



Item 1. Cover Page

**C2P CAPITAL ADVISORY GROUP, LLC
d/b/a
PROSPERITY CAPITAL ADVISORS
FORM ADV PART 2A -BROCHURE**

March 2026

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This brochure provides information about the qualifications and business practices of C2P CAPITAL ADVISORY GROUP D/B/A PROSPERITY CAPITAL ADVISORS (hereinafter "Prosperity"), an SEC registered investment adviser.

If you have any questions about the contents of this brochure, please contact Prosperity at (888)240-0064. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about Prosperity is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Prosperity Capital Advisors is 156480.

Registration does not imply any level of skill or training.

Item 2. Material Changes

This item discusses only the material changes that have occurred since the Amendment filing of this Form ADV filed in March 2025.

This Form ADV Part 2A has been updated to reflect changes in the following sections:

C2P Capital Advisory Group, LLC d.b.a. Prosperity Capital Advisors has updated Stan Milovancev from Co-CEO to CEO and former Co-CEO Jason Smith has changed his title from Co-CEO to Chief Visionary.

Pursuant to current SEC Rules, Prosperity will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of the firm's fiscal year which occurs at the end of the calendar year. Prosperity will provide other ongoing disclosure information about material changes as necessary and provide clients with a new brochure based on changes or new information, at any time, without charge.

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Item 4. Advisory Business

A. The Company

Prosperity has been registered as an investment adviser with the U.S. Securities and Exchange Commission since February 2011. Prosperity is the trade name of C2P Capital Advisory Group, LLC, a Delaware limited liability company with its principal place of business in Westlake, OH. C2P Enterprises, LLC is the sole member of Prosperity. The Firm is led by its executive team Jason L Smith, David Alison, Stan Milovancev, Pablo Terra, Matt Seitz, Kalem Mackey, and Luke Rapienski.

This Disclosure Brochure describes Prosperity's business. Certain sections also describe the activities of Supervised Persons. Supervised Persons are any of Prosperity's officers, partners, directors (or other persons occupying a similar status or performing similar functions), advisor staff with Prosperity systems access, or employees, or any other person who provides investment advice on Prosperity's behalf and is subject to Prosperity's supervision or control. This does not include passive C2P Enterprise equity owners or board members who don't participate in the day-to-day operations of Prosperity. Separate Advisors are not considered supervised persons and are not supervised by Prosperity.

B. Types of Advisory Services

Prosperity and its Investment Adviser Representatives ("IARs" or "Advisors") provide financial planning, consulting, and investment management services. Prior to engaging Prosperity to provide investment advisory services, the client is required to enter into one or more written agreements with Prosperity setting forth the terms and conditions under which Prosperity renders its services (the "Agreement"). Prosperity is responsible for all supervision and suitability outlined by the appropriate regulatory bodies.

Prosperity also operates as a Turnkey Asset Manager Program ("TAMP"), Sub-advisor, Co-Advisor and/or Fund Strategist providing asset management and administrative services which are utilized by registered investment advisers, broker-dealers, and other financial institutions (collectively "Separate Advisors") for the benefit of their Clients under the platform name. Prosperity does not have supervisory responsibility for its Separate Advisors. Their RIA bears the responsibility to supervise their own IARs.

TAMP Services

The TAMP investment services provided by Prosperity include but are not limited to client billing services, rebalancing, due diligence activities, serving as an operational liaison between the Separate Advisors and custodians, various portfolio management tools, transaction data processing, making available account reports, training, retaining and providing access to certain third-party investment managers and research, and other administration and support services. The services will be completed internally or through affiliated and non-affiliated third parties. Client accounts are administered on a discretionary basis pursuant to instructions received from the Client or Client's Separate Advisor's Investment Advisory Agreement allowing Prosperity and/or third-party investment managers to act on their behalf. Specific TAMP offerings include separately managed accounts, signal-based relationships and Advisor Custom Strategy/ADP Portfolios as more fully described below.

Financial Planning Services

Prosperity IARs may provide its clients with a broad range of comprehensive financial planning and consulting services. These services include but are not limited to business planning, investment planning,

insurance, retirement planning, estate planning, charitable planning, education planning, and personal financial planning. Prosperity does not provide legal, accounting or tax advice; however, certain Prosperity's Supervised Persons may have other such business practices that are independent of and are not affiliated with Prosperity. Please refer to your IAR's Form ADV Part 2B for more information.

Prosperity's written financial plans or consultations usually include general recommendations for a course of activity or specific actions to be taken by the client, at the client's discretion. For example, Prosperity may recommend that clients begin or revise an investment program, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. Clients who engage Prosperity to provide written financial plans will be provided with a written summary of their financial situation and Prosperity's observations and recommendations. For financial consulting arrangements, Prosperity's service is typically less formal and may not include a written summary. Plans or consultations are typically completed within six months from the beginning of the engagement, assuming that the client has provided the necessary documentation and other information requested by Prosperity.

Financial Institution Consulting Services

Prosperity provides investment consulting services to certain broker/dealers' customers ("Brokerage Customers") who provide written consent requesting to receive Prosperity's consulting services relating to assets held with the broker/dealer. Brokerage Customers have entered into a written advisory agreement to receive investment advice.

Investment Management Services

Clients can engage Prosperity to manage all or a portion of their assets on a discretionary basis. Prosperity emphasizes continuous and regular account supervision and may provide advice about any type of investment held within a client's portfolio.

A. Affiliated Turnkey Asset Management Model Portfolios Program

As part of its investment management service, Prosperity allocates clients' investment assets among certain investment strategies including a series of separately managed model portfolios made up of mutual funds, exchange-traded funds ("ETFs"), equities and fixed income solutions in accordance with the investment objectives of the strategy.

With limited exception, client accounts are managed based on the overall model, rather than specifically to each client's individual needs. Nonetheless, clients may impose reasonable restrictions on the assets in the program; however, Prosperity may refuse to accept or to continue to provide investment advisory services with respect to such program assets if it determines such restrictions are unreasonable. Prosperity IARs are responsible for providing its Clients with individualized discretionary investment management services. Prosperity IARs are responsible for determining the Client's risk profile and for selecting the Prosperity model portfolios that are consistent with the Client's risk profile. Under the sub-advisory agreement with Prosperity, Prosperity provides additional, non-advisory services including assistance in account administration, assistance in trading, billing and record keeping, and performance reporting. Prosperity is provided with a limited power of attorney, by Prosperity and the Client, to arrange for execution of trades and rebalancing of model portfolios. The investment management fees charged by Prosperity, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, is exclusive of, and in addition to, Prosperity's investment advisory fee as described below.

Prosperity has an economic incentive to recommend and use Prosperity models, for investment management services, in lieu of selecting other programs or unrelated investment advisers, because the compensation Prosperity and its IARs receive could be more than the amounts we would receive if you participated in another program, and we receive additional non-monetary benefits such as training and access to Prosperity personnel.

B. Sub-advisory and Co-advisory Services

With respect to its Sub-advisory and Co-advisory services, Prosperity has aligned with investment management companies including BlackRock, Dimensional Fund Advisors, The Vanguard Group, and others to provide its Separate Advisors an investment platform of core portfolio models and specialized strategies to meet the unique needs of their investment adviser representatives (“IARs”) and Clients. The models are managed in a manner substantially similar to the models historically managed by former affiliated firm Valor Capital Management.

Prosperity’s core models provide strategic investment management through a diverse selection of risk-based asset allocation model portfolios. Specifically, Prosperity’s core models are generally comprised of exchange-traded funds (“ETFs”) and/or mutual funds designed to provide asset class diversification for varying levels of risk tolerance on a pre-tax or post-tax basis.

