrap fee programs differ from other programs in that the asset management fee structure for wrap programs is intended to be largely all-inclusive, whereas non-wrap fee programs assess trade execution costs that are typically in addition to the asset management fee. Some programs, such as the PreTradePlus and ProTradePlus, charge a transaction fee in addition to the asset management fee.

The SMA, Strategist and UMA model portfolio wrap fee programs or model strategies available through ProEquities are managed by third party portfolio managers or are provided to ProEquities by third party investment advisers that are not affiliated with ProEquities. For more information relating to ProEquities wrap fee programs, please refer to Appendix 1 of this document, titled "The Wrap Fee Program Brochure."

- ***Third Party Manager Direct (TAMP) Platform***

ProEquities also offers our clients access to certain professional third party money managers (TAMPs) that are outside of the AMP Platform on a co-advisory or sub-advisory basis. TAMPs offer our clients access to a variety of portfolio managers that create and implement model portfolios with varying levels of risk. TAMP accounts are either managed by one or more third party portfolio managers on a discretionary basis or by the Adviser or a combination of both. Depending on the program your Adviser will either provide the portfolio management services or supervisory services with respect to the co-adviser or subadviser. That means that we will monitor the TAMP program's performance, investment selection, and continued suitability for your portfolio and will advise the client accordingly. The Adviser will help determine the client's risk tolerance, investment goals, and other relevant guidelines in order to help the client choose a TAMP that appears to best satisfy your investment needs. Account minimums for TAMP accounts generally range between $0 and $25,000 and may consist of a variety of different securities types, including stocks, bonds, ETFs, mutual funds, and derivatives.

Our Advisers may delegate investment advisory responsibilities or discretionary authority to a TAMP under co-adviser and subadviser relationships, which means we are jointly responsible for the management of the account. ProEquities has entered into agreements with various non-affiliated TAMPs to offer investment advisory, asset allocation and asset management services to ProEquities' advisory clients. While each TAMP may have a different questionnaire or similar client profiling tool, your responses will assist your Adviser with an understanding of your investment objectives and goals, risk tolerance, time horizon and other pertinent information. Based on this information, the ProEquities Adviser will assist and provide ongoing advice to clients in selecting or replacing the appropriate program, asset allocation strategy, model portfolio or other investment strategy based on the client's specific needs and goals; setting restrictions or limitations on the management of the account; and will review the account activity transacted by the TAMP in the client's account with the client on a regular basis. Any information collected through this process may be shared among ProEquities, the ProEquities Representative, the third party investment adviser selected, the custodian, and any other parties performing services relating to the client's account.

The client will typically enter into an agreement directly with that third party, which will outline, among other things, fees and the trading of your account by such third party. Generally, the TAMP will pay one fee to the third party, who will remit a portion of the fees to us. As part of establishing a new account, you will receive both our disclosure brochure as well as the TAMP's disclosure brochure. Please refer to the relevant Form ADV, Part 2A of each TAMP for a more detailed explanation of each of the different investment advisory programs offered through ProEquities.

ProEquities periodically researches, selects and reviews on an ongoing basis the TAMPs that are offered through ProEquities. ProEquities may use information provided by the TAMP sponsor and may also use independent, third party data sources when evaluating a TAMP program. As with any investment strategy, asset allocation, model or investment portfolio, past performance is no guarantee of future performance. In addition, forecasts of future performance of financial markets may prove to be incorrect. Diversification may help spread risk throughout an investment portfolio. Different asset classes have different risk and potential return profiles and they perform differently in different market conditions. Diversification alone will not guarantee a profit or protect against a loss.

The TAMP selected and/or its affiliates and service providers are generally responsible for creating and sending reports to clients, including transaction reporting, performance reporting and tax reporting. ProEquities and the ProEquities Adviser will not independently test TAMP performance information to determine or verify its accuracy and does not calculate or audit the performance reports that the third party investment advisory programs send to clients. Clients are strongly encouraged to carefully review the TAMP's disclosures regarding prior performance to determine the relevance of the prior performance to the client's account, and whether the prior performance includes any hypothetical or back-tested performance information. ProEquities also strongly encourages clients to review the account statements provided by the custodian of the client account, and compare those statements to any report or statement provided by the TAMP.

ProEquities currently has co-advisory or sub-advisory agreements to offer the services of the following TAMPs:

- SEI
- Asset Mark
- Loring Ward
- FTJ Fund Choice
- Manning & Napier
- Morningstar

In few select instances, certain Advisers may qualify for TAMP programs where the Adviser is either the sole portfolio manager or where the Adviser manages a sleeve of the portfolio in addition to the TAMP. These programs include:

- SEI's Enhanced Advisory Services (EAS) Program
- SEI Custom Rebalancing Model
- FTJ Advisory Direct

ProEquities may add new managers or terminate agreements with money managers without prior notice.

- ***Solicitor Program***

ProEquities may act in a "solicitor" capacity for TAMP programs available to our clients. When acting as a solicitor for the TAMP Program, neither ProEquities nor your ProEquities' Adviser provides investment advisory services in relation to the TAMP program. Instead, your Adviser will assist you in selecting one or more TAMP programs believed to be suitable for you based on your stated financial situation, investment objectives, and financial goals. In the solicitor program ProEquities maintains an agreement with the TAMP for providing client referrals. In these cases, ProEquities and the ProEquities Advisers receive referral fees for making the referral, which are generally referred to as "Solicitor Fees". In most cases the Solicitor Fees are calculated as a percentage of the client assets that the TAMP manages; however, there may be instances where the Solicitor Fees are determined in some other fashion. The Solicitor Fees are disclosed to clients and prospective clients in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), which governs the payment of fees for client referrals.

When we act as a solicitor for a TAMP program, you will receive a written solicitor disclosure statement describing the nature of our relationship with the TAMP program, if any; the terms of our compensation arrangement with the TAMP program, including a description of the compensation that we will receive for referring you to the TAMP program; and the amount, if any, that you will be charged, in addition to the advisory fee that you will pay to the TAMP as a result of our referral of you to the TAMP program, if applicable.

The third party investment advisers to which ProEquities refers clients most often are:

- Brinker Capital Inc.
- BTS
- Camelot
- City National Rochdale
- CLS
- Flexible Plan

- Vestor Capital

For more information on these programs, please refer to the Form ADV, Part 2A and related disclosure documents for the investment adviser and program in question. These documents can be found on the SEC's website at www.adviserinfo.sec.gov and on the applicable program sponsor's website.

Consulting Services

- ***Financial Planning and Financial Advice Services***

ProEquities, though our Advisers, provides clients with two types of financial analysis services: comprehensive financial planning and financial advice. The client will enter into a written service agreement and provide the Adviser information needed to perform the analysis. Under the written service agreement, ProEquities' Advisers will consult with each client to obtain information regarding the client, which may include client's assets, liabilities, present and foreseeable future obligations, present and future income, financial goals, and other related data. Once the information has been gathered, ProEquities' Adviser will furnish clients with either a financial plan or advice that will include some or all of the following:

a) Financial Planning

The client will receive general advice concerning the client's financial and insurance objectives that may include potential strategies to pursue such objectives, the repositioning of current assets and the directing of current and future invested assets. The client will be provided a comprehensive financial plan summary of client's present financial situation that may include a statement of net worth, cash flow model, current allocation of assets, insurance needs and one or more financial topics such as retirement planning, estate planning, education, etc. indicating shortfalls and/or overages client may experience, using assumed interest rates, inflation rates, estimates of current and future income and living expenses and/or other factors and contingencies.

b) Financial Advice

The client will receive general financial advice covering one or more of the following topics: business planning, cash flow analysis/planning, education planning, estate planning, portfolio evaluation, retirement planning, risk management (business or individual) and risk tolerance analysis.

The Adviser will deliver a written financial plan or written advice to the client and shall contact the client for a review of the document. The analysis may include a computer generated program or drawing on statistical samples and will be designed to provide general guidance toward accomplishing stated investment and insurance goals. The information may include Adviser created guidance or information from third party computer programs. The software vendors who supply the programs are unaffiliated with ProEquities, ProEquities is not responsible for any aspect of these software programs.

After the review the ProEquities obligation to the client with respect for a review of the financial planning or financial advice shall terminate. Any necessary update to the financial advice or plan, or execution of any of the recommendations made in the plan, shall be at the sole discretion of the client. ProEquities and ProEquities Advisers will be under no obligation to update the financial plan or analysis or to monitor the changes in the clients' financial circumstances, investments and/or insurance in connection with the financial planning or financial advice services.

In addition to creating plans for clients, Advisers offer insurance and investment products issued or managed by ProEquities or its affiliates, as well as insurance and investment products of unaffiliated firms. Clients are not obligated to use ProEquities or ProEquities Advisers to purchase specific securities or insurance or pursue any investment strategy. Clients may obtain legal, accounting, and other investment services from any professional source to implement any generic recommendation made by ProEqutities. If a client chooses to implement their financial plan through ProEquities, the ProEquities Adviser will be acting as a sales person in the sale of investment and insurance products, and/or in an investment advisory capacity in managing client assets or recommending investment managers to a client.

If a client chooses to purchase their insurance product through ProEquities, the Adviser will be acting as a sales person in the sale of insurance products to a client. ProEquities, the Adviser and/or its affiliates will receive compensation for this analysis and/or recommendation in the form of life insurance commissions in the event that it sells a life insurance policy to the client. A conflict of interest exists where the Adviser recommends specific life insurance and annuity products through ProEquitites or its affiliates.

If a client elects ProEquities as the broker-dealer of record when purchasing any financial products, the ProEquities Adviser will receive a commission and/or other compensation as a registered representative of ProEquities. The Adviser may give specific product recommendation regarding investments in his or her separate role as a registered representative of ProEquities, rather than his or her role as a ProEquities Adviser in connection with a financial plan or analysis, if the client relationship extends to that phase.

The financial planning fee does not include payment for implementation of the recommendations or advice contained in the plan. If a client elects ProEquities as investment adviser to provide any investment advisory services such as ongoing investment advice or implementation of a portfolio plan, the ProEquities Adviser will receive a fee and/or other compensation as an Adviser. ProEquities Advisers are separately compensated for their investment advisory services in form of advisory fees from their financial planning or advice services. The client and ProEquities (through its Advisers) typically enter into arrangements separate from this financial planning or advice agreement in order to implement all or certain portions of the recommendations or advice contained in the plan or advice, which will be subject to additional compensation.

Recommendations developed by an Adviser are based upon the professional judgment of the ProEquities Adviser and neither ProEquities nor the ProEquities Adviser can guarantee the results of these recommendations. Before implementing any recommendations the client should consider carefully the risks and potential benefits of purchasing products or services, and the client may want to seek further advice from his or her lawyer, accountant, tax specialist or other professional advisors, particularly in connection with estate planning, taxes, or small business owner planning issues as may be applicable. Neither ProEquities nor the ProEquities Adviser are qualified to render legal or tax advice, and do not offer legal or tax advice at any time. Clients are encouraged to consult a competent attorney or tax specialist with respect to any recommendations or other matters reviewed that may require a legal or tax opinion.

The client is at liberty at all times to follow or disregard, in whole or in part, any recommendations or advice contained in the plan. A client may terminate a financial planning or advice contract, without penalty, by written notice to the client's Adviser within 5 business days from the date of the client's acceptance of the financial planning or advice agreement; and fees paid to the date of termination but not yet earned will be refunded to the client. Once work has begun on the financial plan, however, any refunds will be prorated, commensurate with the amount of work performed on the plan.

- ***Retirement Plan Consulting Services***

ProEquities offers consulting and advisory services for employer-sponsored retirement plans that are designed to assist plan sponsors of employee benefit plans ("Sponsors"). ProEquities, through its Advisers, offers consulting and advisory services for employer-sponsored retirement plans that are designed to assist plan sponsors of employee benefit plans ("Sponsor(s)"). ProEquities, through its Advisers may also assist Sponsors with enrollment and/or providing investment education to plan participants and beneficiaries. ProEquities charges a fee for the Retirement Plan Services, as described in this brochure and the Master ERISA Fiduciary Account Application ("Application").

Retirement Plan Services include services that would be considered Fiduciary services under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or comparable state laws, rules and regulations.

When delivering ERISA Fiduciary Services, ProEquities, through its Advisers, will perform those services to the plan as a Fiduciary under ERISA Section 3(21)(A)(ii) and will act in good faith and with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances. When providing any ERISA Fiduciary Services, ProEquities, through its Advisers, will solely be making recommendations to the Sponsor and the Sponsor retains full discretionary authority or control over assets of the plan.

Sponsor may engage ProEquities, through its Advisers, to perform the Retirement Plan Services by completing a Master ERISA Fiduciary Account ("Application") to provide information about the plan, including options available through the plan, the plan objectives and investment objectives. ProEquities, through its Advisers, will provide a Sponsor a copy of this brochure and the Application for review. The Application describes the terms of the arrangement between ProEquities and the Sponsor, including a description of the Retirement Plan Services and the fees to be charged. By signing the Application, the Sponsor represents that Sponsor has received sufficient information and determined that the Retirement Plan Services selected are: (i) necessary for the operation of the plan and (ii) reasonable and appropriate based upon the compensation to be paid for the Services. Sponsor must sign and submit the Application and initial the Agreement section before ProEquities and/or its Advisers performs any Retirement Plan Services.

A. Description of the Retirement Plan Services

The services to be provided are more fully described in the Master ERISA Fiduciary Account Application ("Application") which can be provided by the ProEquities Adviser.

B. Potential Additional Retirement Services Provided Outside of the Agreement:

In providing Retirement Plan Services, ProEquities, through its Advisers, may establish a client relationship with one or more plan participants or beneficiaries. Such client relationships develop in various ways, including, without limitation: (i) as a result of a decision by the participant or beneficiary to purchase services from ProEquities not involving the use of plan assets; (ii) as part of an individual or family financial plan for which any specific recommendations concerning the allocation of assets or investment recommendations relate exclusively to assets held outside of the plan; or (iii) through an individual retirement account rollover ("IRA Rollover").

Advisers will not, however, solicit services from plan participants or beneficiaries when providing Retirement Plan Services. If ProEquities is providing Retirement Plan Services to a plan, Advisers may, when requested by a plan participant or beneficiary, arrange to provide services to that participant or beneficiary through a separate Application that excludes any investment advice on plan assets (but may consider the participant's or beneficiary's interest in the plan in providing that service). If a plan participant or beneficiary desires to affect an IRA Rollover, Adviser will obtain a written disclosure from the plan participant. Any decision to affect the rollover or about what to do with the rollover assets remain that of the participant or beneficiary alone.

ProEquities, its employees, and its Advisers benefit from the compensation paid to ProEquities and, will directly or indirectly receive a portion of the fees and other compensation paid by Retirement Plan Services clients. Those clients may also use other products or services available from or through ProEquities and in such case pay additional compensation. This practice creates a conflict of interest that gives ProEquities and its Advisers an incentive to recommend Retirement Plan Services based on the compensation received. Additionally, fees and commissions may also be higher for some brokerage products, services or Retirement Plan Services, and the remuneration and profitability to ProEquities, its Advisers and affiliates resulting from transactions involving some accounts may be greater than the remuneration and profitability resulting from other accounts, products or Retirement Plan Services. ProEquities addresses these conflicts through disclosure(s) in this Brochure and additional disclosures concerning compensation we receive, directly or indirectly. ProEquities will also offset or refund additional compensation when required by law.

As part of ProEquities' service of providing recommendations regarding the selection and monitoring of investment managers, qualified default Investment alternatives and default investment alternatives, ProEquities may provide Sponsor a list of investments, including mutual funds, to consider as options for the plan, and may provide a list of investment managers to manage the assets of the plan. Sponsor retains full authority to select all plan investments. ProEquities will consider information provided by Sponsor about the plan when assisting with or making recommendations about the plan's Investment Policy Statement (IPS). It is important that that information be accurate and current. Changes in the information will impact what assistance or recommendations may be made so it is important that ProEquities be accurately informed.

All investments involve risk and investment performance can never be predicted or guaranteed. The values of the account will fluctuate (perhaps significantly) due to market conditions, manager performance and other factors. Using any benchmark or index in connection with the Retirement Plan Services is no promise that the performance of the plan's particular investments will experience the same results, including the results shown on the various reports that are delivered as part of the Retirement Plan Services. Sponsor or the plan participants and beneficiaries retain all investment discretion over plan assets provided to them by the plan. Each is free to make his or her own investment decisions. No one is required to accept any assistance or follow any recommendations provided as part of the Retirement Plan Services. If the plan adopts ProEquities recommendations regarding the allocation or rebalancing among model portfolios or recommendation of investment managers, the responsible Sponsor or participant or beneficiary can freely change allocations or managers. ProEquities may use or provide to Sponsor data or information provided by third parties when providing Retirement Plan Services. While ProEquities reasonably believes that the information or data is reliable, it does not promise that it is accurate, current or consistently available. Sponsor is responsible for all the tax liabilities arising from any transactions, including any liabilities arising from the failure to maintain the qualified status of a retirement plan receiving the Retirement Plan Services.

Any report containing a proposed asset allocation model is based upon a number of factors which may include the demographics of plan participants, current asset allocations and the value of the assets. ProEquities may change asset allocations and investment options within the model portfolios and has no obligation to revise the report or otherwise advise Sponsor if a model or any of ProEquities' assumptions change in the future. The analyses and suggested asset allocations contained in the reports may be based on historical financial data, assumptions about future financial trends (including market appreciation or decline, rates of return and risks for various asset classes), assumptions about applicable laws and regulations, and appropriate financial planning strategies. Any projections, analyses or other information contained in or with the reports regarding various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. The reports do not provide advice regarding the plan's specific securities investments. Therefore, it is important for Sponsor to monitor current events, such as changes in tax laws or in the financial markets, which may affect Sponsor's decisions about the plan. The return rates and dollar figures contained in the report may not include all investment expenses; thus, any results shown may be reduced by such costs. Also, where applicable (and only as indicated) assumptions as to federal income tax rates, state income tax rates, and estate taxes reflected in the report would only be general estimates.

Program Choice Conflicts of Interest

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

Item 5 – Fees and Compensation

Compensation related to Investment Management Services

- ***ProEquities-sponsored AMP Platform***

Consult ProEquities' wrap-fee program brochures at the end of this document for details on ProEquities' compensation in the Firm's sponsored wrap fee programs.

- ***Third Party Manager Direct (TAMP) Platform***

By agreement, the total fee charged to each client by the TAMP will not normally exceed 3.00% of assets under management. ProEquities' Adviser will receive a portion of this investment advisory fee for the advisory services rendered to the client by the client's Adviser. The investment advisory fee varies by each third party money manager. The fees may be negotiable and vary on variety of factors, such as account size, account type (e.g. retirement) and types of investments within your account. The client will receive a statement at least quarterly, showing all assets and activity in their account. These statements include any transactions and fees charged for the quarter. TAMPs utilize a number of custodians, for more information about the custodial practices of the specific platform please review the respective TAMP's ADV part 2 or brochure supplement.

These fees are deducted from the client's account held with the third party manager. Most fees are billed in advance; however, some programs charge fees in arrears. Fees paid in advance are prorated to the number of days during the quarter in which the client received the services; however, billing frequency and refund policies will vary by third party manager and is not controlled by ProEquities or our Advisers. The client should consult the third party manager's disclosure document and/or client agreement for details specific to their account with the third party manager.