Prosperity also offers specialized strategies that are designed to complement Prosperity’s core models by offering unique or specific investment strategies and solutions. Specialized strategies are managed by Prosperity and/or third parties and may invest in stocks, bonds, mutual funds, ETFs, or other securities in accordance with the investment objectives of the particular strategy.

Leveraging one or more of the core and specialized models, Prosperity helps Prosperity IARs and Prosperity Separate Advisors and their IARs navigate the right investment offering, blended portfolio design, and operational implementation to meet the specific needs of their clients. Underlying Client accounts are generally managed based on the overall model, rather than specifically to each Client’s individual needs. However, with respect to Prosperity’s tax managed portfolios, Prosperity IARs and Separate Advisors may from time to time provide Prosperity trade instructions to address specific Client circumstances. Prosperity will periodically review the model portfolios for rebalancing designed to keep the portfolios consistent with the Firm’s usual and customary target parameters. Prosperity, Prosperity IARs, the Separate Advisor, or the Client can elect not to rebalance for a number of reasons including, for example, consideration of a tax strategy, the funds involved are economically insufficient, additional fees and expenses are anticipated, or there are other pending events impacting the decision.

Prosperity enters into sub-advisory agreements with Separate Advisor, whereby Prosperity invests client assets according to the Prosperity model portfolio selected by the Separate Advisor and Client. The Separate Advisor and their Clients execute a separate investment advisory agreement, and the Separate Advisor is responsible for providing the Client with individualized discretionary investment management services. The Separate Advisor serves as the primary relationship contact with the client and is responsible for determining the Client’s risk profile and for selecting the Prosperity model portfolios that are consistent with the Client’s risk profile. Clients should carefully review the investment management agreement executed with the Separate Advisor, as well as the Separate Advisor’s ADV Part 2A - Disclosure Brochure, for a full description of the services to be provided by the Separate Advisor. Under the Sub-Advisor Agreement, in addition to asset management services, Prosperity provides non-advisory services including assistance in account administration, assistance in trading, billing and record keeping, and performance reporting as requested. Prosperity is provided with a limited power of attorney, by the

Separate Advisor and the Client, to arrange for execution of trades and rebalancing of model portfolios. Prosperity is not responsible for ensuring that the model portfolios are consistent with a Client's risk profile. Further, Prosperity will not serve as an investment advisor to individual Clients that are working with a Separate Advisor.

Additionally, Prosperity has established agreements to work with a third-party investment adviser in a sub-advisory or investment research capacity. The sub-advisor is responsible for all investment-related decisions and trading in the client accounts. The Separate Advisor and/or subadvisor may be limited to only manage assets through specific custodians. For more information about what custodians a specific sub-advisor or Separate Advisor is authorized to offer services through, please refer to their ADV. There may be additional fees for the use of the Subadvisor. Please review the sub-advisor's ADV for more information. Prosperity retains the authority to hire and fire sub-advisors at our discretion.

C. Separately Managed Accounts

Prosperity enters into sub-advisory or co-advisory relationships with investment firms to offer various separately managed accounts ("SMAs"). Prosperity IARs may recommend that certain clients authorize the active discretionary management of all or a portion of their assets by and/or among certain SMAs, based upon the stated investment objectives and risk profile of the client. The SMA, not Prosperity, is responsible for all investment and reinvestment-related decisions and trade execution in the client accounts. However, while SMA investment managers regularly monitor the SMA accounts and are responsible for managing the model portfolios on behalf of Prosperity, the SMA is not acting as your investment advisor and does not possess knowledge of your individual information or investment goals and objectives. Clients will receive both our disclosure brochure and other related documents as well as the SMA's disclosure brochure and related documents. Each SMA is uniquely structured so please ensure you carefully review the applicable SMA's disclosure brochure to understand their investment strategy, how they operate, the fees they charge, how investments will be managed, among other matters. Depending on the SMA selected, the client may have the opportunity to authorize the SMA to vote proxies on their behalf. Prosperity conducts the initial due diligence on SMAs and ongoing reviews of their management of client accounts for which it charges a fee as described below. Prosperity retains the authority to hire and fire SMAs at our discretion.

D. Client Directed/Client Convenience Accounts

Prosperity provides certain clients with access to client convenience accounts, which are brokerage or custodial accounts maintained for the purpose of holding investments without ongoing investment management, supervision, or advisory services from our firm. These accounts are provided solely for the client's convenience.

Key Characteristics of Convenience Accounts:

- Prosperity does not exercise discretionary authority over these accounts.
- Prosperity does not provide continuous and regular supervisory or management services for these accounts.

Clients are responsible for all investment decisions, and our firm does not assume fiduciary responsibility or suitability obligations for holdings in these accounts. These accounts are not subject to investment advisory fees from our firm. Clients should carefully review their investments and consult with an appropriate professional before making investment decisions. Clients should understand that these accounts do not receive the same level of oversight, monitoring, or investment management services as accounts for which Prosperity provides advisory services. If a client wishes to receive investment

management services for assets in a convenience account, a separate advisory agreement must be executed.

Institutional Clients

Prosperity also provides investment management services with respect to fixed income portfolios to institutional clients.

Seminars & Educational Events

Prosperity IARs are permitted to hold investment-related seminars and/or educational events to existing clients, prospective clients, and the general investing public. The seminars feature general investment-related advice for educational purposes and can include both securities and non- securities topics. No specific individualized investment advice regarding investment objectives or investment related needs of the attendees, listeners, or audience is rendered during seminars. However, participants are free to schedule meetings with the IAR(s) in an effort to obtain personalized investment advice. Please see “Fees and Compensation” below for further details related to the investment advisory fee charged for these seminars.

Advisory Services to Brokerage Customer

Prosperity provides investment advisory services to certain broker-dealers’ customers (“Brokerage Customers”) who provide written consent requesting to receive the firm’s advisory services. Brokerage Customers have entered into a written advisory agreement with Prosperity.

Charitable Accounts

Prosperity and its IARs may advise clients on certain charitable accounts or donor advised funds available through our custodians or other third parties Prosperity retains an agreement with.

Retirement Plan Services

Prosperity may provide investment advisory services to businesses and non-profit organizations with their 401(k) and employee benefit plans.

Trustees and Investment Committees

Prosperity may provide advisory services to investment committees and trustees of Defined Benefit Plans, Non-Participant directed 401(k) plans and Non-Profit Organizations. Prosperity may provide investment advice for a fee to the trustees or committee to implement.

Participant Directed Retirement Plans

Prosperity may provide investment advisory services to investment committees and trustees of Participant Directed Retirement Plans. Prosperity may act as a 3(21) Investment Fiduciary providing investment advice for a fee to the trustees or the committee to implement.

Estate Planning Services:

Through our partnership with independent third-party technology companies we can facilitate the preparation of various estate planning documents for clients. Such services are generally done under a financial planning consulting agreement, and the exact scope of such estate planning services will depend on the nature of a client’s specific estate planning needs. These third parties typically offer the ability to consult with licensed attorneys in various jurisdictions at an additional charge, and subject to additional terms and conditions. Third parties charge varying levels of fees depending on the complexity of the

client's situation. These fees are separate from the fees charged by Prosperity and its Advisors for their consulting services. Prosperity and its IARs do not provide legal advice.

Advisory Fees for Held Away Accounts

Prosperity can provide services to Held Away Accounts (accounts with Custodians or Carriers other than the primary approved custodians). Prosperity will be paid a management fee referenced on the Schedule A of the Client Agreement or equivalent fee disclosure, based on the fair market value of the Client's Account. This fee will be billed as outlined in Section 5. A. This fee will not be deducted from your Held Away account but will instead be either deducted from a non-qualified account held with Prosperity or directly invoiced to the client. Client acknowledges that for Held Away Accounts set forth on Schedule A to their agreement or equivalent disclosure, the designated third party shall provide access to Prosperity and its IARs to submit trades or reallocations on your Held Away Accounts. The designated third party may retain a portion of the fee collected by Prosperity.

Other

Prosperity also may render non-discretionary investment management services to clients relative to variable insurance products, their individual employer-sponsored retirement plans, 529 plans, and/or other products that may not be held by the client's primary custodian. In so doing, Prosperity either directs or recommends the allocation of client assets among the various investment options that are available with the product (as further described below) and may receive an advisory fee for these services. Client assets are maintained at the specific insurance company or custodian designated by the product.

Prosperity may also provide non-discretionary investment advisory services to retirement plan participants through their own employer-sponsored defined contribution (i.e., 401K, 403b, 457 TSP) plans using the investment options that are specific to them. Prosperity may enter into a contract with the plan sponsor to provide such services to plan participants and be paid a fee based on the assets under management for the overall plan.

Advisors have the ability to refer clients to a non-affiliated bank, our custodian, or sub-advisor that offers securities-based lines of credit. While Prosperity and/or its Advisors are not compensated, there is a conflict of interest in making the referral as the Firm will retain the assets under management.

C. IRA Rollover Considerations

Prosperity provides, as part of its investment advisory services, recommendations for client to withdraw the assets from an employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that Prosperity will manage on the client's behalf. If a client elects to roll the assets to an IRA that is subject to Prosperity's management, Prosperity will charge an asset-based fee as set forth in the agreement between the client and Prosperity. This practice presents a conflict of interest because persons providing investment advice on Prosperity's behalf have an incentive to recommend a rollover to a client for the purpose of generating fee-based compensation rather than solely based on the client's needs. Clients are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if the client decides to complete the rollover, that client is under no obligation to have the assets in an IRA managed by Prosperity.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, clients should consider the costs and benefits of each option:

An employee will typically have four options:

1. Leaving the funds in the employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change Prosperity encourages clients to understand the trade-offs of each.

Clients who are considering rolling over retirement funds to an IRA for Prosperity to manage should consider beforehand the following:

1. Determine whether the investment options in the employer's retirement plan address your needs or whether you might want to consider other types of investments.
 - a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than Prosperity's fees.
 - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Prosperity's strategy may have higher risk than the option(s) provided to you in your plan.
4. Whether your current plan also offers financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 73.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules, so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

D. Fiduciary Obligations

Investment advisers to ERISA Plan accounts and ERISA Plans must adhere to the fiduciary responsibilities under ERISA, as administered by the Department of Labor (DOL). Specifically, in providing investment advisory and investment management services to ERISA Plan accounts and ERISA Plans, Prosperity and

its investment adviser representatives must discharge their duties solely in the interest of the Plan participants and beneficiaries.

The DOL issued Prohibited Transaction Exemption 2020-02 that Prosperity relies upon for rollover recommendations that would otherwise result in a prohibited transaction under ERISA and/or the Code. It can also be used for other nondiscretionary fiduciary recommendations to Retirement Accounts that result in a prohibited transaction as long as its conditions are met.

E. Client Tailored Services and Client Imposed Restrictions

Prosperity and its IARs tailor their advisory services to the individual needs of clients. Each portfolio will be initially designed to meet a particular investment goal, which Prosperity determines to be suitable to the client's circumstances including investment needs, goals, objectives, risk tolerance, and time horizon.

In performing any of the above services, Prosperity is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. Prosperity typically recommends the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if Prosperity recommends its or its affiliates' own services.

With respect to Prosperity's investment management services, Prosperity has full investment discretion over clients' assets and manages those assets in a manner consistent with the clients' investment objectives and risk tolerance with the exception of client convenience/client directed accounts. Clients can impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in Prosperity's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts. With respect to Prosperity's financial planning and/or consulting services, the client is under no obligation to act upon any of the recommendations made by Prosperity or to engage the services of any such recommended professional, including Prosperity itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of Prosperity's recommendations. Clients are advised to promptly notify Prosperity if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Prosperity's management services.

Prosperity also manages a selection of model portfolios that are utilized by Separate Advisors. The portfolios are based on target asset-class allocations that designate specified percentages within multiple securities asset-classes with the intent of creating a diversified investment portfolio of no load institutional mutual funds, ETFs, equities, fixed income solutions, and other investments. These models are designed to provide asset class diversification for varying levels of risk tolerance.

As a general matter, the models are to be used by Separate Advisors to help clients meet their investment goals, as determined by the Separate Advisor based on their client's circumstances including investment needs, goals, objectives, risk tolerance, and time horizon. Client accounts are tailored to the client's specific individual investment goals and objectives. The IAR of the Separate Advisor collects financial and personal information from the client, and then the client and the IAR decide on an asset allocation strategy.

The Firm does not maintain a direct relationship with Clients under this arrangement; however, Clients may impose certain reasonable restrictions on the management of their accounts through consultation

with Separate Advisors. Nonetheless, Prosperity may determine that it cannot accept certain restrictions in its sole discretion.

F. Wrap Fee Programs

Prosperity does not provide portfolio management services to a wrap fee program(s) for its IARs. Under a wrap fee program, advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and transaction services (e.g., execution of trades) are provided for one fee. This is different than traditional investment management programs whereby services are provided for a fee, but transaction services are billed separately on a per-transaction basis.

If you are accessing Prosperity through a Separate Advisor your Separate Advisor may participate in a wrap program. In this instance, Prosperity may provide billing services for that Separate Advisor and may deduct wrap fees from your account according to the instructions provided by the Separate Advisor. If your Separate Advisor charges a wrap fee please review their ADV Part 2A and other disclosure forms for details.

G. Assets Under Management

Prosperity provides investment advisory services to clients on a discretionary basis. As of December 31, 2025 discretionary assets under management totaled \$4,385,706,161.

Item 5. Fees and Compensation

A. Advisory Fees

Prosperity offers its services on a fee basis, which includes hourly or fixed fees as well as fees based upon assets under management. Additionally, certain Prosperity Supervised Persons, in their individual capacities, may offer insurance products or engage in securities transactions through a broker dealer under a commission arrangement through other unaffiliated entities as described in Item 10 (below).

Prosperity maintains a Limited Power of Attorney for all the Prosperity model portfolios and strategies for the purposes of directing and/or otherwise effecting investments on behalf of the managed accounts invested in the portfolios and for the payment of the advisory fees charged by the Firm and the Separate Advisor, custodial fees and/or other charges incurred by the managed account.

Financial Planning, Consulting & Service Fees

Prosperity generally charges a hourly, fixed or subscription-based fee for financial planning, consulting, and other services. These fees are negotiable and typically range from a rate of \$100 to \$1,000 per hour, a \$100 to \$2,500 monthly fee, or a fixed fee of \$500 to \$50,000, although it could be more or less depending upon the level and scope of the services and the professional rendering the financial planning, consulting and other services. Prosperity may also charge financial planning fees based on a percentage of assets. Should the client opt to engage Prosperity for an annual update of the Financial Plan, consulting and/or other services, such annual updates may be provided for an additional flat fee. If the client engages Prosperity for additional investment advisory services, such as the implementation of the Financial Plan, Prosperity may, in its sole discretion, offset all or a portion of its fees for those services based upon the amount paid for the financial planning, consulting and/or other services.