For the investment management services that ProEquities provides, we receive compensation and other payments in the form of:

- *advisory fees* from our clients based on the amount of assets under management by our Firm or upon the financial planning and/or advice services provided by our Adviser.
- *cash payments* from product sponsors as reimbursement *for training and educational expenses* incurred by our Adviser

when attending educational meetings or conferences that are held by ProEquities or by the product sponsor.

- *cash payments* from product sponsors through the Firm to its registered representatives as *reimbursement for product marketing efforts or attendance at due diligence meetings* (in accordance with FINRA rules).

If a client enters into an advisory agreement with a third party money manager, ProEquities receives payments from such third party money manager for the advisory services ProEquities performs under its investment advisory services agreement with the client based upon the amount of Assets under Management (AUM) that is held with a particular manager.

- ***Fees from Retirement Plan Consulting Services***

Sponsors receiving Retirement Plan Services may pay more or less than a client might otherwise pay if purchasing the Retirement Plan Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not limited to, the size of the plan, the specific investments made by the plan, the number of locations of participants, the Retirement Plan Services offered by another service provider, and the actual costs of Retirement Plan Services purchased elsewhere. In light of the specific Retirement Plan Services offered by ProEquities and its Advisers, the Fees charged may be more or less than those of other similar service provider.

All fees paid to ProEquities for Retirement Plan Services are separate and distinct from the fees and expenses charged by mutual funds, variable annuities and exchange traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client will pay an initial or deferred sales charge. The Retirement Plan Services provided by ProEquities and its Advisers may, among other things, assist the client in determining which investments are most appropriate to each client's financial condition and objectives and to provide other administrative assistance as selected by the client. Accordingly, the client should review both the fees charged by the funds, the fund manager, the plan's other service providers and the fees charged by ProEquities to fully understand the total amount of fees to be paid by the client and to evaluate the Retirement Plan Services being provided.

No increase in the Fees will be effective without prior written notice. While not necessarily related to the Services, various vendors, product providers, distributors and others may provide non-monetary compensation by paying some expenses related to training and education, including travel expenses, and attaining professional designations. ProEquities receives payments to subsidize its own training programs. Certain vendors invite ProEquities' Advisers and registered representatives to participate in conferences, on-line training or provide it publications that may further its Advisers and employees' skills and knowledge. Some occasionally provide ProEquities' registered representatives and/or Advisers gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.

Because ProEquities receives revenue sharing from third party money managers, ProEquities has a financial interest in recommending that clients engage the investment advisory services of a third party money manager with whom ProEquities has an agreement. Clients should understand that entering into an advisory relationship with a third party money manager is voluntary, and that if the client chooses to do so, then ProEquities will have a financial interest in bringing together that relationship. However, all initial investments made by ProEquities clients, including those made with third party money managers, are evaluated by a supervising principal for suitability, based on the client's individual needs and objectives.

ProEquities and its registered representatives sell a variety of securities, including mutual funds, options, money market instruments, variable products (variable annuities and variable life insurance), stocks, bonds, Section 529 college savings plans, and alternative investments (such as real estate investment trusts, oil and gas partnerships, Section 1031 exchange programs and similar programs). In the normal course of providing financial planning and asset management services to customers, ProEquities and its investment advisory representatives may recommend the purchase or sale of securities. ProEquities may execute transactions in these securities and receive compensation and other payments in the form of:

I. *commissions* from product sponsors based on transactions effected

II. *recurring distribution fees* from product sponsors based on assets held in an investment, commonly referred to as trail commissions or 12b-1 fees

III. *cash payments* from product sponsors to ProEquities *for research and due diligence* associated with securities offered for sale by the Firm

IV. *other cash payments from our "strategic partners" to ProEquities, as discussed in more detail below.*

- ***Compensation related to Financial Planning Services***

Fees for financial planning services are negotiated with the client's Adviser and are generated from either: (1) a negotiated flat dollar amount, which is typically charged at the time a client signs a financial planning agreement; or (2) an hourly rate, which will be negotiated based on the expected number of hours spent in consultation with the client and preparing the plan. In accordance with ProEquities' established fee schedule, financial planning fees will generally not exceed $10,000 for flat-fee arrangements; or $500 per hour. The minimum fee for a financial plan is $0.

Due to the complexity of some financial plans, however, a higher fee may be negotiated. Two similarly situated clients may be charged different fees for the same services. The specific manner in which financial planning fees are charged for each client is established in that client's financial planning agreement.

The financial planning fee does not include payment for implementation of the recommendations or advice contained in the plan. The client is at liberty at all times to follow or disregard, in whole or in part, any recommendations or advice contained in the plan. The client and ProEquities (through its Advisers) may enter into arrangements separate from the financial planning agreement in order to implement all or certain portions of the recommendations or advice contained in the plan, under which the client may be assessed additional commissions or fees. The Adviser may sell securities or insurance products in order to implement all or a portion of the plan; or the Adviser may enter into an investment management agreement with the client to manage all or a portion of the client's assets, in accordance with the client's objectives. Financial planning clients have the option to purchase investment products recommended by the Advisers through other brokers or agents that are not affiliated with ProEquities. Generally speaking, and not specific to the third party advisory programs and Retirement Plan Services described in this Brochure, commissions and other compensation for the sale of investment products provide the primary compensation for ProEquities and many of the ProEquities Advisers. ProEquities generally does not reduce its advisory fees to offset any applicable commissions, transaction costs, or markups. Should a client chose to implement any of the suggestions made in the recommended financial plan through ProEquities, we will be acting in our capacity as a broker-dealer, not as an Investment Adviser (unless otherwise agreed in writing), in executing transactions in your account.

If any of the ProEquities affiliates or an unaffiliated company acts as an issuer, underwriter, distributor, or advisor with respect to a product or program sold to clients, ProEquities earns compensation from such sale. In addition, these products and programs contain charges and commissions payable to the Advisers involved. ProEquities and its Advisers receive 12b-1 distribution fees from investment companies in connection with the investment of client assets.

Depending on which product and or/service a client purchases, the client will receive materials which disclose important information, such as product prospectuses, applications, and disclosure brochures. The client should read and evaluate this information carefully, and contact ProEquities Adviser with any questions.

A client may terminate a financial planning contract, without penalty, by written notice to the client's Adviser within five business days from the date of the client's acceptance of the financial planning agreement; fees paid to the date of termination but not yet earned will be refunded upon receipt of the notice of the termination of the agreement. Once work has begun on the financial plan, any refund may be prorated, commensurate with the amount of work performed on the plan.

All or a portion of the financial planning fee may be waived if the plan, or a portion thereof, is implemented with ProEquities, through the client's Adviser, where the Adviser earns commissions or fees through the sale of securities or insurance products, or the client enters into an investment management arrangement with ProEquities, through the client's Adviser. This is negotiated between the client and ProEquities, through the client's Adviser, at the time the client signs the financial planning agreement.

- ***Product Sponsors & Strategic Partners***

The product sponsor of a mutual fund, variable contract or alternative investment generally funds all or some portion of the commissions and distribution fees for the investment through fees and expense charges associated with that investment. These fees and expense charges are described in the prospectus, private placement memorandum, or other disclosure documents for that investment. Fees based on assets under management and for financial planning services are disclosed in the client's investment advisory and financial planning agreements with ProEquities.

ProEquities has agreements with certain mutual fund companies, broker-dealers, insurance companies, investment advisers, and sponsors and custodians of advisory programs in which they provide compensation and expense reimbursements to ProEquities in support of the training, education and marketing support required of these products. In addition, ProEquities may impose certain administrative costs in connection with these programs. The method, timing, and amount of payments vary by program and sponsor, and will typically be paid using one or more methodologies such as: direct reimbursement of certain expenses; payment of specific dollar amount to participate in certain conferences; payment of fees or service charge for transactions, payment of fees based on sales volume; or payment of fees or assets under management. Depending on the methodology, these payments may include fees in connection with securities transactions, transactions or service charges, and may include payments of 12b-1 fees or other asset-based fees from money market funds or other mutual funds. Payments calculated as percentages of sales from 0% to 1%. The services provided to companies participating in these arrangements include, but are not limited to: opportunities to provide training and education regarding their funds, advisors and other firm personnel through office visits, educational events or conferences: review, approval and distribution of mutual fund marketing materials to advisors and existing and prospective ProEquities clients; business planning and other communication and support from the home office, field sales, and specialist personnel: opportunities to provide content for internal communications, and sales related reports and other information and participation in sales campaigns. While these arrangements with each fund family may vary, each fund family may pay up to 0.75% annually of the assets of the fund family held by ProEquities clients in order to support and share in the distribution and marketing costs incurred by ProEquities. Certain participating fund families also make additional payments to ProEquities for attendance at various educational meetings hosted by ProEquities throughout the year.

Certain sponsors of these programs may also directly pay for certain educational and training costs of the ProEquities representatives, and send their employees to meetings to provide education and training on these programs. ProEquities has a conflict of interest to recommend products, services, and strategies on which it receives higher compensation. We mitigate this conflict by disclosing it to you, not sharing these revenues with the ProEquities Advisers that recommend transactions or strategies and by requiring there be a review of your account at account-opening and periodically to ensure it is suitable for you in light of matters such as your investment objectives and financial circumstances. The advisory services sponsors and other companies that provide payments to ProEquities above are listed below.

ProEquities receives compensation from custodians including payments based on assets held in custodian's NTF mutual fund programs. Under the custodian's NTF mutual fund programs, participating mutual fund sponsors pay a fee to the custodians to participate in the programs. A portion of those fees are shared with ProEquities. Because ProEquities receives fees based upon the amount of client assets held in custodian's NTF mutual fund programs, ProEquities has a conflict of interest and is incented to recommend the custodians NTF funds over other instruments in order to receive these custodial service payments. ProEquities also has a conflict of interest due to financial incentive to recommend a particular custodian based on the amount or level of NTF custodial service payments and other compensation that the custodian provides. We mitigate these conflicts of interests by disclosing them to you, not sharing any of these revenues with the ProEquities Adviser that recommends transactions or strategies and by requiring there be a review of your account at account-opening and periodically to ensure that it is suitable for you in light of matters such as your investment objectives and financial circumstances.

ProEquities, ProEquities Advisers, and clients also receive a benefit of certain services provided by product program sponsors and custodians. These services may include performance reporting, statement creation and delivery, technology systems including online access to account information, fee liquidation, notification and payment services, marketing material and other services related to the management of investment advisory accounts. Some of these services may involve additional charges to ProEquities, the ProEquities' Adviser, or to clients, while others are packages and available as part of an investment advisory program without itemization of the cost of each product or service.

Further, ProEquities has relationships with both affiliated and non-affiliated companies that may provide additional revenue and marketing support to ProEquities as well as education and training to ProEquities Advisers for the sale of mutual fund, annuity, life insurance and alternative investment products. This revenue and marketing support received by ProEquities is not paid to or shared with any ProEquities Adviser.

ProEquities has also entered into marketing arrangements with a number of mutual fund, variable contract and alternative investment product sponsors and TAMPs. These "strategic partners" are sometimes invited to attend or participate in educational meetings and conferences for ProEquities registered representatives and Advisers, and may be featured more prominently on the ProEquities website or other communications than other product sponsors. As a result, these strategic partners have greater access to our registered representatives and Advisers than other product sponsors.

As of the date of this brochure, the Firm's strategic partners include:

AIG/American General

Allianz

American Equity

American Funds

Ameritas

Ascensus

Martin

Matrix

Mutual of Omaha

Nationwide

North American

One America

- Athene
- Blackstone
- Bluerock
- Brighthouse (MetLife)
- Brinker
- Broadridge
- CLS
- CNL
- Efficient Market Advisors
- Envestnet
- First Trust
- W.E. Donoghue (aka JA Forlines)
- Franklin Square
- Great American
- Hines
- Inland
- Jackson
- Jemstep
- Lincoln
- Loring Ward
- Owl Rock
- Pacific Life
- Paychex
- Pershing
- Principal
- Protective
- Prudential
- Redtail
- Resource Real Estate
- City National Rochdale
- SmartStop
- Stringer Asset Management
- T Rowe Price
- The Standard
- TransAmerica
- Triloma
- US Energy
- Voya
- Waveland

ProEquities may add or eliminate strategic partners from time-to-time without prior notice.

We receive both financial and non-financial support from certain mutual fund, insurance and other companies or their affiliates based upon the sale of such companies' products by us. We receive more compensation for the sale of products of Strategic Partners than for the products of other providers we sell and thus have a financial incentive to sell the products of Strategic Partners. The amounts and forms of compensation we receive from Strategic Partners vary based on a number of factors including level of past sales, prospective future sales and the types of service and access to distribution we provide. ProEquities receives one or more of the forms of compensation described below in connection with our arrangements with each Strategic Partner. These payments are made from the resources of the investment adviser or distributor (or one of their affiliates) in the case of mutual fund Strategic Partners and from the resources of the insurance company (or its affiliate) in the case of variable annuities, group annuities, and variable life products. These payments are in addition to the sales charges, service fees, redemption fees, deferred sales charges and other fees and charges described in the prospectus fee tables or offering documents of the various products.

ProEquities registered representatives and Advisers do not receive additional compensation for selling securities offered by a particular product sponsor, whether it is a strategic partner or not. Furthermore, they are not required to achieve a sales quota with respect to investments or services offered by any product sponsor. ProEquities also has a policy against accepting reimbursement through brokerage transactions directed to the Firm by product sponsors.

The Firm believes, in general, the Strategic Partners offer investment and advisory products and services of a high quality. However, ProEquities does not guarantee that these products and services will perform better than others that may be available, and encourages its registered representatives, Advisers and customers to consider any product sponsor or TAMP whose products and services might be suitable for the customer.

Registered representatives and Advisers of the Firm who are associated with Everence may be eligible for incentives provided through Everence (such as eligibility for deferred compensation, health benefit programs and matching certain charitable contributions made by the representative) based on their sales of Praxis mutual funds and other products (such as insurance) that are offered by Everence or its affiliates.

- ***Compensation related to Financial Advice Services***

Fees for financial advice services are negotiated with the client's Adviser and are generated from either: (1) a negotiated flat dollar amount, which is typically charged at the time the client enters into a financial advice agreement; (2) an hourly rate, which will be negotiated based on the expected number of hours spent in consultation with the client, plus reimbursement for out-of-pocket expenses incurred for the service; (3) an annual fee, which is negotiated based on the estimated time to be spent in consultation with the client throughout the year; or (4) an asset-based fee related to advice provided to the client regarding assets specified by the client which are not held in a brokerage account with ProEquities or which is not otherwise managed by the client's Adviser.

In accordance with ProEquities' established fee schedule, financial advice fees will generally not exceed $10,000 for flat-fee arrangements; $500 per hour; $5,000 per year, where charged annually; or 2.00% of the asset balance where advice is provided on assets not held in a brokerage account with ProEquities or otherwise managed by the client's Adviser. Due to the complexity of some client situations, however, a higher fee may be negotiated. In such instances, the Adviser will submit a summary of the proposed work to be performed for review by the home office. The home office will notify the Adviser of whether the particular client situation and/or proposed work substantiates the higher fee. The specific manner in which financial advice fees are charged for each client is established in that client's financial advice agreement.

The financial advice fee does not include payment for implementation of the recommendations or advice contained in the plan. The client is at liberty at all times to follow or disregard, in whole or in part, any recommendations or advice provided by the client's Adviser. The client and ProEquities (through its Advisers) may enter into arrangements separate from the financial advice agreement in order to implement all or certain portions of the recommendations or advice, under which the client may be assessed additional commissions or fees. The Adviser may sell securities or insurance products in order to implement all or a portion of the advice provided, or the Adviser may enter into an investment management agreement with the client to manage all or a portion of the client's assets, in accordance with the client's objectives.

A client may terminate a financial advice contract, without penalty, by written notice to the client's Adviser within five business days from the date of the client's acceptance of the financial advice agreement, and fees paid to the date of termination but not yet earned will be refunded within ten business days of ProEquities' receipt of the notice of the termination of the agreement. Once work has begun or advice has been provided, any refund may be prorated, commensurate with the amount of work performed on the plan.

All or a portion of the financial advice fee may be waived if the advice, or a portion thereof, is implemented with ProEquities, through the client's Adviser, where the Adviser earns commissions or fees through sale of securities or insurance products, or the client enters into an investment management arrangement with ProEquities, through the client's Adviser. This is negotiated between the client and ProEquities, through the client's Adviser, at the time the client signs the financial advice agreement.

- ***Compensation related to the sale of securities and/or other investment products***

ProEquities is dually registered as a broker-dealer (member FINRA and SIPC) and a registered investment Adviser. Through its business as a broker-dealer, ProEquities receives compensation for the sale of securities, including but not limited to, stocks, bonds, options, mutual funds, exchange traded funds, limited partnerships, variable annuities, and alternatives. This inherently presents a conflict of interest, giving the client's Adviser an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Furthermore, the client's Adviser, acting in a brokerage capacity, will receive compensation related to the sale of products of which an affiliate of ProEquities is a sponsor. ProEquities' principals review all securities transactions effected by our representatives and Advisers to ensure the securities product is suitable for the client's needs, including but not limited to, risk tolerance, investment objectives and time horizon. Clients have the option to purchase investment products recommended by ProEquities and its Advisers through other brokers or agents that are not affiliated or associated with ProEquities. Although the firm's investment advisory business is a significant part of the firm's total business, the majority of the firm's total revenues, including commissions, asset-based fees from the sale of mutual funds, investment advisory fees, and other revenues, are derived from commissions related to the sale of securities.

ProEquities has entered into a sub-distribution and servicing arrangement with SEI Investments which serves as a distributor (Distributor) to SEI Asset Allocation Trust (Fund), an open-end investment company registered under the Investment Company Act of 1940. ProEquities serves as a participating dealer for SEI Class D Shares (shares) and receives compensation for sales of class D shares of .75% of the average daily net assets sold by ProEquities. ProEquities also receives compensation for shareholder servicing of Class D shares of .25% of the average daily net assets sold by ProEqtuies as the broker-dealer of record.

In the firm's wrap fee programs, certain assets placed for management in those accounts may have been sold by the client's Adviser outside of the wrap fee account, where the representative earned a commission for the sale. In certain circumstances, ProEquities may allow those assets to be transferred into the wrap fee advisory account depending on the time frame the assets resided in the brokerage account.

- ***Other General Costs That May Apply to All Programs Described in This Brochure***

Other costs that may be charged and are not part of those mentioned in the various program descriptions above include fees for portfolio transactions executed away from the broker-dealer or custodian selected by the client, dealer markups, electronic fund and wire transfers, spreads paid to market-makers, and exchange fees, among others. The program fees described above do not cover certain charges associated with securities transactions in clients' accounts, including (i) dealer markups, markdowns, or spreads charged on transactions in over-the-counter securities; (ii) costs relating to trading in certain foreign securities; (iii) the internal charges and fees assessed on collective investment vehicles, such as mutual funds and closed-end funds, UITs, ETFs, or real estate investment trusts ("REITs") (such as fund operating expenses, management fees, redemption fees, 12b-1 fees, distributor fees, and other fees and expenses; further information regarding charges and fees assessed on collective investment vehicles may be found in the appropriate prospectus or offering document), or other regulatory fees; (iv) brokerage commissions or other charges imposed by broker-dealers or entities other than the custodian if and when trades are cleared by another broker-dealer; (v) the charge to carry tax lot information on transferred mutual funds or other investment vehicles, postage and handling charges, returned check charges, transfer taxes, stock exchange fees, or other fees mandated by law; and (vi) any brokerage commissions or other charges, including contingent deferred sales charges ("CDSC"), imposed upon the liquidation of "in-kind assets" that are transferred into a program account.