Prior to engaging Prosperity to provide financial planning and/or consulting services, the client is required to enter into a written agreement with Prosperity setting forth the terms and conditions of the engagement. The client will also be provided with an estimate of the amount of time that will be required to perform the service. Generally, Prosperity may require one-half or one-quarter of the estimated financial planning/consulting fee upon entering into the written agreement with Prosperity. The balance is generally due upon delivery of the Financial Plan, over three quarters, or completion of the agreed upon services. Prosperity retains the right to modify or waive fees in its sole and absolute discretion, on a client-by-client basis. Factors considered include the complexity and nature of the services provided, anticipated amount of assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, and account composition. The specific fee schedule is identified in the written agreement entered into with the client.

Financial Institution Consulting Services Fees

Prosperity receives a fee based on the assets under management from Brokerage Customers who have provided written consent to a broker/dealer to receive the investment advisory service from Prosperity and have entered into a written advisory contract with Prosperity. The fee is calculated from the assets under management as of the end of a calendar quarter period multiplied by an annualized rate. The initial fee is paid only after the completion of one full calendar quarter period following the date of the executed agreement with broker/dealers. This fee is not billed to the client.

Asset Management and Advisory Fees

Prosperity and its IARs provide investment management services for an annual fee based upon a percentage of the market value of the assets being managed by Prosperity. Prosperity’s annual fee is exclusive of, and in addition to transaction fees, systematic investment fees, subscription fees and other related costs and expenses, which are incurred by the client. Prosperity does not, however, receive any portion of these commissions, fees, and costs. Prosperity’s annual fee is prorated and charged monthly, in advance, based on the average daily account balance of the prior month. Accounts opened in mid-month are assessed a pro-rated management fee. Fees for the initial month are adjusted pro-rata based upon the number of calendar days in the calendar month that the account is invested in a billable strategy. The following is the Firm’s fee schedule for investment management and other platform services such as account opening, billing, reporting, and trading. Prosperity’s platform fee can be up to:

\$0 - \$499,999	50bp
\$500,000 - \$999,999	40bp
\$1,000,000- 1,999,999	30bp
\$2,000,000-4,999,999	25bp
\$5,000,000+	20bp

The platform fee tier schedule is based on billable assets and excludes non-billable assets such as Client Directed accounts. Occasionally Prosperity will allow for different variations on collecting fees. Please refer to your Schedule A or equivalent fee disclosure for all details. The total annual fee for investment management services for retail clients typically varies between 0.20% and 2.0% depending upon several factors, including the market value of the assets under management and the types of services to be rendered. The fees paid by clients include portions paid to your investment adviser representative (IAR Fee) and portions paid to the Firm (Program Fee), where applicable. Prosperity negotiates fees separately for its institutional fixed income clients, and such fees are typically lower than those charged to retail clients. Fees are charged on cash or cash equivalents depending the management style selected. In some

situations Prosperity IARs can choose to use third-party or off-platform managers. In these instances, Prosperity's platform fee will not be charged. Please review all fee disclosure paperwork for more details.

Prosperity, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, financial planning relationships, very sophisticated clients, pro bono activities, etc.) and retains the right to modify or waive clients' fees in its sole discretion on a client by-client basis. Details of the investment management fee charged are more fully described in the Agreement entered into with each client. Fees are subject to change with thirty (30) days written notice. The same or similar services described above may be available elsewhere at a lower cost. Prosperity may reimburse clients for certain fees charged to their accounts, such as, but not limited to, transfer, termination, or closing fees. Additionally, Prosperity IARs have the discretion to charge varying fee levels for their advisor fee. This could be for family, close personal friends, employees, clients with recent hardships, etc..

Generally, investment advisory fees for all Prosperity advisory offerings will not exceed 2.00% of the market value of any client account as calculated on an annual basis. However, Prosperity charges a \$150.00 minimum annual investment management fee which may result in a fee greater than 2.0% as stated above. Clients should be aware that Prosperity's advisory fee and/or platform fee can be higher or lower than those charged by others in the industry, and that it can be possible to obtain the same or similar services from other investment advisers at lower or higher rates.

Advisor Directed Portfolios (formerly Prosperity Guided Portfolios) Program

Prosperity's Advisor Directed Portfolios ("ADP") program is an advisory program whereby Prosperity IARs manage their own portfolios using a selection of investments such as mutual funds, ETFs, equities, and fixed income solutions. IARs create the portfolio based on the client's investment objective, risk tolerance, time horizon and financial situation. Prosperity charges clients a tiered asset-based program fee based (Firm's fee schedule above) on assets invested with the firm in addition to the IAR Fee as discussed above.

Separately Managed Accounts & Other Programs

Prosperity charges clients a tiered asset-based program fee based on assets invested with the firm in addition to the IAR Fee and the SMA manager fee and/or other program manager fee, as applicable. The Firm's fee schedule is outlined above.

Administrative Fees for Client Directed Assets

With respect to Client Directed Assets as set forth in the written agreement between Prosperity and the client, Prosperity may be paid an administrative fee to hold the Client Directed Assets on the Prosperity platform and provide consolidated analytics and ongoing reporting for those assets. The administrative fee for this service is \$150/year billed on a pro rata basis, monthly, in advance. Client understands that Prosperity's administrative fee is in addition to fees charged by the custodian to hold the assets within the account(s).

Retirement Plan Services

Trustees and Investment Committees

Fees assessed for services provided to Trustees and Investment Committees are negotiated on a plan by-plan basis, based on the complexity of plan. For ongoing services, Prosperity will receive an annual fee, paid monthly, and normally based upon a percentage of the plan's total assets. These fees are in addition

to any custodial, recordkeeping, or investment management fees (from Mutual Funds, ETF's, etc.). Services can be terminated by either party, at any time, by giving written notice to the other. Any collected, unearned fees will be returned to the client.

All fees are either paid directly by the plan sponsor or are charged directly to the participants through the plan's record keeper. Prosperity receives no compensation from 12(b)-1 fees or revenue sharing programs. Any revenue sharing programs paid out by fund companies are collected by the custodian and/or record keeper and used to offset both the custodial and/or record-keeping expenses (if there are excess fees, it is the plan sponsor's discretion how these dollars are to be used). Upon termination, any fees paid in advance and not earned will be refunded to the client.

Participant Directed Retirement Plans

Fees charged for investment advisory services are in addition to any custodial, recordkeeping, or investment management fees (from Mutual Funds, ETF's, etc.) and are negotiated and agreed upon on a case-by-case basis. Details of the fees charged are more fully described in the written agreement entered into with each client. Services can be terminated by either party, at any time, by giving written notice to the other. Any collected, unearned fees will be returned to the client.

All fees are either paid directly by the plan sponsor or are charged directly to the participants through the plan's record keeper. Prosperity receives no compensation from 12(b)-1 fees or revenue sharing programs. Any revenue sharing programs paid out by fund companies are collected by the custodian and/or record keeper and used to offset both the custodial and/or record-keeping expenses (if there are excess fees, it is the plan sponsor's discretion how these dollars are to be used). Upon termination, any fees paid in advance and not earned will be refunded to the client.

Seminars & Educational Events

Prosperity IARs are permitted to host seminars on various financial topics that encourage clients to seek investment advisory services or purchase insurance products. Fees for the seminars generally range from \$0 to \$250. Fees are negotiable for group rates and are negotiated based upon the number of attendees and the content of the seminar. Fees are due before the seminar or on the day of the seminar, as set forth in the seminar announcement. Cancellation and refund provisions for prepaid fees are disclosed in the seminar announcement or invitation.