ProEquities may liquidate assets transferred into a program account in their sole discretion. Clients should be aware if they transfer in-kind assets into a program account, such assets may be liquidated immediately or at a future point in time, and clients may incur a brokerage commission or other charge, including a CDSC. Clients also may be subject to taxes when such liquidations of assets take place. Accordingly, clients should consult with their Advisor and tax consultant before transferring in-kind assets into a program. The broker-dealer or custodian may charge the client certain additional and/or minimum fees.

A client may also incur redemption fees when the TAMP determines it is in the client's overall interest, in conjunction with the stated goals of the investment strategy, to divest from certain collective investment vehicles prior to the expiration of the collective investment vehicle's minimum holding period. Depending on the length of the redemption period, the particular investment strategy, and/or market circumstances, a TAMP may be able to minimize any redemption fees when, in their discretion, it is reasonable to allow a client to remain invested in a collective investment vehicle until expiration of the minimum holding period.

In certain programs, the total annual account fee does not cover certain custodial fees that may be charged to clients by the custodian. Clients also may be charged for specific account services, such as ACAT transfers, electronic fund and wire transfers, and for other optional services elected by clients. Accounts may be subject to transaction-based ticket charges assessed by the custodian for the purchase of certain mutual funds. Similarly, the total annual account fee does not cover certain non-brokerage-related fees, such as IRA trustee or custodian fees, tax-qualified retirement plan account fees and annual and termination fees for retirement accounts, such as IRAs.

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

ProEquities does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

ProEquities, through its Advisers, provides investment advisory services to individuals, high-net-worth individuals, corporate pension and profit-sharing plans, fiduciaries to plans, including participant directed defined contribution plans and defined benefit plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, corporations and other U.S. and institutions.

For participation in a ProEquities-sponsored wrap-fee program, ProEquities requires a minimum initial investment, as discussed in detail in the Firm's wrap fee program brochures for the wrap fee programs offered through ProEquities. Please consult the firm's wrap-fee program brochures for information related to investment and/or participation in a ProEquities-sponsored wrap-fee program.

The minimum initial investment for participation in a third party money manager program varies by each third party manager and is not controlled by ProEquities or its Advisers.

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

ProEquities' Advisers may use charting; analysis of investment fundamentals; technical analysis; and cyclical analysis in the management of or advice regarding client assets. Each Adviser may utilize a different investment methodology in the management of client assets, which may affect the performance of an individual client's account. Investing in securities involves risk, including the possible loss of principal invested. There is no guarantee investing in a particular security or investment strategy will result in favorable performance for the client's account. Investment in securities are not deposits of a bank, savings and loan or credit union; are not issued by, guaranteed by, or obligations of a bank, savings and loan, or credit union; and are not insured or guaranteed by the FDIC, SIPC, NCUSIF or any other agency.

ProEquities analyzes investment programs and products of TAMPs and third party managers by reviewing the background of persons associated with the manager, the manager's investment process, investment philosophy, and methodology used within the program. Advisors may at times perform their own research on various securities and or programs through third party resources available to the public, and such analysis methods may include charting, fundamental analysis, technical analysis and cyclical analysis. Sources of information our Advisors may use include financial newspapers and magazines, inspections of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission and company press releases. Performance reports may use a Modified Dietz, Money Weighted Rate of Return or Internal Rate of Return for calculations.

An investment strategy is based upon objectives the client defines in consultation with your Advisor. The client may change these objectives at any time. Other strategies an Advisor may use include long-term buy and hold, short-term purchases, trading, short sales, margin transactions and option writing (including covered options, uncovered options or spreading strategies).

A margin transaction occurs when a client uses borrowed assets to purchase financial instruments or make additional investments. The client generally uses other securities they own in an account as collateral to obtain the sum needed for the borrowed assets. Because of the effect of borrowing, a client magnifies any gains or losses from the security purchased on margin.

Please note: If a client chooses to authorize ProEquities to use margin on their account, our fees could increase as the market value of the client's investment portfolio also increases. ProEquities offer to provide margin as a strategy may create a conflict of interest since ProEquities stands to receive an increased fee should the client choose to employ this strategy with us.

Any investment or investment strategy involves some risk of loss you should be prepared to bear. Examples of risk a client could face are:

- Interest Rate Risk: Fluctuations in interest rates may cause investment values to fluctuate. For example, market values of bonds typically decline when interest rates rise, because the rising rate makes the existing bond yields less attractive.
- Market Risk: External factors independent of a security's particular underlying circumstances may impact its value. The value of a security, bond or mutual fund may drop in reaction to tangible and intangible events and conditions, such as a political or social event or an economic condition.
- Inflation Risk: Inflation means a dollar today may buy more than a dollar next year. When inflation is present, client's purchasing power typically decreases at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. Also known as exchange rate risk, these risks may be present in international mutual funds for example. ProEquities typically does not recommend purchases of overseas investments.
- Reinvestment Risk: The risk that future proceeds from investments may be reinvested at a potentially lower rate of return is reinvestment risk. This risk primarily relates to fixed income securities.
- Business Risk: Risks associated with a particular industry or a specific company may impact the value of investments. For example, oil-drilling companies typically have more business risk than electric companies since they depend on finding oil and then refining it efficiently before they may generate a profit. An electric company generates steady income from customers who buy electricity no matter what the economic environment is like.
- Liquidity Risk: Liquidity means the ability to readily convert an investment into cash. Assets with many purchasers are generally more liquid. For example, Treasury Bills are highly liquid, while real estate properties are less so.

• Financial Risk: A company with excessive borrowing or that takes significant business risks to generate profit is typically at a greater risk of financial difficulty or failure.

- ***Retirement Plan Risks***

For services provided to retirement plans, ProEquities will apply generally accepted investment theories so that its investment choices for the Plans are made with the objective to reasonably diversify Plan assets to minimize the risk of large losses and to provide varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures to meet the risk-based categories identified in the Plan's investment policy statement ("IPS"). ProEquities, through its Advisers, will diversify, reallocate and rebalance the investments and associated risk levels over time in accordance with generally accepted investment theories and consistent with the Plan's IPS. ProEquities, through its Advisers, may recommend changes to the underlying investments and/or the asset allocation percentages of any Model Portfolios and may, at the Plan Sponsor's request, communicate any instructions directly to the Platform Provider or Custodian.

ProEquities, through its Advisers, employs numerous philosophies and tools in our investment analysis and due diligence process. We may utilize any or all of the following:

Fundamental Analysis is security analysis grounded in basic factors such as company earnings, balance sheet variables and management quality. These factors are used to predict the future value of an investment. Information such as interest rates, GNP, inflation and unemployment may be used to forecast the direction of the economy and therefore the stock market. Close attention is paid to fundamentals in order to determine the fair value of various sectors.

Technical Analysis is employed in various formats in order to gauge market sentiment. It is the practice of using statistics to determine trends in security prices and make or recommend investment decisions based on those trends. Technical analysis focuses on matters such as trade volume, demand, and volatility to help determine the market forces at work on a certain security or on the securities market as a whole.

We utilize **Quantitative Analysis** to easily combine and quantify various characteristics of a large number of investments in order to determine which of the group require further analysis. **Qualitative Analysis** is also used to weigh the unique characteristics of an individual investment and the risk and return expectations of various capital markets. Third party money managers will have their own methods of analysis, investment strategies and unique investment risks that a client should review and consider before investing.

A Sponsor may make available to Plan participants a number of different types of securities, including mutual funds, collective investment funds, GICs, ETFs, annuity subaccounts or other securities. Each different type of security carries with it risks that are inherent in that specific type of security. Mutual funds, collective investment funds, ETFs and subaccounts may also invest in varying types of securities which carry these risks. Investing in securities involves the risk of loss that clients should be prepared to bear.

All investments involve risk and investment performance can never be predicted or guaranteed. The values of the account will fluctuate (perhaps significantly) due to market conditions, manager performance and other factors. Using any benchmark or index in connection with the investment management services is no promise that the performance of the plan's particular investments will experience the same results, including the results shown on the various reports that are delivered as part of the Services.

ProEquities, through its Advisers, may use or provide to Plan Sponsors data or information provided by third parties when providing investment management services. While ProEquities reasonably believes that the information or data is reliable, it does not promise that it is accurate, current or consistently available.

A Sponsor is responsible for all the tax liabilities arising from any transactions, including any liabilities arising from the failure to maintain the qualified status of a retirement plan receiving the Services.

Item 9 – Disciplinary Information

Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of ProEquities or the integrity of ProEquities' management. ProEquities reports the following disclosure events:

- On March 23, 2009, ProEquities entered a Letter of Acceptance, Waiver and Consent with FINRA. FINRA alleged that, during a breakpoint self-assessment conducted in 2004, ProEquities failed to timely conduct account reviews requested by customers and failed to timely provide refunds to customers to whom a refund was due, in violation of NASD Conduct Rule 2110. Without admitting or denying the allegations, ProEquities consented to the findings by FINRA and was fined $25,000.

- On August 30, 2010, ProEquities entered a Stipulation with the New York Department of Insurance. The New York Department of Insurance alleged that the Firm violated its rules by failing to report on the Firm's March, 2009 Corporate license renewal that ProEquities was involved in an administrative proceeding that was commenced by the then NASD prior to 3/18/2009 (see above 3/23/09 action). The Firm did not believe that this matter was reportable at the time of the March, 2009 corporate license renewal as it had not yet been finalized by the NASD/FINRA until May, 2009, as FINRA had indicated that the Firm's Acceptance, Waiver and Consent might not be accepted. This was not an intentional failure to report, but rather the Firm did not believe the matter was reportable at the time of the renewal. The Firm was fined $750.

- On October 25, 2010, ProEquities entered a Consent Agreement with the Indiana Securities Division, after the Division alleged that ProEquities violated Indiana Code by failing to timely respond to a customer complaint. The complaint in dispute was received by the Firm in January, 2009 and was submitted to the Firm's employee who was then responsible for reviewing and providing a response to such complaint. This employee was terminated through a reduction in force, and the Firm learned after termination that this employee had not responded to a number of complaints. In review of the complaint in dispute, the representative informed the Firm that the customer had withdrawn the complaint and therefore no response was necessary. Over a year later, this customer filed a complaint with Indiana; the Firm provided a timely response and made settlement with the customer to correct an error that prompted the original complaint. Although ProEquities believed that this was an extraordinary circumstance of an employee's failure to adequately perform their job function, and not an indication of systemic issues with ProEquities' procedures, the state determined that this was nonetheless a violation of the Indiana Code. Without admitting or denying the state's allegations, but rather to avoid the expense and inherent uncertainty of a formal hearing, ProEquities entered into a Consent Agreement and was fined $9,000.

- Multi-State review of an administrative services agreement with an unaffiliated firm: State regulators alleged that ProEquities violated Securities Law of the state, in that ProEquities paid commissions to another registered broker-dealer while that broker-dealer was not registered as a broker-dealer in the state. In an effort to avoid protracted and expensive proceedings in numerous states, ProEquities agreed to resolve the investigations through Consent Order, wherein ProEquities agreed to a total payment of $435,000 allocated according to a schedule provided by the multi-state investigation group which included individual state securities regulatory authorities. The payments to the unaffiliated broker-dealer represented a portion of the compensation from the sale of securities and/or provision of investment advice by ProEquities representatives, and were payment for administrative services. That agreement has since been terminated. The sale of securities and/or provision of investment advice to retail customers were made by representatives of ProEquities, who were properly registered at all times with ProEquities in the states in which the clients were located.

State	State Regulator	State Law Violation	Consent Order dated with State	Timeframe (if applicable)	Amount payable to the state
Maine	Maine Office of Securities	32 M.R.S., Section 16604	March 31, 2012	n/a	$8,207.50
Wisconsin	Wisconsin Division of Securities	Wisconsin Uniform Securities Law Chapter 551	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
California	California Department of Corporations	Corporations Code sections 25210 and 25230	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
Utah	Utah Division of Securities	Section 61-1-3 of the Utah Uniform Securities Act	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
Alabama	Alabama Securities Commission	Title 8, Chapter 6, Section 2, Code of Alabama 1975, the Alabama Securities Act	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
South Carolina	Securities Commissioner of South Carolina	Sections 35-1-401, 35-1-402, and 35-1-403	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55

South Dakota	South Dakota Division of Securities	SDCL 47-31B-401, 47-31B-402, 47-31B-403 and 47-31B-404	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
Nevada	Nevada Securities Division	Nevada's Uniform Securities Act, NRS 90.211 et. Seq.	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
Rhode Island	Rhode Island	The Rhode Island Uniform Securities Act 7-11-101 et. Seq. of the Rhode Island general laws of 1989 as amended	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
Oregon	Oregon Division of Finance	ORS 59.165	August 6, 2012	4/30/2010 to 12/2/2011	$8,207.55
Texas	Texas State Securities Board	Sections 23, 23-1, 23.A and 28 of the Texas Securities Act	August 6, 2012	4/30/2010 to 12/2/2011	$8,207.55
Colorado	Colorado Division of Securities	Sections 11-51-401(a)(1.5)(2) and (2.5), C.R.S.	August 6, 2012	4/30/2010 to 12/2/2011	$8,207.55
Minnesota	Minnesota Department of Commerce	Minn. Stat. et seq 80A.56 through et seq 80A.58	July 11, 2012	4/30/2010 to 12/2/2011	$8,207.55
New Jersey	New Jersey Bureau of Securities	N.J.S.A. 49:3-47 et seq ("Securities Law"), specifically N.J.S.A. 49:3-56(A).	September 17, 2012	4/30/2010 to 12/2/2011	$8,207.55
Missouri	Missouri Secretary of State	Sections 409.4-401, 409-4.402, and 409.4-403, RSMO (CUM. SUPP. 2011)	September 18, 2012	4/30/2010 to 12/2/2011	$8,207.55
Nebraska	State of Nebraska Department of Banking and Finance	The Securities Act of Nebraska, Neb. Rev. Stat. 8-1101 through 8-1123 (Reissue 2007; Cum. Supp. 2010; Supp. 2011) ("The Act")	September 17, 2012	4/30/2010 to 12/2/2011	$8,207.55
Maryland	Securities Commissioner of Maryland	Sections 11-401 and 11-402 of the Maryland Securities Act, Title 11, Corps. & Ass'ns, MD. Code Ann (2007 Repl.Vol. & Supp. 2012) ("Act" or "Securities Act")	September 17, 2012	4/30/2010 to 12/2/2011	$8,207.55
Idaho	Department of Finance of the State of Idaho	Idaho Code Sections 30-14-401 through 404	September 17, 2012	4/30/2010 to 12/2/2011	$8,207.55
Mississippi	Mississippi Secretary of State Securities and Charities Division	Miss. Code Ann. Sections 75-71-401 through 75-71-404	September 17, 2012	4/30/2010 to 12/2/2011	$8,207.55
Washington	State of Washington Department of Financial Institutions Securities Division	RCW 21.20.040	September 17, 2012	4/30/2010 to 12/2/2011	$8,207.55
Tennessee	Commissioner of Commerce and Insurance for the State of Tennessee, at Nashville	Tenn. Code Ann. 48-2-109	October 16, 2012	4/30/2010 to 12/2/2011	$8,207.55
North Dakota	North Dakota Securities Department	N.D.C.C. 10-04-10	October 16, 2012	4/30/2010 to 12/2/2011	$8,207.55
Pennsylvania	Pennsylvania Department of Banking and Securities	certain provisions of the Pennsylvania Securities Act of 1972 (1972 Act) in connection with the offer and sale of securities in the Commonwealth of Pennsylvania	October 16, 2012	4/30/2010 to 12/2/2011	$8,207.55
Georgia	Office of the Secretary of State Commissioner of Securities State of Georgia	Article 4 of the Georgia Uniform Securities Act of 2008 ("2008 Act"), and its predecessor, section 10-5-3 of the Georgia Securities Act of 1973 ("1973 Act")	October 16, 2012	4/30/2010 to 12/2/2011	$8,207.55
Massachusetts	the Commonwealth of Massachusetts Office of the Secretary of the Commonwealth Securities Division	Mass. Gen. Laws Ch. 110A, 201	October 16, 2012	4/30/2010 to 12/2/2011	$8,207.55
New Hampshire	New Hampshire Bureau of Securities Regulation	RSA 421-B:6 and 421-B:26	October 25, 2012	4/30/2010 to 12/2/2011	$8,207.55

District of Columbia	District of Columbia Department of Insurance, Securities and Banking	D.C. Official Code 31-5602.01(A) and 31-5602.02(A)	November 12, 2012	4/30/2010 to 12/2/2011	$8,207.55
Indiana	State of Indiana Office of the Secretary of State Securities Division	Ind. Code 23-19-4-1, Ind. Code 23-19-4-2, Ind. Code 23-19-4-3 and Ind. Code 23-19-4-4	November 12, 2012	4/30/2010 to 12/2/2011	$8,207.55
Delaware	Securities Commissioner for the state of Delaware	6 Del. C. 73-301(A) and 6 Del. C. 73-301(C)	November 12, 2012	4/30/2010 to 12/2/2011	$8,207.55
Arkansas	Arkansas Securities Commissioner	Ark. Code Ann. 23-42-301 of the Arkansas Securities Act, Codified at Ark. Code Ann. 23-42-101 through 23-42-509 ("Act")	November 12, 2012	4/30/2010 to 12/2/2011	$8,207.55
Iowa	Iowa Insurance Division	Code Sections 502-401(1), 402(1), 403(1) and 401(1)(2011)	November 12, 2012	4/30/2010 to 12/2/2011	$8,207.55
Virginia	Commonwealth of Virginia State Corporation Commission at Richmond	13.1-504 A, B and C of the Virginia Securities Act ("Act"), 13.1-501 et seq Code of Virginia	November 12, 2012	4/30/2010 to 12/2/2011	$8,207.55
Montana	Commissioner of Securities and Insurance Montana State Auditor of Montana	Mont. Code. Ann. 30-10-201	October 31, 2012	4/30/2010 to 12/2/2011	$8,207.55
Alaska	Alaska Department of Commerce	Alaska Statutes ("AS") 45.50.030	December 4, 2012	4/30/2010 to 12/2/2011	$8,207.55
Kentucky	Commonwealth of Kentucky Public Protection Cabinet, Department of Financial Institutions	KRS 292.330	December 4, 2012	4/30/2010 to 12/2/2011	$8,207.55
Ohio	Ohio Division of Securities	Ohio revised Code ("ORC") 1707.14,1707.414, 1707.16 and 1707.161	December 4, 2012	4/30/2010 to 12/2/2011	$8,207.55
Kansas	Securities Commissioner of the State of Kansas	K.S.A. 17-12A401, K.S.A. 17-12A402, K.S.A. 17-12A403, and K.S.A. 17-12A404	January 7, 2013	4/30/2010 to 12/2/2011	$8,207.55
U.S. Virgin Islands	Government of the U.S. Virgin Islands	Chapter 23, 9 VIC, Sections 631, 632, 633 and 634	January 7, 2013	4/30/2010 to 12/2/2011	$8,207.55
New Mexico	State of New Mexico Regulation and Licensing Department Securities Division	Sections 58-13B-3 and 58-13B-5 of the New Mexico Securities Act of 1986 (1986, as amended through 2004) and Sections 58-13C-401 through 404 of the New Mexico Uniform Securities Act, NMSA 1978058-13C-101 to 58-13C-701 (2009) ("The Act")	January 22, 2013	4/30/2010 to 12/2/2011	$8,207.55
Florida	State of Florida Office of Financial Regulation	Section 517.12, Florida Statutes	January 22, 2013	4/30/2010 to 12/2/2011	$8,207.55
Vermont	Vermont Department of Financial Regulation	Vermont Uniform Securities Act (2002)	February 28, 2013	4/30/2010 to 12/2/2011	$8,207.55
Hawaii	State of Hawaii Department of Commerce and Consumer Affairs	HRS 485A-604	June 29, 2017	4/30/2010 to 12/2/2011	$8,207.55
Michigan	Michigan Department of Licensing and Regulatory Affairs, Corporations, Securities and Commercial Licensing Bureau	Section 604 of the Securities Act, MCL 451.2604	January 3, 2017	4/30/2010 to 12/2/2011	$8,207.55
Louisiana	State of Louisiana	Louisiana LSA-R.S. 51:703	September 26, 2016	4/30/2010 to 12/2/2011	$8,207.55
North Carolina	State of North Carolina Department of Secretary of State Securities Division	N.C.G.S. 78A47(B) AND 78C28(B)	May 5, 2017	4/30/2010 to 12/2/2011	$8,207.55

- On March 27, 2013, ProEquities entered a Consent Agreement with the Indiana Securities Division, after the Division alleged that ProEquities violated Indiana Code by failing to engage for a required branch audit and file the audit report by the established deadline. Despite notice of the required audit, the firms' Indianapolis branch office personnel failed to complete the required audit and submit the audit report as required. The Firm's home office was not notified of the audit requirement, and was not aware that the branch office had failed to comply with the audit requirement until notice by the Indiana Securities Division. The Firm has since established procedures whereby the home office personnel will contact the Division annually to determine which, if any, of its branches have been selected for review.

- On October 22, 2015, ProEquities entered a Letter of Acceptance, Waiver and Consent with FINRA. FINRA alleged that, from May 1, 2009 to April 30, 2014, ProEquities failed to apply sales charge discounts to 713 eligible Unit Investment Trust ("UIT") purchases, resulting in customers paying excessive sales charges of approximately $109,709.00 in violation of FINRA Rule 2110. In addition, FINRA alleged that ProEquities failed to establish, maintain, and enforce a supervisory system and written supervisory procedures reasonably designed to ensure that customers received sales charge discounts on all eligible UIT purchases in violation of NASD Conduct rule 3010 and FINRA Rule 2010. Without admitting or denying the allegations, ProEquities consented to the findings by FINRA and was fined $165,000.

- On August 18, 2016, ProEquities entered a Letter of Acceptance, Waiver, and Consent with FINRA. FINRA alleged that, from January 1, 2008 to April 30, 2012, ProEquities failed to establish, maintain, and enforce adequate written procedures to supervise sales of non-traditional exchange-traded funds in violation of NASD Conduct Rules 3010(b) and FINRA Rule 2010 (for the time period prior to December 15, 2008).In addition, FINRA alleged that during the time period April 2006 through July 2013, ProEquities failed to establish, maintain, and enforce adequate written procedures to supervise the creation and dissemination of consolidated reports, in violation of NASD Conduct Rules 3010, subparts (b) and (d)(2), and 2110 (conduct prior to December 15, 2008)and FINRA Rule 2010 (conduct after December 14, 2008). Also, during the time period, January 1, 2014 through March 30, 2014, ProEquities failed to enforce its written procedures relating to the supervision of registered persons conducting investment advisory business through independent registered investment advisors, in violation of NASD Conduct Rules 3010(d) and 3040(c) and FINRA Rule 2010. In addition, during the time period, June 3, 2013 through March 28, 2014, ProEquities failed to enforce certain provisions of its written procedures relating to the supervision of sales of variable annuities and 1035-exchange transactions, in violation of NASD Conduct Rules 3010(b) and FINRA Rules 2330(d) and 2010. Finally, during the time period, June 3, 2013 through March 28, 2014, ProEquities violated of NASD Conduct Rule 3010 and FINRA Rules 2330(d) and 2010 by maintaining written procedures relating to the supervision of sales of variable annuities that identified, but did not sufficiently address, particular factors to be considered in assessing the suitability of a recommendation to buy or sell, in whole or in part, a variable annuity. Without admitting or denying the allegations, ProEquities consented to the findings by FINRA and was fined $200,000.

- On November 3, 2016 State of Arkansas alleged that ProEquities violated Ark. Code ANN. SS 23-42-301(B)(1) when its registered representative, who was not registered with the department, sold security issued by FT. Collins Mutifamily III DST to one Arkansas resident. Without admitting or denying the findings of fact or conclusions of law, the firm agreed to the consent order and a $1,000 monetary fine.

Item 10 – Other Financial Industry Activities and Affiliations

ProEquities is a dually-registered investment advisor with the SEC and broker-dealer with FINRA, and a municipal securities dealer and municipal financial advisor with the SEC and Municipal Securities Rulemaking Board (MSRB). ProEquities' management personnel, as well as each of our Advisers, are also registered representatives of ProEquities' broker-dealer.

ProEquities is not a futures commission merchant, commodity pool operator or commodity trading advisor.

ProEquities is an independent investment advisory Firm with Advisers located geographically throughout the United States; and has been registered as an Adviser with the SEC since 1998. ProEquities is a wholly-owned subsidiary of Protective Life Corporation. Protective Life Corporation was purchased by The Dai-ichi Life Insurance Company, Limited ("Dai- ichi") in February, 2015; therefore Dai-ichi is an indirect owner of ProEquities. Other subsidiaries of Protective Life Corporation which are registered as either broker-dealers or registered investment Advisers include:

- Investment Distributors, Inc. is a registered broker-dealer that wholesales Protective Life Insurance Company's variable insurance products. As such, Investment Distributors solely distributes products and does not open or maintain customers' accounts or hold customer funds or securities. Although under common ownership, the relationship to Investment Distributors, Inc. does not present a conflict of interest to ProEquities, its Advisers or our clients.

- Protective Investment Advisors, Inc. is a registered investment Adviser with the SEC. Although under common ownership, the relationship to Protective Investment Advisors does not present a conflict of interest to ProEquities, its Advisers or our clients.

ProEquities has networking agreements with several banks or other financial institutions, whereby our Advisers market investments, insurance and annuities in these financial institutions. ProEquities is solely responsible for the suitability of sales made to customers; therefore the contractual relationship with these financial institutions which allows ProEquities to offer financial products in these institutions does not present a conflict of interest to ProEquities, its Advisers or our clients.

ProEquities is a fully disclosed/introducing broker to Pershing. As such, all client AMP trades are cleared through Pershing and all client accounts are held with Pershing. All accounts in ProEquities sponsored AMP advisory fee programs are held at Pershing.

Item 11 – Code of Ethics

Pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, ProEquities has adopted a Code of Ethics that governs a number of conflicts of interest ProEquities has when providing advisory services to clients. ProEquities' Code of Ethics is designed to ensure that ProEquities meets our Fiduciary obligations to our clients and to foster a culture of compliance throughout the Firm.

The ProEquities' Code of Ethics is comprehensive and is designed to help us detect and prevent violations of securities laws and to help ensure that ProEquities keeps client's interests first at all times. ProEquities distributes the Code of Ethics to each supervised person at ProEquities at the time of his or her initial affiliation with our firm; ProEquities makes sure it remains available to each supervised person for as long as he or she remains associated with our firm; and ProEquities ensures that updates to the Code of Ethics are communicated to each supervised person as changes are made.

The ProEquities' Code of Ethics sets forth certain standards of conduct and addresses conflicts of interest among ProEquities and ProEquities' supervised persons and advisory clients. ProEquities will provide a copy of the Code of Ethics upon request.

ProEquities and its Advisers may purchase or sell for their own accounts securities or other investment products that are also recommended to clients, which may create a conflict of interest. ProEquities policy prohibits "trading ahead" of clients' transactions. When Advisors are purchasing or selling securities for their own accounts, priority will be given to client transactions. ProEquities' Code of Ethics requires Advisers to place the interests of clients before their own interests. ProEquities' Compliance Department reviews personnel and adviser trades each quarter in an effort to ensure that their personal trading does not impact trades for clients and that clients receive preferential treatment.

Item 12 – Brokerage Practices

Please consult the brochures related to the ProEquities' wrap-fee programs for information on brokerage practices for investment in these accounts.

ProEquities receives no products, research, or services (i.e. soft dollars) that it would consider a factor in utilizing a particular broker-dealer. However, as a broker-dealer, ProEquities receives certain services and products, such as fundamental research reports, technical and portfolio analyses, pricing services, economic forecasting and general market information, historical database information and computer software that assist ProEquities' investment management process, from our custodian, Pershing, LLC. The information received is used for the benefit of all clients. No services we receive require directing client transactions to any organization. However, certain unaffiliated third party managers offered through the ProEquities Platform may have soft dollar arrangements. Please reference applicable ProEquities' wrap-fee program brochures and client's advisory agreement for more information on potential conflicts of interest related to such transactions. For clients investing and/or participating in third party manager programs, ProEquities has no control over the broker-dealers selected by the unaffiliated third party managers.

Clients wishing to implement advice rendered under a financial planning or financial advice agreement may choose to implement these recommendations with ProEquities through the client's representative, either in a traditional commission or investment advisory arrangement, or a combination thereof, under which the client may pay additional compensation. The firm's Advisers are not permitted to open or assist clients with opening accounts at other broker-dealers.

ProEquities does not conduct Principal or Agency Cross transactions for advisory client accounts. However, certain unaffiliated third party money managers offered through ProEquities may conduct such transactions. Customers participating in a program offered by an unaffiliated third party money manager should consult the disclosure brochures provided by those money managers. Please reference the applicable ProEquities wrap fee program brochures and client's advisory agreement for more information on potential conflicts of interest related to such transactions.

Although ProEquities has implemented various measures designed to manage risks relating to cybersecurity events, if ProEquities' systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for the ProEquities to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of our systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of ProEquities or its client accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

- ***Third Party Manager Direct (TAMP) Platform Brokerage Practices***

TAMPs within the Third Party Direct Platform may select the broker-dealers that execute trade orders for client accounts. As an investment Adviser, a TAMP has an obligation to seek "best execution" for client trade orders. The TAMP must place client trade orders with those broker-dealers that the TAMPs believes are capable of providing the best qualitative service, taking into account the full range and quality of the services offered by the broker-dealer, including, but not limited to, the broker-dealer's execution capabilities, the broker-dealer's financial stability, and the broker-dealer's responsiveness to the TAMP. **Please note:** A Manager's best execution obligation does not require the lowest available cost to be obtained for trade orders.

Third Party Direct Platform TAMPs place client trade orders with a broker-dealer other than ProEquities. For brokerage practices including step-out-trades please consult the respective TAMP's ADV part 2A Brochure. Step-out trades may be executed without additional cost, but in certain instances, the executing firm may impose a commission, markup, or markdown on the trade. If a TAMP engages in a step-out trade and the executing broker-dealer assesses a commission or equivalent fee on the trade, the client will incur trading costs that are in addition to the Annual and Program fees paid by the client to participate in the Program. In such cases, the net purchase or sale price reflected to the client will include the additional cost of the brokerage commissions or dealer markups/markdowns charged by the executing broker. TAMPs may reasonably believe that they are able to achieve better trading results by trading away. Step-out trading practices differ from TAMP to TAMP. Some TAMPs do not engage in step-out trading, while others step out all transactions at no additional cost or for various additional costs. TAMPs who engage in step-out trades may be more costly to a client than TAMPs who do not engage in step-out trades. Clients should review the TAMP's Form ADV Part 2A Brochure, inquire about the TAMP's trading practices and associated trading costs, and consider this information carefully before selecting a TAMP.

In the selection of brokers or dealers to effect transactions, the TAMP should, as part of its best-execution obligations, consider all relevant factors, including, but not necessarily limited to, the value of research services, speed and efficiency, execution capability, confidentiality, commission rates, and responsiveness of the executing broker or dealer. The TAMP may select brokers or dealers that provide the TAMP research or other transaction-related services and may cause the client to pay such brokers or dealers commissions or other transaction-related fees in excess of those that other brokers or dealers may have charged.

Clients should understand that ProEquities does not evaluate whether a TAMP is meeting its best-execution obligations to clients when trading away, as it is not a party to such transactions and is not in a position to negotiate the price or transaction-related charge(s) between the TAMP and the executing broker or dealer. ProEquities does not discourage or restrict a TAMP's ability to trade away.

Clients participating in the Third Party Direct Platform should review the TAMP's Form ADV Disclosure Brochure carefully prior to deciding to do business with any particular TAMP. Among other things, the TAMP's Brochure must disclose the TAMP's conflicts and various sources of compensation, as well as those costs incurred by clients that may result from engaging in step-out trades, among other things. Clients should also discuss the use or intended use of any particular TAMP with their ProEquities Adviser, including the TAMP's trading practices and the costs that may be borne by the client should he or she choose to participate in the Third Party Direct Platform.

- ***AMP Platform***

For Brokerage practices on our AMP Platform please refer to the Brokerage Selection Section of the Wrap Brochure.

Item 13 – Review of Accounts

ProEquities' Adviser will contact their client, and typically meet with the client at least annually, to review the performance of the client's account and any changes to financial situation and investment goals and objectives. Adviser may also perform account reviews more frequently when market conditions dictate. Other conditions that may trigger a review are changes in tax laws, new investment information and changes in your own situation. ProEquities also requires the client, in our standard client agreement, to inform their Adviser promptly of any changes to their information, including changes to financial situation or investment objectives and policies. The client will receive confirmations of all transactions, monthly statements and/or quarterly performance reports from the designated custodian. ProEquities' Advisers and our home office personnel are typically available during normal business hours to answer questions or concerns a client may have.

Item 14 – Client Referrals and Other Compensation

As discussed more fully in Item 5, ProEquities receives additional compensation as reimbursement for training and educational expenses; reimbursement for product marketing efforts or attendance at due diligence meetings; and research and due diligence. ProEquities has also entered into marketing arrangements with a number of mutual fund, variable contract and non-traded alternative investment product sponsors and third party money managers. These "product partners" are sometimes invited to attend or participate in educational meetings and conferences for ProEquities Advisers, and may be featured more prominently on the ProEquities website or other communications than other product sponsors. As a result, these product partners may have greater access to our registered representatives than other product sponsors.

Please refer to Item 5 for complete details on these arrangements.

ProEquities' clearing firm, Pershing, offers a no-transaction fee mutual fund and ETF program, FundVest, which allows trading in a number of mutual fund and ETF families with no transaction or ticket charges. The mutual fund and ETF companies pay a fee to Pershing to be included in this program; and ProEquities receives a portion of this fee. Trades placed in mutual funds participating in the FundVest program will not be assessed transaction or ticket charges. Shares in clients account must be held for 30 days or a $52 short-term redemption fee will apply to client's account. Non-IRA purchases have a $2,500 minimum and IRA have a $500 minimum in order to eligible for FundVest. In addition certain mutual fund companies may have additional charges may say additional charges for non-omnibus traded mutual funds. Other cost may still apply to these transactions, please refer to the prospectus for complete list of costs and charges.

Although an inherent conflict of interest results as a result of ProEquities receiving such payments, all initial investments made by ProEquities' clients, including those investments with third party money managers, are evaluated by a supervising principal for suitability and are based on the client's individual needs and objectives.

Through certain of the third party money manager arrangements, ProEquities' Advisers are deemed by the third party manager to be solicitors for these companies. The compensation paid to ProEquities by these third party managers may be classified as solicitor or referral fees, regardless of the services provided to the client by the Adviser.

From time to time, investment advisory business is referred to ProEquities' Advisers through solicitors. Compensation may be paid to the solicitor either by a flat fee arrangement or a percentage of the total management fee charged to the client. Under such arrangements, the client will receive a Solicitor Disclosure Document which details the payment of these fees.

Item 15 – Custody

For those investments in ProEquities-sponsored wrap-fee programs, ProEquities has custody of its clients' funds and/or securities in that it deducts fees from client accounts pursuant to the client's advisory agreement. ProEquities also has direct custody through the receipt of checks and/or physical securities for deposit to the client's account at Pershing. As such, ProEquities is deemed to act as a qualified custodian and is required to obtain a surprise examination and internal control report by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (PCAOB). At the time of this disclosure, ProEquities has obtained a surprise examination and it will enter into an agreement to test adviser's compliance systems and its internal control environment aiming to obtain an internal control report in 2018.

ProEquities urges you to carefully review the Pershing statements and compare the information presented therein to the account performance reports that we may provide to you. These performance reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Clients should receive at least quarterly statements from the broker dealer that holds and maintains client's investment assets. ProEquities urges you to carefully review such statements and compare such official custodial records to the account performance reports that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

For those investments in third party money manager programs, ProEquities does not have custody of client funds and/or securities. Clients should carefully review the third party manager's disclosures and advisory agreements to determine if the manager has custody. ProEquities urges clients to carefully review all statements and performance reports provided to them, as statements from custodians may vary based on accounting procedures, reporting dates or valuation methodologies.

Item 16 – Investment Discretion

With respect to wrap fee programs sponsored by ProEquities, ProEquities may receive discretionary authority from the client at the outset of an advisory relationship, as indicated on the client's investment management agreement, to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. The discretion granted under the client's investment advisory services agreement is limited to trading in securities in the client's account; and does not allow for the withdrawal of client funds or securities, with the exception of the withdrawal of funds to pay for the agreed-upon advisory and/or management fees.

When selecting securities and determining amounts, ProEquities observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, ProEquities' authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to ProEquities and the client's Adviser in writing.

Item 17 – Voting Client Securities

Neither ProEquities nor its Advisers vote proxies on a client's behalf or provide advice about how to vote proxies for securities held in the wrap fee accounts offered through ProEquities' AMP platform. Nor will ProEquities or its Advisers advise the client or act for the client in any legal proceedings, including bankruptcies involving securities held or previously held in these accounts or the issuers of those securities.

ProEquities does not vote proxies on a client's behalf; however, certain unaffiliated third party money managers offered through ProEquities may vote proxies. Customers participating in third party manager programs should consult the advisory agreement and brochures for those managers to ascertain the extent to which those managers may vote proxies. Please reference the applicable ProEquities' wrap fee program brochures and the advisory agreement for more information on whether and how such third party managers will vote proxies.

ProEquities' clearing broker-dealer, Pershing, utilizes the services of a third party vendor, Broadridge, for proxy processing. On record date, Broadridge will send Pershing a list of the applicable securities for which a proxy must be provided to the beneficial owner. Pershing, in turn, will provide Broadridge a list of the names and addresses of customers holding that security.

Broadridge then mails hard copies of proxy notices to these customers along with instructions for voting the proxies electronically.