B. Payment Method

Prosperity's investment management fees and certain third-party strategist, subscription, and/or administrative fees will be charged to most clients through the direct debit of fees from the qualified custodian. Each month, Prosperity will notify the client's qualified custodian of the amount of the fee due and payable to Prosperity pursuant to the firm's fee schedule and the client's Agreement. The qualified custodian will not validate or check Prosperity's fees, its corresponding calculation, or the assets on which the fee is based unless the client has retained their services to do so. With the client's pre-approval, the qualified custodian will "deduct" the fee from the client's account or, if the client has more than one account, from the account the client has designated to pay Prosperity's fees. In some instances, transaction costs may be applied when liquidating securities to pay fees. Advisory fees are generally billed in advance and may require the liquidation of securities or the maintenance of sufficient cash balances in client accounts to facilitate timely fee deduction. The client will receive a statement directly from the qualified custodian showing all transactions, positions, and credits/debits into or from the client's account. Statements sent will also reflect the fees paid by the client to Prosperity.

For certain institutional clients, Prosperity may charge its fees via direct billing. In this case, Prosperity will issue the client an invoice for the firm's services and the client will pay Prosperity by check or wire transfer within 15 days of the date of the invoice, or as negotiated and documented in the client's Agreement.

C. Additional Fees and Expenses

Mutual Fund Fees and Exchange Traded Funds

All fees paid to Prosperity are separate and distinct from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses will generally include a management fee, other fund expenses, and a distribution fee, typically called Rule 12b-1 fees and are described in each fund's prospectus. Prosperity and its IARs do not receive Rule 12b-1 fees paid by mutual funds. However, the custodian for your accounts may retain 12b-1 fees. In most cases, mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For example, in addition to the more commonly offered retail shares classes (Class A, B, C shares), mutual funds may also offer institutional share classes and other share classes specifically designed for purchase in a fee-based investment advisory program. Institutional share classes or classes of shares designed for purchase in an investment advisory program usually have a lower expense ratio than other share classes. The appropriateness of a particular mutual fund share class selection is dependent upon a range of different considerations, including but not limited to: the asset-based advisory fee that is charged, whether transaction charges are applied to the purchase or sale of mutual funds, 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 Prosperity's ability to access particular share classes through the custodian), share class eligibility requirements, distribution fees, shareholder servicing fees or other compensation associated with offering a particular class of shares. Regardless, clients should not assume that they will be invested in the share class with the lowest possible expense ratio or cost. Please contact your IAR for more information about share class eligibility.

A client could invest in a fund directly, which would generally be more cost-effective, without the services of Prosperity. However, in that case, the client would not receive the services provided by Prosperity which are designed, among other things, to assist the client in determining which funds are most appropriate to each client's financial condition and objectives. To the extent that client assets are invested in money market funds or cash positions, the fees for monitoring those assets are in addition to the fees included in the internal expenses of those funds paid to their own investment managers, which are fully disclosed in each fund's prospectus. Accordingly, the client should review both the fees charged by the funds and the fees charged by Prosperity to fully understand the total amount of fees to be paid by the client and to thereby evaluate the services being provided.

Professional/Service Provider Fees

Fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Accordingly, the fees of any additional professionals engaged by a client will be billed directly by such professional(s).

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), Prosperity generally recommends that clients utilize the brokerage and clearing services of multiple custodians, including, but not limited to, Fidelity Investments Institutional Brokerage Group ("Fidelity"), Charles Schwab, Inc. ("Schwab"), Northern Trust, Morgan Stanley, Key Banc Capital Markets ("Key Banc") and U.S. Bank Institutional Trust & Custody ("U.S. Bank"). These custodians offer services to independent investment advisors which include custody of

securities, trade execution, clearance, and settlement of transactions. Prosperity receives some benefits from these custodians through its participation in their respective advisor services programs.

Prosperity can only implement its investment management recommendations after the client has arranged for and furnished Prosperity with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, Charles Schwab, Fidelity, U.S. Bank and any other broker-dealer recommended by Prosperity, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "Financial Institutions").

Clients may incur certain charges imposed by the Financial Institutions and other third parties such as fees charged by Independent Managers (as defined above), custodial fees, charges imposed directly by a mutual fund or ETF in the account which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Prosperity's fee.

Prosperity's Agreement and the separate written agreement with any Financial Institutions may authorize Prosperity or the Independent Managers to debit the client's account for the amount of Prosperity's fee and to directly remit that management fee to Prosperity or the Independent Managers. Any Financial Institutions recommended by Prosperity have agreed to send a statement to the client indicating all amounts disbursed from the account including the amount of management fees paid directly to Prosperity.

Fees for Partial Months of Service

For the initial period of investment management services, the fees are calculated on a pro rata basis. The Agreement between Prosperity and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. Prosperity's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as described in 5.D. below.

Clients can make additions to and withdrawals from their account at any time, subject to Prosperity's right to terminate an account and liquidate the assets. Additions can be in cash or securities provided that Prosperity reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients can withdraw account assets on notice to Prosperity, subject to the usual and customary securities settlement procedures. However, Prosperity designs its managed portfolios as long-term investments, and the withdrawal of assets may impair the achievement of a client's investment objectives. Prosperity may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a month, they are picked up as part of the average daily balance process.

D. Termination and Refunds

An Agreement can be terminated at any time, by either party, for any reason upon 10 days prior written notice to the other party. Prosperity is authorized to charge a client the applicable fee for up to 30 days after account termination as reasonable compensation for the orderly winding up of the client's account. If an account is terminated during a calendar month, fees will be adjusted pro rata based upon the number

of calendar days in the calendar month that the Agreement was effective. A pro rata portion of any fees over \$50 per household paid in advance will be refunded to the client within a reasonable period. Fees under the de minimis amount of \$50 will not be refunded.

E. Additional Compensation

Clients should be aware of and consider potential conflicts of interest related to direct and indirect forms of cash compensation and non-cash benefits that Prosperity and our Advisors may receive in connection with investment products, insurance products, and services offered to clients. These forms of compensation are in addition to client advisory fees Prosperity and its Advisors receive and creates an incentive to recommend certain investment products, advisory services, and insurance products. Prosperity maintains policies and procedures to ensure recommendations are suitable and require Advisors to always act in your best interest.

Supervised Persons as Registered Representatives

Supervised Persons of Prosperity may also be licensed as registered representatives of an unaffiliated FINRA registered broker-dealer. In such capacity, those Supervised Persons can sell securities through the broker-dealer and receive normal and customary commissions and other types of compensation, for example, mutual fund 12b-1 fees or variable annuity trails. While these Supervised Persons endeavor at all times to put the interest of the clients first as part of Prosperity's fiduciary duty, clients should be aware that a conflict of interest exists to the extent that Prosperity or these individuals recommend the purchase of securities where such individuals receive commissions or other additional compensation as a result of such recommendations. This is because the receipt of commissions represents an incentive for these Supervised Persons to recommend products based on the compensation received, rather than on a client's needs. However, if a client decides to purchase the recommended investment product(s), the client is not required to purchase it through these individuals and always has the option to purchase the investment product(s) through any broker, dealer or insurance agent of their choice.