Item 18 – Financial Information

For those investments in ProEquities-sponsored wrap-fee programs, ProEquities has custody of its clients' funds and/or securities in that it deducts fees from client accounts pursuant to the client's advisory agreement. ProEquities maintains direct custody of certain client funds and securities in instances where checks are made payable to ProEquities for deposit to the client's brokerage account with Pershing and in those instances where the Firm accepts a physical security certificate for deposit to their Pershing brokerage account. As such, ProEquities is deemed to act as a qualified custodian and is required to obtain a surprise examination and internal control report by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (PCAOB). At the time of this disclosure, ProEquities has obtained a surprise examination and it will enter into an agreement to test adviser's compliance systems and its internal control environment aiming to obtain an internal control report in 2018.

Additionally, pursuant to the trading authority granted under certain wrap fee accounts, and as stated in the client's investment advisory services agreement, ProEquities may have discretionary trading authority over a client's account. ProEquities has neither a financial commitment that would impair its ability to meet its contractual and Fiduciary commitments to its clients, nor has the Firm been the subject of a bankruptcy proceeding.

Item 1 – Cover Page

ProEquities, Inc.

(doing business as Investment Advisors)
2801 U.S. Highway 280 South
Birmingham, Alabama 35223
800-288-3035
www.proequities.com

Wrap Fee Program Brochure
Form ADV Part 2A - Appendix 1

March 27, 2018

This Wrap Fee Program Brochure provides clients with information about the qualifications and business practices of ProEquities, Inc. ("ProEquities"). If you have any questions about the contents of this Brochure, please contact us at 800-288-3035. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any governmental authority.

ProEquities, Inc. is a registered investment Adviser. Registration as an Investment Adviser does not imply any level of skill or training. The information in this Brochure provides you with information you can use to determine whether or not to hire or retain ProEquities.

Additional information about ProEquities also is available on the SEC's website at www.Adviserinfo.sec.gov.

Item 2-Material Changes

Specific material changes were made to this Wrap Fee Brochure, the last update to which was made on March 27, 2017. These changes are summarized below. It is important to note that the changes discussed directly below are only those material changes that occurred since the last annual update to this Wrap Fee Brochure.

The following material changes were made:

- ProEquities removed discretion in Capital Asset Management ("CAM") program from qualified accounts. No new accounts will be opened in CAM effective August 7, 2017.
- Added disclosure for the Strategist Program managed by ProEquities portfolio manager is managed in accordance with the investment methodology and philosophy of ProEquities' Advisory Investments team.
- On August 7, 2017, ProEquities added 2 new advisory fee programs, "PreTradePlus" and "ProTradePlus". PreTradePlus is a non-discretionary advisory fee program that complements the existing PreTrade program and ProTradePlus complements the existing ProTrade program.
- Updated account minimums for AMP programs and updated minimum annual fees for the programs.
- PreTradePlus and ProTradePlus have ticket charges associated with them, where PreTrade and ProTrade do not have ticket charges associated with the program.
- Changes to ticket charges as described in the fees section of each program (except CAM).
- Changes to AMP pricing effective October 1st, 2017; updated fee structure to single fee for tiered asset level which replaced fee ranges for accounts opened as of January 1, 2017.
- Updated account minimums of $5,000 for select Strategist programs.
- Changes to Code of Ethics describing firm practices and requirements.
- Changes to Selection of Broker Dealer section of the Wrap brochure including, step-out trades, best execution and conflicts of interest.
- Changes to Brokerage Practices disclosing advisory, institutional or other share classes that do not have a sales-load and do not assess 12b-1 shareholder servicing fees (collectively "Advisory Shares") are offered in all ProEquities Managed Accounts.
- Added a disclosure where Class A share positions, as well as other share classes that pay a 12b-1 fee, ("Non-Advisory Shares") are held in or transferred into any AMP IAR managed account or sleeve, we will convert them to an Advisory Share class where one is available to us through a selling agreement provided the mutual fund company allows the conversion to be processed on a tax-free exchange basis.
- Updated other cost sections to include disclosure around NFT funds and associated conflicts.
- Added directing trades to Pershing disclosure, best execution requirements and conflict of interest disclosure.
- Removed a disclosure of accounts being removed by home office.
- Expanded disclosure of ProEquities custody practices as a qualified custodian and internal control report.

Currently, our Brochure may be requested by calling ProEquities at 800-288-3035. Our Brochure is also available on our web site (www.proequities.com), free of charge.

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Item 4 – Services, Fees and Compensation

ProEquities provides investment advice through investment adviser representatives ("Advisers") who are independent contractors of the firm and also registered representatives with ProEquities. ProEquities is a dually registered investment adviser and a broker-dealer (member FINRA/SIPC), which allows our Advisers to offer brokerage products and advisory services to clients. Each Adviser is responsible for maintaining his or her client relationships. The Advisers contract with us to utilize our advisory programs in an effort to help his or her clients meet financial goals and needs. We provide services to our clients through these advisory programs.

ProEquities offers advisory services on a discretionary and non-discretionary basis. If a client participates in our discretionary portfolio management services, we require the client to grant our firm discretionary authority to manage their account. Discretionary authorization will allow ProEquities to determine the specific securities and the amount of securities to be purchased or sold for client's account without prior approval to each transaction. Discretionary authority is typically granted by the investment advisory agreement the client signs with our firm, a power of attorney, or trading authorization forms. A client may limit ProEquities discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing ProEquities with your restrictions and guidelines in writing.

This Wrap Program Brochure is to inform our clients about ProEquities's wrap programs. If a client is interested in learning more about any other advisory programs and services that ProEquities offers, please refer to Item 4 of the ADV part 2A Brochure. As an investment adviser, ProEquities acts as the sponsor of wrap fee programs. By way of definition, a wrap fee program bundles, or wraps, investment advisory services (which, depending on the program, may include investment advice concerning the selection of available investment managers, research, and asset management services) and brokerage services (such as execution of transactions and custody of assets), for a specified wrap fee. The wrap fees differ per each program and will include or exclude the execution of transaction fees. The wrap fee is based generally upon a percentage of the assets under management in the account and not directly upon transactions in client's account. The client will pay a graduated fee based on the assets of the client's account including or excluding ticket charges depending on the selected program. The fees vary among wrap fee programs and are subject to negotiation. ProEquities offers a group of investment advisory services and programs to its advisers to use with their clients, which are designed to accommodate a wide range of investment philosophies, goals, needs and investment objectives.

ProEquities services, through the wrap fee programs, may cost more or less than what clients would pay for purchasing the services separately. The factors that bear on the relative cost of the managed account programs include the cost of the services if provided separately and the amount of trading activity in the client's account. To the extent that the client pays more for a bundled fee than it would by purchasing the services separately, this creates a possible financial incentive for ProEquities and its Advisers to recommend the wrap fee programs over other available programs or services (such as a brokerage account with no advisory services). Prospective clients should consider whether it is advantageous to enroll in a wrap fee program such as ProEquities compared to paying separately for investment advice and trade execution and custody services.

ProEquities has selected Envestnet Asset Management, Inc. ("Envestnet"), a non-affiliated third party investment adviser, as a provider of investment advisory software for Advisers and their clients, and as a partner to deliver co-advisory investment services through its programs. ProEquities Advisory Management Plus (AMP) Platform offers portfolio, practice management, reporting resources, support and tools necessary to serve our clients. In addition, in some of the programs described below, ProEquities has entered into a co-advisory agreement with Envestnet to help deliver a variety of portfolios and investment choices from thousands of leading separately managed accounts, ETFs, and alternatives. For more information on the investment advisory services offered through Envestnet please refer to Envestnet's ADV Part 2A brochure.

AMP Platform

Prior to opening an account, an Adviser will typically gather information through a meeting with a client to determine, among other things, the client's investment experience, investment objectives, risk tolerance and general financial condition in order to create an investment profile. These investment profiles will allow Advisers to determine and recommend the appropriate investment products and services.

The AMP Platform offers two broad categories of fee-based managed account programs – Adviser Managed and Third Party Managed accounts, as follows:

ADVISER MANAGED ACCOUNT PROGRAMS

- Capital Asset Management ("CAM") Program (no new accounts)
- PreTrade Program
- PreTradePlus Program
- ProTrade Program
- ProTradePlus Program

THIRD PARTY MANAGED ACCOUNT PROGRAMS

- Advisor's Choice Separately Managed Account ("SMA") Program
- Advisor's Choice Strategist Program
- Unified Managed Account ("UMA") Program

- ***CAM, PreTrade, PreTradePlus, ProTrade and ProTradePlus Programs***

ProEquities offers the services described herein to clients including, but not limited to, individuals, high net worth individuals, trusts, estates, charitable organizations, corporations or other business entities, and pension plans. These clients can choose from an array of services based upon their particular needs. The investments for a particular client's programs in Capital Asset Management ("CAM"), PreTrade, PreTradePlus, ProTrade or ProTradePlus accounts are selected based on client investment needs, but not limited, to investment objectives, tolerance for risk, and investment time horizon. The client's Adviser diversifies and manages the client's portfolio, which includes, but is not limited to, stocks, bonds, options, mutual funds, exchange traded funds and money market instruments. Investments and allocations are determined based upon the client's pre-defined investment objectives, risk tolerance, time horizon, financial information, and other various suitability factors. Further restrictions and guidelines imposed by clients may affect the composition and performance of a client's portfolio. For these reasons, performance of each client's portfolio will vary among accounts of ProEquities' diverse field of Advisers.

The client's Adviser will provide investment management of client's funds either on a non-discretionary or discretionary basis, depending on which program is selected. The client's adviser will manage the client's accounts on an individual basis, for a wrap advisory fee. The Adviser executes the trades through Envestnet or ProEquities; Envestnet and ProEquities generally execute the trades through Pershing as the executing broker-dealer. In addition to the wrap advisory fee, clients may also pay transaction fees also known as "ticket charges" as further described below. Ticket charges are fees that are generated anytime there is a trade executed in an account. Transaction charges may vary depending upon several factors, such as type of security and the size of the trade to be executed. A table that lists the applicable ticket charges can be found under the "Advisory Fees: PreTrade and PreTradePlus" section of this Brochure. Clients may also contact their Adviser for a current schedule of applicable ticket charges.

Under certain circumstances such as high trading volume in an account with a small value, transactions charges may approach or actually exceed the amount of the advisory fee. For those clients that do not pay ticket charges, the Adviser and/or ProEquities may have an incentive: (a) not to offer investment advice that involves a trade recommendation (in the case of a non-discretionary account); or (b) not to trade the account (in the case of a discretionary account), as trading activity would generate ticket charges to be paid by the Adviser.

- ***Capital Asset Management "CAM" Program (not open to new accounts)***

The Adviser will work with the client in selecting appropriate investments in an effort to assist the client in achieving their investment goals. CAM is an adviser managed program where the Adviser has discretionary or non-discretionary management authority over the trading of the account, except for qualified accounts (i.e. IRAs, 401Ks, etc.) where all accounts are non-discretionary. In a qualified account, the Adviser will consult with the client prior to allocating and re-allocating assets in the client's accounts, and the client must authorize the transaction before the Adviser may execute the transaction in the account. An advisory wrap fee is a charge billed to the client's advisory account for providing a bundle of services, including but not limited to investment advice, investment research, and brokerage services. In addition to the wrap fee, the program includes *transactions fees (aka ticket charges) paid by the Adviser or the client.* As such, the Adviser has incentive to trade the account less frequently. ProEquities aims to mitigate this conflict by disclosing it and monitoring for minimum trading requirements in the client account.

- ***PreTrade and PreTradePlus Programs***

The Adviser will work with the client in selecting appropriate investments in an effort to assist the client in achieving their investment goals. Advisers will provide investment services on a *non-discretionary* basis in all PreTrade and PreTradePlus accounts.

The Adviser will consult with the client prior to allocating and re-allocating assets in client's accounts, and the client must authorize each transaction before the Adviser may execute the transaction in the account. An advisory wrap fee is a charge billed to the client's advisory account for providing a bundle of services, including but not limited to investment advice, investment research, and brokerage services. *In the PreTrade Program the transaction fees are included in the wrap fee, where as in the PreTradePlus transactions fees are billed to the client in addition to the wrap fee.*

- ***ProTrade and ProTradePlus Program***

The Adviser will work with the client in selecting appropriate investments in an effort to assist the client in achieving their investment goals. In all ProTrade and ProTradePlus accounts, Advisers will have *discretionary* trading authority. An advisory wrap fee is a charge billed to the client's advisory account for providing a bundle of services, including but not limited to, investment advice, investment research, and brokerage services. *In the ProTrade Program the transaction fees are included in the wrap fee, where as in the ProTradePlus transactions fees are billed to the client in addition to the wrap fee.*

- ***Advisor's Choice Separately Managed Account and Strategist Programs***

The Advisor's Choice Separately Managed Account "SMA" and Strategist "Strategist" wrap fee program offers clients an asset management account in which ProEquities, in its capacity as an investment adviser, provides clients access and oversees the management of the account by a select professional investment management firms (also called third-party managers), which will have the authority to direct and manage the assets in the client's account using various investment vehicles in the account on a discretionary basis according to the client's stated investment discipline without soliciting their consent prior to effecting portfolio transactions.

The SMA and Strategist programs or model strategies available through ProEquities are managed by the third party managers or are provided to ProEquities by third party investment advisers that are not affiliated with ProEquities. In addition to third party managers the Strategist program offers clients managed account models developed and managed by ProEquities' Advisory Investments team as the portfolio manager. The SMA and Strategist programs are managed in accordance with the investment methodology and philosophy used by the respective third party portfolio manager, investment Adviser, or strategist. The Strategist Program managed by the ProEquities portfolio manager is directed in accordance with the investment methodology and philosophy of ProEquities' Advisory Investments team.

A Separately Managed Account (SMA) will invest primarily in individual stocks or bonds. Generally, at least 75% of either the assets or number of underlying Investment vehicle types will be invested directly in stocks or bonds. These products primarily will represent a portfolio manager's representation of a single investment style, rather than reflect a diversified portfolio across multiple asset classes. Investment styles are defined by categories, such as U.S. Equity Large Cap Value, International Developed Market Equities, or Short Duration Municipal Bonds. Styles also may include Balanced SMAs that invest in individual stocks and bonds.

The Strategist program will create managed portfolios by primarily using either the U.S. Investment Company Act of 1940 Open-End Mutual Funds (MFs) or the U.S. Investment Company Act of 1940 Exchange-Traded Funds (ETFs). ETFs may consist of Exchange-Traded Notes (ETNs). Generally, at least 75% of the assets or underlying investment vehicle types will be invested directly in MFs or ETFs. These products primarily will represent a portfolio manager's view on asset allocation for a total portfolio solution. These total asset allocation solutions include Strategic, Dynamic, and Tactical styles. These asset allocation portfolios, sometimes known as risk buckets or efficient frontier portfolios may be categorized further as Capital Preservation, Moderate Growth, or Aggressive Growth. These portfolios also may include Tactical Strategies that invest primarily in individual ETFs to enhance allocations to general equity, fixed income or cash asset classes.

The third party managers provide model portfolios they have developed, based on their market and product research and due diligence, for use by ProEquities' clients. Advisers assist their clients in choosing a model portfolio developed by the third party manager that the adviser believes is consistent with the client's risk tolerance and investment objectives. Advisers will obtain the necessary financial data from the client in order to assist the client in determining the suitability of Adviser's Choice SMA and Strategist Programs for the client and will help the client select the appropriate third party asset manager and model portfolio. The client and the Adviser will meet periodically to review the client's financial situation, investment objectives, and current portfolio.

Periodically, the third party managers may rebalance or reallocate the securities within their model portfolios, as they deem necessary or appropriate. For SMA accounts, the client's selected third party managers will provide their portfolio trade orders to Envestnet or will execute the trades through their selected brokers. Envestnet will have trading discretion over the client's account for those accounts where third party managers provide trade orders to Envestnet and will be responsible for placing trade execution orders with the applicable executing broker for the SMA accounts to reflect the holdings prescribed for the model portfolios, both at account opening and for periodic account rebalancing. Envestnet will effect transactions in the client's account on a discretionary basis in order to rebalance or reallocate the client's account in a manner consistent with the model portfolio selected by the client. For the SMA accounts, where a third party manager executes the trades, the third party manager will have the trading discretion over the client's account and execute trades through their selected brokers. All Strategist accounts opened after March 21, 2014 will provide their model portfolio trades to Envestnet. Envestnet will have trading discretion over the client's account and will be responsible for placing trade execution orders with the applicable executing broker to reflect the holdings prescribed for the model portfolios, both at account opening and for periodic account rebalancing. Strategist accounts opened prior to March 21, 2014 where Forelines and Martin are third party managers, JA Forlines and Martin have the trading discretion over the client account and will execute trades through their selected brokers.

At any given time, the client's account may not reflect the exact model portfolio due to market fluctuations or specific client needs or circumstances. The client will be responsible for all tax consequences resulting from any rebalancing or reallocation of the account.

Third party managers available through the SMA will offer various portfolios under this program. These portfolios will include investments in, but not limited to, stocks, bonds, ETFs and mutual funds. Once the client's account reaches the minimum investment amount stated for the third party manager, the third party manager will begin providing services to that client. The client has the ability to impose reasonable restrictions on the investments of the client's account, such as contributions or withdrawals of securities and/or cash, voting securities, requesting the sale of individual securities for tax planning purposes (also called "tax harvesting"). The client may be allowed flexibility in developing a customized portfolio diversified across multiple investment disciplines, or targeting an individual or more concentrated investment disciplines. Third party managers may delegate the authority to vote securities to another person; to be provided in a timely manner with a written confirmation or other notification of each securities transaction, and all other documents required by law to be provided to security holder; and proceed directly as a security holder against the issuer of any security in the client's account and not be obligated to join any person involved in the operation of the program, or any other client of the program, as a condition precedent to initiating such proceeding.

- ***Unified Managed Account***

A Unified Managed Account (UMA) offers access to mutual funds, ETFs, stocks, bonds, and third party managers, using various investment vehicles in one consolidated account. The managers include those available in the SMA and Strategist Programs. The UMA also allows for the Adviser to manage a sleeve of an account. The client's Adviser will assist the client in clarifying their investment needs, including but not limited to investment objectives, tolerance for risk, and investment time horizon; and will provide professional advice to the client for a wrap fee. The adviser will work with the client in selecting the appropriate third party manager and/or individual securities to be managed by the Adviser in an effort to assist the client in achieving their investment goals. Third party managers and the strategies offered for a particular client's account are selected based on, but not limited to, risk adjusted returns and suitability needs. Selection of the manager(s), strategist(s) and individual securities or model portfolios will be documented in the Statement of Investment Selection (SIS).

Third party managers, through the client's UMA account, will provide investment management of each client's funds on a discretionary basis. Periodically, the third party managers may rebalance or reallocate the securities within their model portfolios, as they deem necessary or appropriate. For UMA accounts, the client's selected third party manager(s) will either provide their portfolio trade orders to Envestnet or will execute the trades through their selected brokers. Envestnet will have trading discretion over the client's account for those accounts where a third party manager provides trade orders to Envestnet and will be responsible for placing trade execution orders with the applicable executing broker for the UMA accounts to reflect the holdings prescribed for the model portfolios, both at account opening and for periodic account rebalancing. Envestnet will effect transactions in the client's account on a discretionary basis in order to rebalance or reallocate the client's account in a manner consistent with the model portfolio selected by the client. For the UMA accounts where a third party manager executes the trades, the third party manager will have the trading discretion over the client's account and execute trades through their selected brokers.

The client's Adviser will provide investment management in a sleeve on a discretionary basis. In addition, the Adviser also has discretion to change managers or strategies in other sleeves. The Adviser executes the trades through Envestnet or ProEquities; Envestnet and ProEquities generally execute the trades through Pershing as the executing broker-dealer.

Asset managers available through the UMA will offer various model portfolios under this program. The model portfolios will include investments in, but not limited to, stocks, bonds, ETFs and mutual funds. Once the client's account reaches the minimum investment amount stated for each manager, that manager will begin providing services to that client. For each model portfolio in the UMA Program, the client has the ability to impose reasonable restrictions on the investments of the client's account, such as contributions or withdrawals of securities and/or cash; voting securities, requesting the sale of individual securities for tax planning purposes (also called "tax harvesting"). The client may be allowed flexibility in developing a customized portfolio diversified across multiple investment disciplines, or targeting an individual or more concentrated investment disciplines. Third party managers may delegate the authority to vote securities to another person; to be provided in a timely manner with a written confirmation or other notification of each securities transaction, and all other documents required by law to be provided to security holder; and proceed directly as a security holder against the issuer of any security in the client's account and not be obligated to join any person involved in the operation of the program, or any other client of the program, as a condition precedent to initiating such proceeding.

- ***Performance Evaluation and Monitoring Services***

ProEquities will furnish quarterly performance measurement reports to its clients participating in the advisory fee programs offered through the ProEquities AMP platform. These reports are intended to inform clients as to how their investments have performed during the selected period. The client will also receive account statements from Pershing at least quarterly, detailing all of the activity in the client's account, including the amount of advisory fees charged during the billing period.

Information contained in the performance report is believed to be accurate; however, the accuracy and completeness of the information is not guaranteed; and is not intended to replace the account statements clients receive from Pershing. The statements clients receive from Pershing should be considered the official record for all pertinent account information. The performance report is provided in a different format from that of the Pershing account statement and may vary in content and scope. Clients should carefully compare the asset information contained in the performance report to the asset information provided in the Pershing account statement. Any discrepancies noted should be reported immediately to the client's Adviser or ProEquities' home office at 800-288-3035. Clients should also notify ProEquities promptly if they do not receive the account statements from Pershing on at least a quarterly basis. Calculations and data provided on the performance reports should not be relied upon for tax purposes, but rather clients should instead use the original transaction confirmations and Form 1099s provided by Pershing.

- ***Representatives of Independent Registered Investment Advisers***

Registered securities representatives ("representatives") of ProEquities may also be Advisers of an unaffiliated registered investment Adviser ("RIA"). These representatives may also offer the advisory fee programs sponsored by ProEquities, including those offered through ProEquities AMP platform. Investment advice or advisory services provided by the representative in such event is not provided through ProEquities but rather is provided through the unaffiliated RIA. The representative's association with an unaffiliated RIA, as well as the advisory services offered through that RIA, will be disclosed through a separate disclosure statement and investment advisory services agreement provided by the representative.

ADVISORY FEES

Compensation earned by the firm for the provision of investment advisory services to our clients is generally comprised of management fees based on a percentage of assets under management during the investment period. Fees and compensation are described within the SIS for each client. These fees may be assessed on a blended or tiered basis. (For example, blended billing for an account with $600,000 in assets would be calculated by charging 2.00% on the first $249,999, 1.75% on the next $250,000 and 1.50% on the remaining $100,001. Using a tiered billing approach, the entire $600,000 would be billed at 1.50%).

Clients participating in the AMP programs may pay more or less than clients pay if purchasing the services separately. Although the advisory fees are standard fees, they may be negotiable and may vary according to a variety of factors that determine whether such costs would be more or less, including but not limited to: size and type of account, complexity of the client's objectives or financial situation, securities and strategies involved, managers selected, and amount of trading effected through the third party managers.

For the AMP investment advisory services provided by ProEquities and the Adviser, accounts are charged a single management fee. ProEquities and your Adviser receive a portion of the investment advisory fee a client pays when participating in any managed account program through ProEquites. In addition, for SMA, Strategist, and UMA program accounts a manager fee is paid from the overall account to the third party managers; however the third party manager fee may not be applicable if no manager has been selected within the UMA program. ProEquities receives a higher portion of the advisory fee when a client selects a Strategist program to compensate for ProEquities investment management and research services provided by the Advisory Investments Team.

The total account fee for third party asset managers includes the following:

- SubAdviser fee
- ProEquities ' advisory, clearing, custody, trading, and administrative fees

Clients should refer to the respective third party asset manager's Form ADV Part 2A or Disclosure Brochure for further information regarding the sub-advisory services and fees.

The Adviser fee is paid to ProEquities as the sponsor of AMP programs, as applicable, and is intended to cover the financial advice offered by ProEquities, through the client's selected Adviser. The fee schedule below is intended to be used for determining the fees to be charged to a particular client's account, but the Adviser's fee may be discounted. A portion of the advisory fee paid to the client's selected Adviser is based on a pre-established payout rate between ProEquities and the Adviser (or representative of an unaffiliated Registered Investment Adviser where applicable); and the remainder is retained by ProEquities and is used to cover trading costs, custodian fees and other expenses. Any remaining amount after costs is revenue to ProEquities. Where applicable, a portion of the advisory fee may be paid to independent investment advisers as part of their agreement with ProEquities to offer this program to their clients; and the remainder is retained by ProEquities as revenue.

The platform fee is paid to ProEquities through account billing, and covers trading costs, custodian fees, and other costs. Any remaining amount after costs is revenue to ProEquities. The platform fee will be calculated on a tiered basis, based upon both the amount of assets in the client's account and based upon the cumulative amount of assets the client's Adviser has invested on the Adviser's platform, in accordance with the table below. For each Assets Under Management Tier listed in the table below, the Client shall be charged the minimum up to the maximum fee applicable to a Client's specific account program. The specific fee is dependent upon the client's Adviser's cumulative assets invested on the Adviser's platform at the end of the preceding quarter (or, in the case of an account opening, as of the date of the proposal). **The specific fee applicable to each Assets Under Management Tier may vary each quarter, from the minimum up to the maximum fee**. Clients should consult their Adviser if there are any questions regarding the calculation of the fee.

The fee schedules associated with each of the advisory fee programs offered through the ProEquities AMP platform is described below.

- ***Capital Asset Management Program-(not available for new accounts)***

ProEquities offers the following fee schedule, which is intended to be used as a basis for determining the fees to be charged to a particular client's account. This fee schedule may be discounted at the Adviser's discretion. The general fee schedule for the CAM advisory fee program offered through ProEquities is as follows:

CAM Fee Schedule					
				Adviser Fee	**Platform Fee**
$	0.01	$	25,000.00	2.00%	0.25%
$	25,000.01	$	49,999.99	2.00%	0.23%
$	50,000.00	$	99,999.99	2.00%	0.20%
$	100,000.00	$	249,999.99	2.00%	0.18%
$	250,000.00	$	499,999.99	1.75%	0.13%
$	500,000.00	$	749,999.99	1.50%	0.10%
$	750,000.00	$	999,999.99	1.25%	0.09%
$	1,000,000.00	$	1,499,999.99	1.00%	0.05%
$	1,500,000.00	$	1,999,999.99	1.00%	0.05%
$	2,000,000.00		and over	1.00%	0.04%

- ***CAM Ticket Charges***

In addition to the fee schedule above, clients with CAM accounts may also be charged ticket charges. Some Advisers may cover the cost of ticket charges related to client trades themselves, while other Advisers may negotiate to pass along that expense to the client. The general ticket charge schedule is as follows:

TRANSACTION		**Electronic Trades Via AMP**	**Phone Trades**
No Load Mutual Funds	Purchases & Redemptions	$18.00	$28.00
	Exchanges (including SRS)	$7.50	$17.50
Equities & Options	Listed Equities	$16.00	$26.00
	OTC Equities	$16.00	$26.00
	Options	$16.00	$26.00
Individual Fixed Income	Corporate & Municipal Bonds	$18.00	$18.00
	Treasury & Government Agency Bonds	$18.00	$18.00
	Money Market Investments	$12.00	$12.00
	Mortgage Backed when Issued	$10.00	$10.00
	Unit Investment Trusts	$33.00	$33.00
	Dollar Cost Averaging & Systematics using SRS System	$2.50	$2.50

Pershing Trade Execution Charges		
Options	Equity & Index	$1/Contract
	Debt & Currency	$2.40/Contract

The minimum investment amount required for the CAM advisory fee program offered through ProEquities is $25,000. Due to the differences in ticket charges in the CAM program vs. other programs, the clients may have expenses that are lower or higher than other AMP programs.

- ***PreTradePlus and ProTradePlus Programs***

PreTradePlus and ProTradePlus Fee Schedule			
		Adviser Fee	**Platform Fee**
$ 0.01	$ 99,999.99	2.00%	0.20%
$ 100,000.00	$ 249,999.99	2.00%	0.17%
$ 250,000.00	$ 499,999.99	2.00%	0.16%
$ 500,000.00	$ 999,999.99	1.75%	0.12%
$ 1,000,000.00	$ 2,999,999.99	1.50%	0.08%
$ 3,000,000.00	$ 4,999,999.99	1.50%	0.06%
$ 5,000,000.00	and over	1.00%	0.05%

* A minimum annual fee of $20 may be charged by Envestnet for accounts that fall below $31,000.00. Furthermore, an additional minimum annual firm fee of $30 will be applied if threshold of $21,500 is not met.

- ***ProTradePlus and PreTradePlus Ticket Charges***

In addition to the fee schedule above, clients with, PreTradePlus and ProTradePlus accounts may also be charged ticket charges. The general ticket charge schedule is as follows:

TRANSACTION		Electronic Trades Via AMP	Phone Trades
No Load Mutual Funds	Purchases & Redemptions	$12.00	$22.00
	Exchanges (including SRS)	$12.00	$22.00
Equities & Options	Listed Equities	$12.00	$22.00
	OTC Equities	$12.00	$22.00
	Options	$12.00	$22.00
Individual Fixed Income	Corporate & Municipal Bonds	$12.00	$22.00
	Treasury & Government Agency Bonds	$12.00	$22.00
	Money Market Investments	$12.00	$22.00
	Mortgage Backed when Issued	$12.00	$22.00
	Unit Investment Trusts	$12.00	$22.00
	Dollar Cost Averaging & Systematics using SRS System	$2.50	$2.50

Pershing Trade Execution Charges		
Options	Equity & Index	$1/Contract
	Debt & Currency	$2.40/Contract

The schedules of ticket charges listed above are subject to change periodically without prior notice. Clients should consult their Adviser for a current list of applicable ticket charges.

- ***PreTrade and ProTrade Programs***

PreTrade and ProTrade Fee Schedule		Adviser Fee	Platform Fee
$ 0.01	$ 99,999.99	2.00%	0.28%
$ 100,000.00	$ 249,999.99	2.00%	0.25%
$ 250,000.00	$ 499,999.99	2.00%	0.21%
$ 500,000.00	$ 999,999.99	1.75%	0.16%
$ 1,000,000.00	$ 2,999,999.99	1.50%	0.10%
$ 3,000,000.00	$ 4,999,999.99	1.50%	0.08%
$ 5,000,000.00	and over	1.00%	0.07%

The minimum initial investment in a PreTrade or ProTrade account is $25,000.00.

Clients, when participating in the PreTrade and ProTrade Programs, will not be charged a transaction charge for transactions in mutual funds, equities, ETFs, fixed income, UITs and options; however, the client should understand ProEquities charges Advisers for transactions in those securities. Clients do not pay a transaction charge for transactions in a PreTrade and ProTrade accounts, clients should be aware Advisers pay ProEquities various transaction charges for those transactions. The transaction charges borne by Advisers vary based on the type of transaction (e.g., mutual fund, equity, or fixed income security). Because the Adviser pays the transaction charges in PreTrade and ProTrade accounts, there is a conflict of interest. Clients should understand that the cost to Adviser of transaction charges may be a factor that the Adviser considers when deciding which securities to select and how frequently to place transactions in a PreTrade and ProTrade accounts. Clients, when participating in the PreTrade and ProTrade

Programs, should also understand the cost to an Adviser of transaction charges may be a factor the Adviser considers when deciding which securities or mutual funds to select and whether or not to place transactions in the account.

* A minimum annual fee of $20 may be charged by Envestnet for accounts that fall below $31,000.00. Furthermore, an additional minimum annual firm fee of $30 will be applied if threshold of $21,500 is not met.

- ***Advisor's Choice Strategist Program, ProEquities Unified Managed Account and Advisors Choice SMA Programs***

The minimum initial investment in a Unified Managed Account is $150,000.00. The minimum initial investment in an Adviser's Choice SMA account ranges from $5,000 to $1,000,000 per manager.

Advisors Choice Strategist/SMA/UMA Fee Schedule						
				Adviser Fee	Manager Fee	Platform Fee
$	0.01	$	99,999.99	1.50%	Up to 1.00%	0.31%
$	100,000.00	$	249,999.99	1.50%	Up to 1.00%	0.29%
$	250,000.00	$	499,999.99	1.50%	Up to 1.00%	0.27%
$	500,000.00	$	999,999.99	1.50%	Up to 1.00%	0.21%
$	1,000,000.00	$	2,999,999.99	1.50%	Up to 1.00%	0.15%
$	3,000,000.00	$	4,999,999.99	1.50%	Up to 1.00%	0.12%
$	5,000,000.00		and over	1.00%	Up to 1.00%	0.11%

* A minimum annual fee of $120 may be charged by Envestnet for accounts that fall below $50,000 for SMA and UMA accounts and $20,000 for Strategist accounts. Furthermore, an additional minimum annual platform fee of $20 will be applied to Advisor's Choice Strategist accounts if threshold is not met. Minimum annual platform fee of $50 will be applied to Advisor's Choice SMA and UMA accounts if threshold is not met.

** If applicable, as a client is not required to select a Manager to open or maintain a Unified Managed Account.

For each advisory program listed above, the Adviser fee is a standard fee. However, the Adviser fee may be negotiable and may vary according to a variety of factors, such as size and type of account, and complexity of the client's objectives or financial situation. The platform fee and any TAMP fee, if applicable, are negotiable. The program fee is only assessed on the billable assets held in the advisory account. The fees will be calculated as follows:

CAM, PreTrade, PreTradePlus, ProTrade, ProTradePlus, Advisor's Choice SMA and Strategists, and ProEquities Unified Managed Account Fee Calculation

The fee will be based on the account value, using trade date valuation, on the last day of each calendar quarter. The fee is payable quarterly, in advance, at the beginning of the next quarterly billing period. All billable assets in the account will be included in calculating the value of the account to determine the amount of the fee. In any partial billing cycle, the fee will be pro-rated, based on the number of days in which assets were placed for management during that cycle. However, if an account is opened during a calendar quarter, the fee will be calculated and debited for the remaining period in the calendar quarter.

For contributions or withdrawals of $1,000 or more to an existing account during the quarter, the fee for that quarter will be recalculated and pro-rated, based on the number of days remaining in that billing period. The additional fee or fee credit due to an account as a result of mid-quarter contributions or withdrawals will be billed or credited to the account the following month. If the client terminates their account for any reason during any billing period, the client's account will be refunded the pre-paid advisory fees on a pro-rata basis from the date of termination to the end of the billing period, with the refund being credited to the account the following month. Additionally, if the client transfers their account to another firm, the client may pay an outgoing account transfer fee, which may consist of

ProEquities' clearing firm costs as well as additional charges that ProEquities assesses for processing outgoing transfer requests.

Under the advisory fee programs offered through the ProEquities AMP℠ platform, the client will pay a fee, based on the amount of assets under management, for investment advice. This fee also covers most transaction related charges associated with executing transactions for the client except for incidental charges including but not limited to, the following: annual check writing and debit card fees on Corestone accounts; wire fees; check stop payment fees; returned check fees; ACH return fees; security transfer and redemption fees; transaction fees assessed by regulatory agencies or exchanges; transaction processing fees assessed by ProEquities' clearing firm; reorganization processing fees; trade confirmation fees; outgoing account transfer fees; margin extension fees; margin debit interest; IRA annual maintenance and IRA termination fees; amounts charged to produce year-end statements and account reports; paper surcharge fees; foreign security transaction fees; initial document review and ongoing annual service fees for special products, including but not limited to limited partnerships; mail courier fees; and bank charges and/or other transactions charges related to processing. These charges are assessed against the customer's account and may consist of both charges that ProEquities pays to third parties such as clearing firm charges as well as additional charges for ProEquities' processing and transaction services. A schedule of these charges may be obtained by contacting either the client's Adviser or ProEquities' home office at 800-288-3035.

A margin transaction occurs when a client uses borrowed assets to purchase financial instruments or make additional investments. A client may generally use other securities they own in an account as collateral to obtain the sum needed for the borrowed assets. Because of the effect of borrowing, the client magnifies any gains or losses from the security purchased on margin.

Please note: If a client chooses to authorize ProEquities to use margin on his or her account, our fees could increase as the market value of client's investment portfolio also increases. ProEquities offers to provide margin as a strategy may create a conflict of interest since ProEquities stands to receive an increased fee should a client choose to employ this strategy.

- ***Comparison of Cost of Service***

The services associated with the advisory fee programs offered through the ProEquities AMP platform may cost clients more or less than purchasing such services separately, depending on the frequency of trading in the client's accounts, commissions charged at ProEquities or other broker-dealers for similar products, fees charged for like services by other broker-dealers and other factors. The investment advisory fee is based on the total amount of assets in the client's account; and is independent of the level of trading activity. By agreeing to pay a fee based on investment advisory services provided rather than transactions, the client should understand that the fee may be higher than the cost of a commission-based alternative account or arrangement during periods of lower trading activity.

The services associated with the advisory fee programs offered through ProEquities AMP platform may cost clients more or less than purchasing such services separately. Factors that bear upon cost of particular advisory program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account, historical and expected size of the accounts, types of securities and strategies involved, frequency of trading in the client's accounts, commissions charged at ProEquities or other broker-dealers for similar products, fees charged for like services by other broker-dealers and other factors. The investment advisory fee is based on the total amount of assets in the client's account; and is independent of the level of trading activity. By agreeing to pay a fee based on investment advisory services provided rather than transactions, the client should understand the fee may be higher than the cost of a commission-based alternative account or arrangement during periods of lower trading activity.

- ***Other Costs***

Customers enrolled in the CAM, ProTradePlus and PreTradePlus programs incur ticket charges. These charges are assessed against the customer's account and may consist of both charges ProEquities pays to third parties such as clearing charges as well as additional charges for ProEquities' transaction services. Ticket charges in CAM account may be paid by the Adviser at his or her discretion. The transaction-based charges assessed by ProEquities are not shared with the Adviser providing services in these accounts. The receipt of these ticket charges is a conflict of interest. We mitigate this conflict by disclosing it to you and not sharing any transaction fee revenue with the Adviser. ProEquities, as the broker-dealer on such program accounts, also has a duty to ensure such transaction charges are reasonable in the light of its best execution responsibilities. You may obtain a schedule of ticket charges by contacting your Adviser or ProEquities' home office at 800-288-3035.