Supervised Persons as Licensed Insurance Agents

Supervised Persons of Prosperity may also be licensed as insurance agents. In this capacity, they offer annuities, life insurance and other fixed insurance products and receive normal and customary commissions as a result of any purchases made by clients. As an example, commissions for fixed annuities products may range from approximately 4-7% of premium, depending on the particular product selected. The client is under no obligation to purchase insurance products through any Supervised Person of Prosperity or Prosperity's affiliate Clarity Insurance Marketing, LLC ("CIM"). In addition, each Supervised Person can receive other compensation such as trails, bonus payments, or awards trips in connection with insurance product transactions. The potential for receipt of commissions and other compensation when Supervised Persons of Prosperity act as an insurance agent gives them an incentive to recommend insurance products based on the compensation received, rather than the client's needs.

Revenue Share Program

Prosperity has established a revenue-sharing program with certain IARs under which Prosperity shares a portion of advisory revenues with those IARs based on assets under management ("AUM") attributable to their client relationships. Under this program, the percentage of revenue shared increases as the IAR's associated AUM reaches specified thresholds.

Cash/Non-Cash Compensation

Prosperity allows its Advisors to participate in conferences or trips sponsored occasionally by Prosperity and/or its affiliated companies, or their parent company C2P Enterprises, where they offer non-cash compensation to Advisors. Examples of this non-cash compensation include, but are not limited to, airfare, hotel, meals, cost associated with seminars/educational events, and entertainment expense to attend advisor meetings or conferences. Certain third parties pay for permissible cash and non-cash compensation, such as business entertainment, during these trips or events. Certain independent third parties, including but not limited to Dimensional Fund Advisors (DFA), Orion, Assetmark, Allianz, and Lincoln Financial also reimburse Prosperity and its Advisors for customary expenses associated with firm or client marketing, educational seminars, and training events. Additionally, certain independent third parties provide sponsorship dollars and support to events and trips put on by C2P Enterprises and its affiliate Clarity to Prosperity. Prosperity may also provide sponsorship dollars and support for these events and trips. The non-cash compensation Prosperity awards its Advisors is based on the total of net new assets brought to Prosperity during a defined qualification period, not for the sale of specific financial products or services. IARs, either from Prosperity or their individual advisors office, may be eligible for awards such as trips based on attitude, assets and advocacy. The receipt of cash and/or non-cash compensation creates a conflict of interest to recommend certain investment products, insurance products, or services over others.

An advisor is eligible to receive access to training, education, and marketing materials from Prosperity's affiliate, Clarity 2 Prosperity, on a reduced or no-cost basis. In general, the Advisor must generate a certain amount of investment advisory and/or fixed insurance business during a specified period to be eligible for this non-cash compensation. Prosperity's Advisors may also be licensed and appointed with various insurance companies to offer insurance products to you. Insurance companies also offer cash and/or non-cash compensation based upon premiums received by the insurance carrier. This creates an incentive and conflict for an advisor to recommend products of a specific insurance carrier.

Prosperity's affiliate, Clarity Insurance Marketing ("CIM"), offers non-cash compensation to their Agents. The initial revenue received by CIM for the sale of insurance products is generally greater than the initial revenue received by Prosperity from an advisory relationship and is an incentive for an Advisor to offer insurance products over advisory services. Any insurance product sale is subject to a suitability review by the insurance company.

Clarity Insurance Marketing (CIM) offers non-cash compensation for sales of non-securities insurance products for which CIM acts as broker based on the level of premium received during a defined time period. In addition, to be eligible for this non-cash compensation, the Agent must determine that the new advisory relationship and business placed with Prosperity Capital Advisors (Prosperity), and its affiliate, CIM, is suitable for the client and in the client's best interest. This compensation will be awarded in the form of marketing growth points. These marketing growth points can be used to reimburse agents for expenses used to market and grow their practices.

Prosperity's parent company, C2P Enterprises, sponsors an Advisor Connection Trip (ACT). This trip is, included but limited to advisors, agents, recruits, and employees of C2P Enterprise's companies based on assets, advocacy and attitude. The parties who receive invitations are determined by C2P Enterprise's leadership team. Though this is not based on any individual product sale it will create an incentive and conflict for an advisor or agent to recommend products of C2P Enterprises.

Enterprise Partner Program

Prosperity and its affiliates offer eligible IARs additional financial benefits through the Enterprise Partner Program (“EPP”). Based on C2Pe’s results and consideration of an IAR’s level of business and utilization of Prosperity’s affiliate for all fixed insurance business, certain Prosperity IARs receive a pro-rata C2Pe equity grant. Because the equity grant received increases based upon the level of business directed through Prosperity and its affiliates, IARs have a conflict of interest to recommend products and services based on the financial incentive.

Our IARs

Certain of our investment adviser representatives are engaged as independent contractors and are compensated solely through a percentage of the advisory fees paid by the clients they service. Other investment adviser representatives are employees of the firm and are compensated through a combination of salary, cash distributions, and bonuses, and in some cases, equity participation in the firm. Equity participation is not provided to all employee advisers. These differing compensation structures create a conflict of interest because advisers have a financial incentive to recommend our advisory services, increase assets under management, or contribute to the overall growth and profitability of the firm. The firm seeks to mitigate these conflicts through supervisory oversight and policies and procedures designed to ensure that all advice is provided in accordance with our fiduciary duty and in the best interest of clients. The nature of advisory services provided are not affected by whether an adviser is compensated as an independent contractor or as a W-2 employee.

Item 6. Performance-Based Fees and Side-by-Side Management

Prosperity does not provide any services for performance-based fees or engage in the side-by-side management of client accounts. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client’s account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Prosperity’s fees are calculated as described above in Item 5 - Fees and Compensation - and are not charged on the basis of a share of the capital gains upon, or capital appreciation of, the funds in a client’s account.

Item 7. Types of Clients

Prosperity primarily provides its services to individuals, high-net worth individuals, trusts, corporations or other businesses, broker/dealers, non-for-profit organizations, fraternal organizations, state or municipal government entities, and pension and profit-sharing plans.

A. Engaging the Services of Prosperity

All clients wishing to engage Prosperity for investment management and/or advisory services must first complete the applicable Agreement as well as any other document or questionnaire provided by Prosperity. The Agreement describes the services and responsibilities of Prosperity to the client. It also outlines Prosperity’s fee in detail. In addition, clients must complete certain broker-dealer/custodial documentation as well as any documentation required by any Independent Managers or other service providers used. Upon completion of these documents, Prosperity will be considered engaged by the client.

Separate Advisors and Subadvisors

Prosperity provides its services to other Separate Advisors. Prosperity will not serve as an Investment Adviser to individual clients under a sub-advisory agreement. As described in Item 4, Prosperity’s

portfolio management services under a sub-advisory agreement are generally offered to clients only through programs where an investment adviser representative of a third-party firm provides advice to the client. These investment adviser representatives are not employees of Prosperity but are independent or employed by Separate Advisors typically not affiliated with Prosperity.

B. Minimum Account Size and/or Fee

As a condition for opening an account, Prosperity generally requires a minimum portfolio size of \$1,000 to \$250,000 depending on the advisory services selected; however, exceptions may be granted. Certain Independent Managers can impose more or less restrictive account requirements and varying billing practices than Prosperity. In such instances, Prosperity may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers. Minimum Annual Fee – \$150.00 per year and is billed on a monthly basis.

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

A. Methods of Analysis and Risk of Loss

Methods of Analysis

Prosperity utilizes various types of tools and methods to assist in recommending or selecting investment strategies to Clients including but not limited to target asset-class allocations to reflect information supplied by the client regarding the client's individual financial circumstances, expressed cash needs, risk tolerance, investment objectives, and other factors.