ProEquities offers Adviser directed portfolios such as ProTrade, PreTrade, UMA and Advisor's Choice SMA and Strategist advisory fee programs where no separate transaction charges apply to the client and are instead absorbed by the Adviser. In the cases where the Adviser pays the transaction charges, the Adviser may have an incentive to trade less frequently and/or to use securities that do not incur transaction charges, such as no transaction fee ("NTF") mutual funds and ETFs, resulting in lower transaction charges to the Adviser representative. We mitigate this conflict by disclosing it to you and requiring the Adviser document the account reviews they conduct with clients, and other ongoing advice that may result in transactions in a specific client account. We also offer Adviser-directed portfolios with separate advisory fees and ticket charges assessed to the client. In that case, in addition to your fee for investment advice, you will also pay separate per-trade ticket charges. However, the separate per-trade transaction charges are not payable to the Adviser.

ProEquities, through its clearing relationship with Pershing, receives certain revenue related to assets held, transactions, and activity in the program accounts. Such revenue may include a portion of any transaction charge assessed to a client or ProEquities Adviser, and asset-based revenue from mutual funds designated by the custodian as NTF mutual funds. ProEquities and Pershing and each of their respective affiliates, may share in these fees. The availability of these fees may be a factor in negotiating the client's annual account fee, and presents a conflict of interest for ProEquities due to the potential to receive higher compensation for some products and strategies, and due to the potential to receive higher compensation based on the custodian selected. ProEquities mitigates this conflict by disclosing and by requiring there be a review of the client's account at account opening and periodically to ensure that it is suitable for the client in light of matters such as client's investment objectives and financial circumstances. ProEquities further mitigates this conflict by ensuring the compensation or revenue ProEquities receives related to assets held, transactions, and activity in program accounts described above is not shared with ProEquities Advisers providing investment advisory services and investment recommendations to clients and client accounts. The receipt by ProEquities of these types of asset-based revenue from the clearing and custodial firm arrangements will support and defray the costs ProEquities has related to the ongoing maintenance of the advisory programs offered and sponsored to ProEquities Advisers and clients. As such, advisory program platform costs incurred by a ProEquities Adviser and clients may differ depending on the program being utilized and the products being recommended and selected for clients. Again, ProEquities mitigates this conflict by disclosing it and ensuring the compensation and revenue ProEquities receives related to any assets held, transactions, and activity in the program is not shared with the Adviser providing investment advisory services and investment recommendations.

A potential material conflict of interest has been identified related to mutual fund assets that pay a 12b1- fee in advisory account(s) and the sharing of 12b-1 fees with the Adviser. These 12b-1 fees add to the total internal expense of the fund and may not have resulted in the recommendation or purchase of the lowest expense share class available. Therefore effective October 1, 2016, ProEquities began refunding 12b-1 fees back to advisory account(s). The refunded amounts are identified on Pershing statements as a line item transaction labeled "12b-1 Fee Credit". If ProEquities finds the refunding of 12b-1 fees in advisory accounts does not equate in cost to the lowest expense share class available for that same fund, or a reasonable differential from the lowest expense share class, ProEquities will, as permitted by the fund company, convert existing mutual fund share classes to the lowest eligible mutual fund share class for that fund. Share class conversions will occur as deemed necessary by ProEquities and will be reflected on account statements. Despite our efforts to obtain the lowest share class, fund expenses can change over time; therefore, ProEquities cannot assure clients that they will always be in the lowest expense share class. ProEquities will periodically compare the expense ratio of the fund with the expense ratio of the other share classes offered by the fund, and make a decision on whether to convert to the lower share class. ProEquities will only convert those funds that fall outside of a reasonable expense differential in mutual fund expense ratios. There will be no cost or tax consequences to clients if ProEquities initiates a share class conversion; however, there could be future transaction costs and tax consequences associated with purchasing or selling the lowest share class.

Mutual funds offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to the commonly offered retail share classes (typically, Class A (including load-waived A shares), B and C shares), some mutual funds offer institutional share classes or other share classes that are specifically designated for purchase in and account enrolled in fee-based investment advisory programs. Institutional share classes or classes of shares designed for purchase in an investment advisory program usually have lower expense ratios than other share classes. However, these share classes may also have higher transaction costs and may have minimum purchase criteria that limit availability to the larger transactions. Clients should not assume that their assets will be invested in the share class with the lowest possible expense ratio.

A ProEquities Adviser's assessment of the appropriate share class is based on a range of different considerations, including, but not limited to: whether transaction charges are applied to the purchase or sale of mutual funds; the asset based advisory fee charged to the client; the overall cost structure of the advisory program; operational considerations associated with accessing or offering particular share classes (including the presence of selling agreements with the mutual fund sponsors and the ability to access particular share classes through the custodian); and share class eligibility requirements. The factors considered, and the weighting of the importance of each of these factors, will vary among ProEquities Advisers. The transaction costs and advisory program cost structure is determined by the custodian and ProEquities, respectively, and is determined based on factors such as availability of cost sharing, distribution fees, shareholder servicing fees or other compensation associated with offering a particular class of shares.

In selecting or recommending particular mutual fund share classes, Advisers may (but are not required to) consider the overall profitability of the account or client relationship, including the compensation available to the ProEquities Adviser and the expenses associated with providing ongoing advice and service to the client. Accordingly, the advisory fees that are charged on an account or in the aggregate at the client relationship level may take into consideration the mutual fund share classes in which the clients are invested. Clients that are invested in institutional share classes may have higher advisory fees, and may be assessed higher transaction charges for the purchase and sale of mutual funds. Similarly, clients that invested in retail shares classes may be charged lower advisory fees, have lower transaction charges, or other fee offsets to reduce the impact of being invested in a share class with higher internal expenses. Clients that prefer or request transaction charges be minimized or avoided may be invested in share classes with higher internal expenses but lower transaction charges. Please contact a ProEquities Adviser for more information about share class eligibility and transaction costs.

Clients with mutual funds or exchange traded funds in their portfolios are effectively paying ProEquities and the fund adviser for the management of the client's assets because funds pay advisory fees to the fund manager and distribution and service fees to broker-dealers, including ProEquities; and such fees are therefore indirectly charged to all holders of these fund shares. Clients who place mutual funds or exchange traded funds under ProEquities' management are therefore subject to both ProEquities' direct advisory fee and the indirect management fee of the fund adviser. Mutual funds and exchange traded funds are subject to additional advisory and other fees and expenses, as set forth in the prospectuses for those funds, which are ultimately borne by the client. To the extent that the client will hold fund shares for an extended period of time, these internal fund expenses should be added to the investment advisory fee when evaluating the costs of an advisory fee program offered through the ProEquities AMP platform.

Certain mutual fund families impose short-term trading charges when shares of mutual funds are purchased and sold within a short period of time. These fees typically range from 1%-2% of the original amount invested and are not waived for investment advisory accounts.

To the extent mutual funds are selected by ProEquities in the AMP Programs to fill components of the overall investment strategy, ProEquities endeavors to purchase such mutual fund shares at Net Asset Value ("NAV") or no load which can be titled, for example, as "Class I," "institutional," "investor," "retail," "service," "administrative" or "platform" share classes ("Platform Shares"). Thus, the client will not be subject to any initial distribution cost (front-end sales charge) or redemption fee (back-end sales charge), if any, that might normally be incurred upon the purchase or sale of shares of mutual fund shares. Share classes previously available in a Program prior to October 1, 2016, such as Class A Shares that are subject to 12b-1 fees, are closed to new purchases ("Non-Surviving Share Classes"). If a client has a previously established systematic purchase plan to purchase Non-Surviving Share Classes, the client will be permitted to continue purchasing Non-Surviving Share Classes for a limited period of time. Any 12b-1 fees received by ProEquities from mutual funds in the AMP Program will be credited to the client account.

Transaction Fee and No Transaction Fee (NTF) mutual funds and ETFs are available in our advisory programs. In wrap fee programs, the transaction costs are borne by ProEquities, not the client. A potential conflict of interest exists for ProEquities in wrap fee programs to select a NTF mutual fund since ProEquities would incur less expense and generate more revenue than if ProEquities selected a Transaction Fee fund. ProEquities receives remuneration from fund companies participating in its no-load, no-transaction-fee program for record-keeping and shareholder services, and other administrative services. The amount of ProEquities remuneration for these services is based, in part, on the amount of investments in such funds by ProEquities clients. Shares in clients account must be held for 30 days or a $52 short-term redemption fee will apply to client's account. Non-IRA purchases have a $2,500 minimum and IRA have a $500 minimum in order to eligible for FundVest. In addition certain mutual fund companies may have additional charges may say additional charges for non-omnibus traded mutual funds. No-transaction-fee funds have other fees and expenses that apply to a continued investment in the fund and are described in the prospectus.

ProEquities introduces accounts to Pershing LLC and shares in Shareholder Service fees collected by Pershing from the fund companies, pursuant to a written agreement with Pershing. ProEquities does not share these fees with the Advisers. In ProEquities' advisory accounts, these fees are derived from Pershing's FundVest list of funds that do not pay 12b-1 fees. The receipt of Shareholder services fees by ProEquities creates a potential conflict of interest due to the generated revenue to ProEquities. The receipt of this revenue also creates a potential conflict of interest to ProEquities to use Pershing as a custodian over other custodians that do not share the Shareholder Service fees paid by mutual funds and to recommend and purchase funds on the FundVest list over other funds and platforms that do not pay and share in Shareholder Service fees.

Clients may transfer existing assets into the PreTrade, PreTradePlus, ProTradePlus, or ProTrade advisory fee programs, which may include mutual funds or other security holdings which were sold by the client's Adviser in a prior brokerage account. If so, the Adviser may have earned a selling commission before moving assets into a fee-based advisory account. While ProEquities has certain policies related to this practice, the client understands that, where these assets are transferred into the advisory fee program, the client is paying an advisory fee on these assets. Certain mutual fund share classes (such as Class B and Class C) have higher fund expenses than other share classes, and as such these expenses will affect the overall return or performance of the individual holding and the client's account overall.

Selection of Broker-Dealer

ProEquities is dually registered as a broker-dealer (member FINRA and SIPC) and registered investment Adviser. As a broker-dealer, ProEquities conducts its securities business on a fully disclosed basis with its clearing firm, Pershing, LLC, ("Pershing"). All accounts participating in the AMP platform are held with ProEquities as the introducing broker-dealer. Trades for wrap fee program accounts are typically directed by the wrap fee program sponsor to its designated executing broker-dealer, Pershing, since brokerage commissions are included in the wrap fee. While directed brokerage is designed to benefit the wrap fee program account through lower trading costs, there may be circumstances where directed trades do not receive the best price, or where dividing the trade into separate components may inhibit ProEquities ability to obtain the same level of or as timely an execution as it may otherwise have been able to obtain if it had been able to execute the entire trade with another broker-dealer.

For all wrap fee programs offered through the AMP platform, investment advisory accounts will be held in brokerage accounts with ProEquities, through its clearing arrangement with Pershing. As such, Pershing maintains custody of the client's funds and securities; collects interest and dividends; and performs the normal and customary execution and custodial services. Pershing will send clients confirmation of each transaction and account statements for AMP Platform account(s) at least quarterly. Clients participating in the discretionary accounts on the AMP Platform may opt out of receiving trade-by-trade confirmations by giving written authorization to ProEquities. The client's Adviser will assist the client with completing the documentation required to opt out of receiving trade-by-trade confirmations. Clients electing not to receive trade-by-trade confirmations may later request confirmations at any time at no additional charge. Clients who have elected to opt out of receiving trade-by-trade confirmations may rescind this authorization at any time by giving written notice to ProEquities and Pershing; client's Adviser will assist the client in completing the documentation required to rescind this authorization. Upon receipt of this notice, Pershing will resume sending trade-by-trade confirmations for the client's account.

ProEquities does not conduct Principal or Agency Cross transactions for advisory client accounts. However, certain unaffiliated third party money managers offered through ProEquities may conduct such transactions. Customers participating in a program offered by an unaffiliated third party money manager should consult the disclosure brochures provided by those money managers. Please reference the applicable ProEquities wrap fee program brochures and your advisory agreement for more information on potential conflicts of interest related to such transactions.

- ***General***

ProEquities renders investment advice to the majority of its AMP advisory clients on a discretionary basis, pursuant to written authorization granted by the client. ProEquities maintains a clearing relationship for the execution of client transactions with Pershing as the account custodian. All of ProEquities' AMP advisory clients must select ProEquities as the introducing broker-dealer of record and Pershing as the executing broker-dealer and clearing firm for their AMP managed accounts since brokerage commissions are included in the wrap fee. In addition to the wrap fee, clients may also pay transaction fees also knows as "ticket charges" as described in the specific program description. In all cases, the name and address of the account custodian will be identified in the respective AMP new account form.

ProEquities has negotiated competitive pricing and services with Pershing for the benefit of ProEquities clients. Pershing offers their broker/-dealer clients substantial financial strength and stability, economies of scale, and reliable, state-of-the-art technology. ProEquities AMP clients do not have the option to direct securities brokerage transactions to other broker-dealers or other account custodians. Not all investment Advisers who are dually registered as broker-dealers or who have affiliated broker-dealers, require their clients to use the Adviser's broker-dealer to execute transactions. While directed brokerage is designed to benefit the wrap fee program account through lower trading costs, there may be circumstances where directed trades do not receive the best price, or where dividing the trade into separate components may inhibit ProEquities ability to obtain the same level of or as timely an execution as it may otherwise have been able to obtain if it had been able to execute the entire trade with another broker-dealer.

Although ProEquities is able to negotiate competitive pricing from Pershing that it believes is beneficial to its clients, the ProEquities' clearing relationship with Pershing in particular provides ProEquities with certain economic benefits by using itself as the broker-dealer for its AMP Platform accounts rather than an unaffiliated broker-dealer. For example, ProEquities adds a markup to the transaction costs and certain other brokerage account charges and fees that are assessed to AMP client accounts.

ProEquities introduces accounts to Pershing LLC and shares in Shareholder Service fees collected by Pershing from the fund companies, pursuant to a written agreement with Pershing LLC. ProEquities does not share these fees with the Adviser. Transaction Fee and No Transaction Fee (NTF) mutual funds and ETFs are available in our advisory programs. Pershing offers a no-transaction fee mutual and ETF fund program, FundVest, which allows trading in a number of mutual fund and ETF families with no transaction or ticket charges. The mutual fund and ETF companies pay a fee to Pershing to be included in this program; and ProEquities receives a portion of this fee. Trades placed in mutual funds or ETFs participating in the FundVest program will not be assessed transaction or ticket charges. Other costs, including but not limited to, short-term trading fees, may still apply to these transactions. Shares in clients account must be held for 30 days or a $52 short-term redemption fee will apply to client's account. Non-IRA purchases have a $2,500 minimum and IRA have a $500 minimum in order to eligible for FundVest. In addition certain mutual fund companies may have additional charges may say additional charges for non-omnibus traded mutual funds. A potential conflict of interest exists for ProEquities in wrap fee programs to select a NTF mutual fund since ProEquities would incur less expense and generate more revenue than if ProEquities selected a Transaction Fee fund. ProEquities receives remuneration from fund companies participating in its no-load, no-transaction-fee program for record-keeping and shareholder services, and other administrative services. The amount of ProEquities' remuneration for these services is based, in part, on the amount of investments in such funds by ProEquities clients. No-transaction-fee funds have other fees and expenses that apply to a continued investment in the fund and are described in the prospectus. In ProEquities' advisory accounts, these fees are derived from Pershing's FundVest list of funds that do not pay 12b-1 fees.

The receipt of Shareholder Services fees by ProEquities creates a potential conflict of interest for to the generated revenue to ProEquities. The receipt of this revenue also creates a potential conflict of interest to ProEquities to use Pershing as a custodian over other custodians that do not share the Shareholder Service fees paid by mutual funds and to recommend and purchase funds on the FundVest list over other funds and platforms that do not pay and share in Shareholder Service fees. Because ProEquities receives fees based upon the amount of client assets held in custodian's NTF mutual fund programs, ProEquities has a conflict of interest and is incented to recommend the custodians NTF funds over other instruments in order to receive these custodial service payments.

ProEquities may also receive a portion of any transactions fees charges to clients or a ProEquities Adviser, a portion of any custodial fees charged to qualified plans and IRAs, compensation for any mutual fund positions held at the custodian, and other types of compensation from the custodian, any mutual fund positions held at the custodian, and other types of compensation from the custodian related to assets held or transactions placed through the custodian. ProEquities also has a conflict of interest due to a financial incentive to recommend a particular custodian based on the amount or level of NTF custodial service payments and other compensation that the custodian provides. We mitigate these conflicts of interests by disclosing them, not sharing any of these revenues with the ProEquities Adviser that recommends transactions or strategies, and by requiring there be a review of accounts at account-opening, and periodically to ensure it is suitable for the client in light of matters such as investment objectives and financial circumstances.

ProEquities has entered into a Transition Assistance clearing and custody agreement with Pershing, as such; ProEquities has a cash incentive arrangement in selecting its clearing and custody agreement with Pershing over other custodians. Pershing reimburses ProEquities on assets transitioned into the Pershing platform during a six month period. Pershing reimburses ProEquities on retirement accounts incurring termination fees at the prior custodian (provided these fees are simultaneously credited back to the ProEquities' customers). Pershing will also reimburse ProEquities for retail accounts incurring transfer fees, charged by the former firm. No reimbursement payments will be due to ProEquities under the Transition Assistance program for accounts and assets transferred to ProEquities from an introducing firm that clears through Pershing. Generally, Pershing will reimburse up to a maximum of $200 per account. These account transfer cost reimbursements may not be offered or available to all new clients transferring their assets to the custodian and clearing firm.

In a event a third party manager through Envestnet on the AMP Platform elects to utilize brokers or dealers other than Pershing to effect a transaction in a security (commonly referred to as "stepping out" a trade), brokerage commissions and other charges for such transactions are generally charged to the client by the executing broker or dealer, whereas the wrap fee assessed by ProEquities covers the cost of brokerage commissions on transactions effected through ProEquities. Clients in the AMP Platform should be aware that, in cases where a third party manager engages in step-out trades, the executing broker or dealer may assess a commission or other charge for having executed the transaction, which will be in addition to the wrap fee assessed by ProEquities. In such cases, the net purchase or sale price reflected on trade confirmations and brokerage statements provided by ProEquities on such trades will include the cost of brokerage commissions or dealer markups or markdowns charged by the executing broker and paid for by the client. Due to the additional costs incurred by clients when third party managers engage in step-out trades, the third party manager that elect to engage in step-out trades will generally cost clients more than those third party managers who do not engage in step-out trades. Some third party managers have historically directed most, if not all, of their program trades to outside broker-dealers.

Third party managers within the AMP Program may select the broker-dealers that execute trade orders for client accounts. As an investment Adviser, a third party manager has an obligation to seek "best execution" for client trade orders. Those third party managers must place client trade orders with those broker-dealers the third party manager believes are capable of providing the best qualitative service, taking into account the full range and quality of the services offered by the broker-dealer, including, but not limited to, the broker-dealer's execution capabilities, the broker-dealer's financial stability, and the broker-dealer's responsiveness to the those third party managers. Please note: those third party managers best execution obligation does not require the lowest available cost to be obtained for trade orders.

- ***Step-Out Trades***

Third party managers may place client trade orders with a broker-dealer other than ProEquities if they determine they must do so to comply with their best execution obligations. This practice is frequently referred to as "step-out trading." Step-out trades may be executed without additional cost, but in certain instances, the executing firm may impose a commission, markup, or markdown on the trade. If a third party manager engages in a step-out trade and the executing broker-dealer assesses a commission or equivalent fee on the trade, the client will incur trading costs that are in addition to the Annual and Program fees paid by the client to participate in the Program. In such cases, the net purchase or sale price reflected to the client will include the additional cost of the brokerage commissions or dealer markups/markdowns charged by the executing broker. Third party managers may reasonably believe they are able to achieve better trading results by trading away.