Prosperity, which operates as a Turnkey Asset Manager Program ("TAMP"), Sub-advisor and/or Fund Strategist providing asset management and administrative services which are utilized by Prosperity IARs and Separate Advisors for the benefit of their retail investors. Prosperity offers model portfolios which your Prosperity IAR or Separate Advisor can select to invest your assets and provides asset-class allocation programs to Prosperity, which designates specified percentages within multiple securities asset-classes with the intent of creating a diversified investment portfolio of no load institutional mutual funds, ETFs, equities and/or fixed income solutions. Its models are designed for longer-term investors. The client and/or his or her Advisor have the opportunity to review and approve such recommended asset allocation programs. In developing and managing its core model portfolios, Prosperity utilizes a method of asset-class allocation based upon academic, behavioral, quantitative and fundamental investment research. Prosperity's asset-class allocation models and advice concerning securities is based upon publicly available research and reports regarding Efficient Markets Theory, adjusted for certain market and economic factors. The asset-class allocations are adjusted for risk (defined as historic market volatility over identified periods of time). Its core model portfolios are designed for longer-term investors. All Prosperity core models have a target of 0-3% of the allocation in cash.

Prosperity's specialized strategies are actively managed and seek to address a specific investment need or objective. Examples of these specialized strategies include an individual stock portfolio, an equity dividend income portfolio, a targeted draw down portfolio, or various fixed income portfolio strategies. All Prosperity specialized strategies have a target of 0-3% of the allocation in cash.

Prosperity also engages with other nonaffiliated RIAs for investment management services each of whom will have their own methods of analysis, investment strategies and unique investment risks that should also be reviewed and considered.

Investing Involves Risk

All investments are subject to risk. Prosperity's portfolios attempt to historically quantify risks and minimize certain risks by diversification among different types of asset classes, but diversification neither assures a profit nor protects against a loss in a declining market. There is no assurance that Prosperity will be successful, and clients are advised that they are subject to the risks of the securities markets. These risks include general market trends, unintended concentrations in certain markets, sectors and individual issuers, government regulation, and lack of sufficient market liquidity. Fixed income investments are subject to interest rate risks and volatility of market prices. Real estate securities are subject to property value changes, rental income, property taxes, and tax and regulatory changes. Foreign securities and emerging market investments are subject to the same risks as discussed herein and subject to the risks of currency exchange rate changes, political instability, and different methods of accounting and finance reporting. The additional risks associated with small company and value securities includes increased volatility and less liquidity. Past performance does not guarantee future returns. Many of the principal investment risks inherent in the strategies and investments are discussed in more detail under Item 8E below.

B. Core Models:

Prosperity manages certain portfolios on its platform. The platform is marketed as the Valor Platform with Prosperity. These models are described below.

1. Prosperity United Portfolio Models

These model portfolios seek total return through exposure to a diversified portfolio of fixed income and equity asset classes within a target allocation. Target allocations can vary +/-5%. It can invest in in exchange traded funds and mutual funds. Prosperity offers both pre-tax and tax-managed portfolio models.

In regard to the United Portfolio Models, the development and maintenance of this model is materially supported by BlackRock Fund Advisors and/or its affiliates, including BlackRock Investments, LLC (collectively, "BlackRock"), which provides Prosperity with investment research, model recommendations and marketing support at no cost. Research and recommendations provided by BlackRock to Prosperity, however, predominantly favor the use of iShares ETFs, which are distributed by BlackRock. While Prosperity is under no obligation to utilize iShares ETFs in the management of the Multi-Manager Core Models, such models will predominantly and sometimes exclusively utilize iShares ETFs in their construction. This creates a material conflict of interest for Prosperity as the receipt of such services from BlackRock reduces Prosperity's operating costs, which creates an incentive for Prosperity to recommend and utilize products sponsored or distributed by BlackRock in the management of all client accounts.

2. Dimensional Fund Advisors (DFA) Models

The DFA Models are designed to provide fixed income and equity class diversification for varying levels of risk tolerance. These models are managed in a manner substantially similar to the models historically recommended for investment by Prosperity's affiliate Prosperity. Each of these model portfolios below are primarily comprised of DFA Funds but could also include other securities that correspond to the allocation percentages shown. Dimensional applies a dynamic implementation process that integrates advanced research, methodical portfolio design, and careful execution, while balancing risks, costs, and

other tradeoffs that can impact performance. This approach is applied across a full suite of investment strategies. Prosperity offers both Dimensional pre-tax and tax-managed portfolio models.

3. Vanguard ETF Series Model Portfolios

The Vanguard CRSP Series ETF Strategic Model Portfolios are a total-return model series that provides exposure to broad-market global equities and fixed income within a target allocation. The CRSP Series U.S. equity exposure aims to track Center for Research in Security Prices (CRSP) benchmarks, while the international equity and fixed income exposures aim to track indexes from FTSE and Bloomberg Barclays. The Vanguard CRSP Series ETF model portfolios are strategic and index-centric by nature. Within the broad asset classes, the portfolios are market-capitalization-weighted and reflect their benchmarks' investment style and size exposure. Prosperity also offers Vanguard Tax-Efficient ETF Series Model using investment-grade municipal bonds and low turnover and indexed global equity investments.

4. Orion Global Asset Allocation Portfolios

The Orion Global Asset Allocation Portfolios are designed to be tax efficient by blending individual equities and fixed income ETFs to offer customization around legacy holdings, capital gain budgets, ESG/SRI preferences, and other personal preferences. The goal of the Orion Custom Indexing team is to deliver ongoing proactive tax management and tax loss harvesting opportunities.

C. Specialized Strategies:

1. Dimensional Fund Advisors (DFA) Socially Responsible Models

Prosperity manages a series of model portfolios which focus on socially responsible investing using fixed income and equity asset classes within a target allocation. DFA Funds' socially responsible mutual funds have considered the United States Conference of Catholic Bishops (USCCB) socially responsible investment guidelines in construction of its socially responsible models. Each of the Socially Responsible Models, with the exception of Stable Model, are available with an asset allocation containing real estate investments.

When incorporating a social objective or nonfinancial objective into any discretionary investment decision, any recommendation or advice to manage the investments in your account will result in investments and recommendations/advice that are not solely focused on maximizing a financial return for you or your account.

2. Dimensional Fund Advisors (DFA) Sustainable Models

Prosperity also manages a series of varying target allocation model portfolios which are comprised of DFA Funds' sustainability mutual funds that screen investments based on key sustainability issues such as environmental impact from company emissions, including for example, greenhouse gas emissions and potential emission from fossil fuel reserves. Each of the Sustainable Models, with the exception of Stable Model, are available with an asset allocation containing real estate investments.

When incorporating a social objective or nonfinancial objective into any discretionary investment decision, any recommendation or advice to manage the investments in your account will result in investments and recommendations/advice that are not solely focused on maximizing a financial return for you or your account.

3. Dimensional Fund Advisors (DFA) Global Models

Prosperity also offers a series of Global Models Models that allocate its assets to DFA Funds that invest in domestic and international equity and fixed income securities. In addition to its allocation strategy of

providing exposure to the domestic, international equity and fixed income markets through investment in the underlying funds, the Global Models further diversify its investment portfolio by allocating its assets among underlying funds that represent a variety of different asset classes, such as large capitalization, small capitalization, and emerging markets stocks, as well as real estate securities.

4. BlackRock Target Allocation ETF Models

The BlackRock Target Allocation ETF Models are a suite of investment options with the specific investment strategy varying allocations to equities and fixed income. These investment strategies seek total return through exposure to a diversified portfolio of fixed income and/or equity asset classes. The target allocations can vary +/-10%. Prosperity offers both pre-tax and tax-aware portfolio models.