Step-out trading practices differ from third party managers to third party managers. Some third party managers do not engage in step-out trading, while others step out all transactions at no additional cost or for various additional costs. Third party managers who engage in step-out trades may be more costly to a client than third party managers who do not engage in step-out trades. Clients should review the third party manager's Form ADV Part 2A Brochure, inquire about the third party manager's trading practices and associated trading costs, and consider this information carefully before selecting a third party manager. Clients should review these step-out trading practices and their affiliated costs (if any) with their Advisers. Clients may also wish to contact their Adviser to determine if other third party managers on the platform provide a similar strategy at a lower cost.

- ***Best Execution***

ProEquities seeks to obtain, through its clearing firms, the best combination of net price and execution when effecting brokerage transactions for client accounts. ProEquities periodically and systematically reviews Pershing's execution quality and the ProEquities processes to ensure ProEquities continues to meet its best execution obligations for its clients.

In the event a third party managers through the AMP Platform elects to utilize brokers or dealers other than ProEquities to effect a transaction in a security (commonly referred to as "stepping out" a trade), brokerage commissions and other charges for such transactions are generally charged to the client by the executing broker or dealer, whereas the wrap fee assessed by ProEquities covers the cost of brokerage commissions on transactions effected through Pershing. Clients in the AMP Platform should be aware that, in cases where a third party manager engages in step-out trades, the executing broker or dealer may assess a commission or other charge for having executed the transaction, which will be in addition to the wrap fee assessed by ProEquities. In such cases, the net purchase or sale price reflected on trade confirmations and brokerage statements provided by ProEquities on such trades will include the cost of brokerage commissions or dealer markups or markdowns charged by the executing broker and paid for by the client. Due to the additional costs incurred by clients when third party managers engage in step-out trades, the third party managers that elect to engage in step-out trades will generally cost clients more than those third party managers who do not engage in step-out trades. Some third party managers have historically directed most, if not all, of their program trades to outside broker-dealers.

In the selection of brokers or dealers to effect transactions, the third -party manager should, as part of its best-execution obligations, consider all relevant factors, including, but not necessarily limited to, the value of research services, speed and efficiency, execution capability, confidentiality, commission rates, and responsiveness of the executing broker or dealer. The third party manager may select brokers or dealers that provide the third party manager research or other transaction-related services and may cause the client to pay such brokers or dealers commissions or other transaction-related fees in excess of those that other brokers or dealers may have charged, including ProEquities. Such research and other services may be used for the benefit of those third party manager accounts as and where permitted by rule or regulation. Third party manager that specialize in fixed income, international, small-cap, or ETP disciplines may be more likely to trade away from ProEquities due to market conditions, liquidity, exchange availability, or other factors they consider relevant in satisfying their best-execution obligations to clients.

Clients should understand ProEquities does not evaluate whether a third party manager is meeting its best-execution obligations to clients when trading away, as it is not a party to such transactions and is not in a position to negotiate the price or transaction-related charge(s) between the third party manager and the executing broker or dealer. ProEquities does not discourage or restrict a third party manager's ability to trade away.

Clients participating in the AMP Platform should review the third party manager's Form ADV Disclosure Brochure carefully prior to deciding to do business with any particular third party manager. Among other things, the third party manager's Brochure must disclose the third party manager's conflicts and various sources of compensation, as well as those costs incurred by clients that may result from engaging in step-out trades, among other things. Clients should also discuss the use or intended use of any particular third party manager with their ProEquities Adviser, including the third party manager's trading practices and the costs that may be borne by the client should he or she choose to participate in the AMP Platform.

- ***Conflicts of Interest***

As also discussed elsewhere in this Brochure, ProEquities is a correspondent broker-dealer of Pershing, to which ProEquities typically introduces its client transactions for execution, clearance, and settlement. Pershing provides custody and clearing of client brokerage account assets, including AMP Platform accounts. All of the ProEquities AMP Platform clients establish a securities brokerage account with ProEquities and execute securities transactions for AMP Platform accounts through Pershing. In some cases, broker-dealers may be compensated for utilizing their clearing firms' securities transaction and execution services. This industry practice is generally known as "payment for order flow." The practice of receiving payments for order flow does not relieve the executing broker-dealer of its duty to provide best execution for its clients. As a matter of policy, ProEquities does not receive payment for order flow.

The investment advisory services provided by ProEquities may cost the client more or less than purchasing similar services separately. Clients should consider whether or not the appointment of ProEquities as the sole broker-dealer may result in certain costs or disadvantages to the client as a result of possibly less favorable executions. Factors to consider include the type and size of the account and the client's historical and expected account size or number of trades.

- ***Recommendation of Advisory Fee Programs Offered through ProEquities AMP Platform***

As disclosed in the "Advisory and Management Fees" section above, the client's Adviser receives compensation as a result of the client's participation in the advisory fee programs offered via ProEquities AMP platform. The amount of compensation the client's Adviser receives may be more than what the Adviser would receive if the client participated in another advisory fee program offered by ProEquities, or if the client paid separately for investment advice, brokerage and other services. The client's Adviser, therefore, has a financial incentive to recommend one or more of these programs over other programs or services offered or provided by ProEquities.

Item 5 – Account Requirements and Types of Clients

The minimum investment amounts for each advisory fee program offered through ProEquities AMP℠ platform vary by program and are described above.

These advisory fee programs are designed to assist clients, both individuals and institutions (such as qualified pension plans and profit sharing plans, trusts, estates, charitable organizations, and corporations). ProEquities, through its Advisers, routinely provides investment advisory services to individuals, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, municipalities, corporations and other U.S. and international institutions.

Item 6 – Portfolio Manager Selection and Evaluation

Selection of Investment Adviser Representatives

All Investment Adviser Representatives of ProEquities (or of an unaffiliated registered investment Adviser, where authorized by ProEquities) who are registered through ProEquities dually registered broker-dealer, may offer the advisory fee programs described herein to their customers. As an independent broker-dealer and investment Adviser, ProEquities serves a diverse field force. Our selection process focuses on advisers with a mindset to grow their existing business and who value the Firm as a business partner. ProEquities believes this culture provides independent advisers with a structured business model that leverages the experience of our Firm while allowing enough flexibility to customize certain components important to their individual needs.

ProEquities' selection process includes an extensive background review of each prospective representative so we may obtain a full understanding of their history and their objectives for business growth. The Firm will closely scrutinize any prospective representative who may have a history of client complaints; financial difficulties; termination from prior employers; or criminal charges/convictions.

Selection of the client's specific Adviser is at the discretion of the client. The client may choose to terminate their participation in one or more of the advisory fee programs described herein or appoint another Adviser to service their account. In the event the client's Adviser terminates their registrations with ProEquities, the customer will be notified of this occurrence, and ProEquities may reassign the customer's account to another Adviser who has agreed to manage the client's account. In these circumstances, the client will be notified of this change of Adviser, and will be provided the opportunity to decline the assignment of the new Adviser.

Specific information regarding the client's selected Adviser is provided in the Adviser's Form ADV Part 2B, which is provided at the time the client's AMP account is opened and periodically as may be required by law or regulation.

Selection of Advisor's Choice SMA and Strategist

ProEquities employs a detailed due diligence process prior to approving asset managers for the SMA and Strategists programs. Factors influencing selection of an asset manager include, but are not limited to, historical performance; accessibility; ability to customize, investment philosophy and process, assets under management, and additional criteria. ProEquities will offer the investment management services of numerous third party managers.

Performance-Based Fees and Side-by-Side Management

ProEquities does not charge any performance-based fees and does not participate in side by side management services.

Methods of Analysis, Investment Strategies and Risk of Loss

ProEquities' Advisers may use charting; analysis of investment fundamentals; technical analysis; and cyclical analysis in the management of or advice regarding client assets. Each Adviser may utilize a different investment methodology in the management of client assets. As with any investment, investment in the advisory fee programs offered through ProEquities involves risk, including the possible loss of principal. There is no guarantee that investing in securities through these programs, or any other security or investment strategy, will be profitable for a client's account. Investments in securities, including those in these advisory fee programs, are not deposits of a bank, savings and loan or credit union; are not issued by, guaranteed by, or obligations of a bank, savings and loan, or credit union; and are not insured or guaranteed by the FDIC, SIPC, NCUSIF or any other agency.

Voting Client Securities

Neither ProEquities nor its Advisers vote proxies on a client's behalf or provide advice about how to vote proxies for securities held in the advisory fee accounts offered through ProEquities AMP platform. Nor will ProEquities or its Advisers advise the client or act for the client in any legal proceedings, including bankruptcies involving securities held or previously held in these accounts or the issuers of those securities.

ProEquities clearing broker-dealer, Pershing, utilizes the services of a third party vendor, Broadridge, for proxy processing. On record date, Broadridge will send Pershing a list of the applicable securities for which a proxy must be provided to the owner. Pershing, in turn, will provide Broadridge a list of the names and addresses of customers holding that security. Broadridge then mails hard copies of proxy notices to these customers along with instructions for voting the proxies electronically.

Item 7 – Client Information Provided to Third Party Portfolio Managers

ProEquities AMP platform is a turnkey wrap program with portfolio management provided by well-established third party managers. ProEquities, through its Advisers, matches information (such as financial information, investment objectives, and risk tolerance) regarding clients to aid in providing selection of the appropriate third party managers. ProEquities provides the information provided by the client in the Envestnet Statement of Investment Selection ("SIS") to Envestnet at the time the account is opened. The SIS information may include, but is not limited to, the client's name, initial investment amount, risk tolerance and investment selection, and ProEquities account number. ProEquities will also notify Envestnet, who will, in turn, notify portfolio managers, of any reasonable restrictions that the client wishes to impose on the management of his or her AMP accounts or the names or types of securities that should or should not be purchased, sold, or held in his or her AMP accounts. In certain cases Envestnet or a third party manager may not be able to accommodate investment restrictions.

ProEquities will not share information with unaffiliated third parties or with those parties not required to service the client's account. Please consult the ProEquities' privacy policy at www.ProEquities.com for further details about client privacy and information sharing.

Item 8 – Client Contact with Portfolio Manager

The portfolio manager of each client's CAM, ProTrade, ProTrade Plus, PreTrade and PreTradePlus account is their selected Adviser. As such, clients will have consistent access to their Adviser.

ProEquities does not place any restrictions on a client's ability to contact or consult with the sub-Advisers to the Advisor's Choice Strategist, Advisor's Choice SMA, and ProEquities Unified Managed Account during normal business hours. Clients may also contact their ProEquities' Adviser to discuss the management of their ProEquities accounts during normal business hours.

Item 9 – Additional Information

Custody

For those investments in ProEquities-sponsored wrap-fee programs, ProEquities has custody of its clients' funds and/or securities in that it deducts fees from client accounts pursuant to the client's advisory agreement. ProEquities maintains direct custody of certain client funds and securities in instances where checks are made payable to ProEquities for deposit to the client's brokerage account with Pershing and in those instances where the Firm accepts a physical security certificate for deposit to their Pershing brokerage account. As such, ProEquities is deemed to act as a qualified custodian and is required to obtain a surprise examination and internal control report by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (PCAOB). At the time of this disclosure, ProEquities has obtained a surprise examination and it will enter into an agreement to test adviser's compliance systems and its internal control environment aiming to obtain an internal control report in 2018.

Other Financial Industry Arrangements

ProEquities is a dually registered investment adviser with the SEC and broker-dealer with FINRA, and a municipal securities dealer and municipal financial adviser with the SEC and Municipal Securities Rulemaking Board (MSRB). ProEquities' management personnel, as well as each of our Advisers, are also registered representatives of ProEquities' broker-dealer.

ProEquities is not a futures commission merchant, commodity pool operator or commodity trading adviser.

ProEquities is an independent investment advisory Firm with Advisers located geographically throughout the United States and has been registered as an Adviser with the SEC since 1998. ProEquities is a wholly-owned subsidiary of Protective Life Corporation. Protective Life Corporation was purchased by The Dai-ichi Life Insurance Company, Limited ("Dai- ichi") in February, 2015; therefore Dai-ichi is an indirect owner of ProEquities. Other subsidiaries of Protective Life Corporation which are registered as either broker-dealers or registered investment Advisers include:

- Investment Distributors, Inc. is a registered broker-dealer that wholesales Protective Life Insurance Company's variable insurance products. As such, Investment Distributors solely distributes products and does not open or maintain customers' accounts or hold customer funds or securities. Although under common ownership, the relationship to Investment Distributors, Inc. does not present a conflict of interest to ProEquities, its Advisers or its clients.

- Protective Investment Advisors, Inc. is a registered investment Adviser with the SEC. Although under common ownership, the relationship to Protective Investment Advisors does not present a conflict of interest to ProEquities, its Advisers or its clients.

ProEquities has networking agreements with several banks or other financial institutions, whereby our Advisers market investments, insurance and annuities in these financial institutions. ProEquities is solely responsible for the suitability of sales made to customers; therefore the contractual relationship with these financial institutions which allows ProEquities to offer financial products in these institutions does not present a conflict of interest to ProEquities, its Advisers or its clients.

ProEquities is a fully disclosed/introducing broker to Pershing. As such, all client AMP trades are cleared through Pershing and all client accounts are held with Pershing. All accounts in ProEquities sponsored AMP advisory fee programs are held at Pershing.

Code of Ethics

Pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended, ProEquities has adopted a Code of Ethics that governs a number of conflicts of interest ProEquities has when providing advisory services to clients. ProEquities' Code of Ethics is designed to ensure that ProEquities meets our Fiduciary obligations to our clients and to foster a culture of compliance throughout the Firm.

The ProEquities' Code of Ethics is comprehensive and is designed to help us detect and prevent violations of securities laws and to help ensure that ProEquities keeps client's interests first at all times. ProEquities distributes the Code of Ethics to each supervised person at ProEquities at the time of his or her initial affiliation with our firm; ProEquities makes sure it remains available to each supervised person for as long as he or she remains associated with our firm; and ProEquities ensures that updates to the Code of Ethics are communicated to each supervised person as changes are made.

The ProEquities' Code of Ethics sets forth certain standards of conduct and addresses conflicts of interest among ProEquities and ProEquities' supervised persons and advisory clients. ProEquities will provide a copy of the Code of Ethics upon request.

ProEquities and its Advisers may purchase or sell for their own accounts securities or other investment products that are also recommended to clients, which may create a conflict of interest. ProEquities policy prohibits "trading ahead" of clients' transactions. When Advisers are purchasing or selling securities for their own accounts, priority will be given to client transactions. ProEquities' Code of Ethics requires Advisers to place the interests of clients before their own interests. ProEquities' Compliance Department reviews personnel and adviser trades each quarter in an effort to ensure that their personal trading does not impact trades for clients and that clients receive preferential treatment.

Appendix A

ProEquities, Inc. Adviser Brochure Supplement for ProEquities Select Opportunity Portfolios

(Part 2B of Form ADV)

This brochure provides information about the qualifications and business practices of CHRISTOPHER R PHILLIPS, who serves as portfolio manager to the ProEquities Select Opportunity Portfolios[sm]. If you have any questions about the contents of this brochure, please contact us at (205) 268-7040 and/or chris.phillips@proequities.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

CHRISTOPHER R PHILLIPS
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Additional information about CHRISTOPHER R PHILLIPS also is available on the SEC's website at www.adviserinfo.sec.gov.

Brochure Supplement (Part 2B of Form ADV)

Item 2 Educational Background and Business Experience

I was born in 1973.
FORMAL EDUCATION
I have the following educational background:

Institution Name: Vanderbilt University
Date Attended: 09/1991 to 09/1994
Degree Obtained: None
Major: N/A

Institution Name: University of Alabama, Birmingham
Date Attended: 09/1995 to 05/1997
Degree Obtained: Bachelor of Science
Major: Finance

Institution Name: University of Alabama
Date Attended: 12/2001 to 05/2003
Degree Obtained: Bachelor of Science
Major: Business Administration

RECENT WORK EXPERIENCE

I have the following business background:

Employment Dates: 01/2002 to 2/2006
Business Name: HIGHLAND ASSOCIATES, INC. Investment
Related: Yes
City: BIRMINGHAM State: AL
Position Held: FINANCIAL ANALYST

Employment Dates: 10/2007 to 6/2009
Business Name: CITIGROUP GLOBAL MARKETS INC. Investment
Related: Yes
City: BIRMINGHAM State: AL

Position Held: FAA (PRE-HARTFORD)

Employment Dates: 6/2009 to 6/2010
Business Name: MORGAN STANLEY SMITH BARNEY Investment
Related: Yes
City: BIRMINGHAM State: AL
Position Held: MASS TRANSFER

Employment Dates: 8/2010 to 4/2011
Business Name: AMERIPRISE FINANCIAL SERVICES INC Investment Related:
Yes
City: BIRMINGHAM State: AL
Position Held: ASSOCIATE FINANCIAL ADVISOR

Employment Dates: 05/2011 to Present Business
Name: PROEQUITIES, INC Investment Related: Yes
City: BIRMINGHAM State: AL
Position Held: REGISTERED REP

SECURITIES AND INSURANCE LICENSES

I currently hold the following securities license(s): 7; 66.

PROFESSIONAL DESIGNATIONS

I hold the following professional designations:

Designation Name: CFA - Chartered Financial Analyst
Accredited Sponsor: CFA Institute
Date Earned:

CFA - Chartered Financial Analyst
Issued by the CFA Institute, The CFA Program reflects a broad Candidate Body of Knowledge developed and continuously updated by active practitioners in countries around the world to ensure that charterholders possess knowledge grounded in the real world of today's global investment industry.

Item 3 Disciplinary Information
I have not been involved in any legal or disciplinary proceeding material to a client's determination of my integrity or my financial advice.

Item 4 Other Business Activities

I am engaged in the following investment-related OBA in addition to serving acting as an investment adviser representative. I recognize that these activities may raise conflicts of interests. I have described how I address them and any compensation I receive from these activities:

I am a Registered Representative of ProEquities, Inc., which is a registered broker-dealer and a member of FINRA and SIPC. My other affiliation creates limited potential material conflicts of interest for advisory clients because my commissions are customary and competitive for the marketplace. However, brokerage services may be available elsewhere at a lower cost. At no time is any client obligated to purchase securities through ProEquities, Inc. I receive no additional economic benefits that could create a material conflict of interest that I have not included below.

NON-INVESTMENT-RELATED OBAs

I am not involved in non-investment-related OBAs that provide a substantial source of my income or involve a substantial amount of my time.

Item 5 Additional Compensation
No one provides me any additional economic benefit for providing advisory services.

Item 6 Supervision
I supervise the quality of the advice given to my clients. I have access to your custodial account statements and your quarterly performance reports, which I review.

I am supervised by ProEquities, Inc. at several levels. Annually, I attest that I understand the policies and procedures related to my offering of advisory services and must complete various Continuing Education requirements. To monitor the advice I give, a Supervising Principal reviews all account opening paperwork before an account is opened, and a surveillance program monitors the investment management of my existing accounts for any red flags.

My supervisor is:
Elizabeth Anderson
(205) 268-7085