5. Volatility Buffer Model Series

The Volatility Buffer Model Series provides an opportunity for investors to take advantage of market growth (to a cap) while maintaining a defined downside buffer, over a specified outcome period, removing much of the uncertainty associated with investing in the stock market. These models are appropriate for investors seeking equity market growth, with reduced downside risk. This is accomplished through a portfolio of defined outcome exchange-traded funds that are based on the reference asset (an ETF or major market index, as applicable). By layering options that have varying strike prices (the price at which the option purchaser may buy or sell the security, at the expiration date), and the same expiration date (approximately one year), each ETF is able to shape the return profile of the reference asset over the outcome period. Selling this investment during the outcome may cause adverse effects on your investment. You should work with your advisor to fully understand these risks. This provides a downside buffer for the outcome period. These buffers can range from 9% to 30% depending on the model selected. Upon the conclusion of an outcome period, each ETF will roll into a new set of options contracts with the same exposure, buffer level, and term length, and a new upside cap will be determined. The Volatility Buffer Model Series allocates money to each month of the year in an equal allocation and is set to automatically roll that allocation into the new like-kind fund.

5. Valor AI Foundations Portfolio

The Valor AI Foundations Portfolio seeks diversified, long-term exposure to the foundational elements that support artificial intelligence adoption across the global economy. It seeks global exposure via ETFs focused on diversified AI foundations rather than applications. This is a high activity portfolio that may be rebalanced frequently based on changing AI themes, manager risk models, deviation from target weights, etc. AI is not used in investment selection for this portfolio.

6. BlackRock Multi-Asset Income Models

BlackRock's Multi-Asset Income model portfolios are core portfolios built using mutual funds and ETFs. They are designed to help generate income and growth while actively managing risk and seek opportunities across different asset classes and regions. The model portfolio management team takes a risk-aware approach focused on helping to mitigate downside risk potential, while employing a flexible, unconstrained, global investment strategy to adapt to changing markets. The suite contains the Multi-Asset Conservative Model, the Multi-Asset Moderate Model and the Multi-Asset Moderate Growth Model, available in traditional and tax-aware varieties across a range of risk profiles.

7. Advisor Directed Portfolios formerly Prosperity Guided Portfolios Program

Prosperity's Advisor Directed Portfolios ("ADP") program is an advisory program whereby Prosperity IARs manage their own portfolios using a selection of investment including but not limited to mutual funds, ETFs, equities, and fixed income solutions. IARs create the portfolio based on the client's investment objective, risk tolerance, time horizon and financial situation. These portfolios are also used for

investment positions to supplement other models as well as tax management of client investment accounts. In this program, IARs act with discretionary authority as portfolio managers making investment decisions and asset allocations within the client's account.

8. Advisor Custom Strategy Portfolios (ACS)

A Separate Advisor also has the ability to build and manage one or more customized individual investment portfolios for their Clients ("Advisor Custom Strategy Portfolios"). The Separate Advisor is solely responsible for determining investment selections and giving instructions for trades, reinvestments and rebalances. Prosperity does not provide any investment advice to ACS Portfolios, does not have or exercise any discretionary authority with regard to ACS Portfolios, and does not supervise the ACS Portfolios or the Prosperity Separate Advisors in its management of ACS Portfolios. Please review the Separate Advisor's disclosure brochure for additional information regarding the Separate Advisor's management of customized investment portfolios. Prosperity provides operational support for ACS Portfolios and requires the Client's authorization to perform services such as deducting fees and/or providing other services on the Separate Advisor's behalf. Prosperity's platform fee will be charged to the Client account, in addition to the Separate Advisor's investment advisory fee.

9. Other Programs Available on the Valor Platform

A. Orion Communities

Prosperity has the ability to access certain third party Managers/Strategists through Orion Communities. Orion Communities is a 'marketplace' of investment Strategists that you and your advisor will have the ability to choose from. We do not subscribe to all Strategists available through Orion Communities but make available the strategists we feel best enhance the Prosperity Platform. We reserve the right to add and remove strategists as our Investment Committee deems appropriate. The Strategists available charge a range of subscription fees that will be billed to your accounts. These fees are outlined on Prosperity's Schedule A: Fee Agreement or equivalent fee disclosure, as well as below:

Orion Communities Subscription Fees:

Clark Capital Models: 2 basis points

Orion Custom Indexing: 15 basis points

Orion Global Asset Allocation Portfolios: 15 basis points

If your Orion Communities Strategist is not listed above the Strategist charges a zero basis point subscription fee. For further information on a Strategist please discuss with your advisor or review the Strategist's ADV Part 2A.

Trading will occur in the account you establish with the custodian. Strategists will provide Prosperity with instructions to rebalance or reallocate the Strategist Models depending on their asset allocation philosophy or investment manager selection process. The adjustments to the asset allocations will result in transactions in your account which may also incur additional transaction fees. For distributions, positions are redeemed pro-rata unless otherwise specified.

B. Alternative Investments

The firm offers structured products, private equity and hedge fund-based solutions as well as additional alternative investments through iCapital, through our custodian, or directly with the alternative investments provider. iCapital Network and/or its affiliates conduct due diligence (investment and operational) on private equity and hedge fund offers. These types of products are typically only available to qualified or high net worth investors. Privately Offered Securities valuations can lag a month or more

and are received from the issuer's third party administrator to the alternative investment vehicle, for directly offered investments or from iCapital Network's fund administrator for those available on the iCapital Network platform. These types of products can be highly complex and potentially involve significant downside risk and lack of liquidity. Please weigh the pros and cons, review all fees and read all applicable disclosure documents before investing.

The Firm offers structured products, private equity, hedge funds, and other alternative investments through third-party platforms (including iCapital), through our custodian, or directly with sponsors or issuers. Certain platforms or their affiliates conduct investment and operational due diligence; however, the Firm does not control the scope or conclusions of such reviews. The firm and the Investment Committee may use this due diligence or other due diligence methods to determine if we want to include a particular offering on our platform. These investments are generally available only to accredited investors, qualified purchasers, or other eligible investors. Alternative investments are typically illiquid, may involve long lock-up periods and limited redemption rights, and can employ complex strategies, leverage, or concentrated positions. They involve substantial risk, including the potential loss of the entire investment.

Valuations of alternative investments are inherently uncertain and differ from those of publicly traded securities. Reported values are typically provided monthly or quarterly, often with a reporting lag, and are generally based on estimates supplied by the sponsor, custodian, or a third-party administrator using models, appraisals, or other subjective methodologies. These net asset values may be unaudited, subject to adjustment or restatement, based on limited or stale information, and may not reflect the price at which an investment could be liquidated. Differences in valuation practices among managers, limited transparency into underlying holdings, and infrequent reporting can further increase valuation risk. Prosperity calculates its advisory and platform fees for private and illiquid investments using the most recent valuation made available by the investment sponsor, custodian, or other third-party source and does not independently determine or verify these valuations. When updated valuations are not available, Prosperity will continue to bill advisory fees based on the last value received, which may result in clients paying more or less in advisory fees than they would if more current valuations were available. Investors should review all offering documents and disclosures, including fees, expenses, liquidity constraints, conflicts of interest, and tax considerations, before investing.

C. Structured Products:

Structured products are designed to facilitate highly customized risk-return objectives. While structured products come in many different forms, they typically consist of a debt security that is structured to make interest and principal payments based upon various assets, rates or formulas. Please reference the structured product's disclosure documents for details. Many structured products include an embedded derivative component. Structured products may be structured in the form of a security, in which case these products may receive benefits provided under federal securities law, or they may be cast as derivatives, in which case they are offered in the over-the-counter market and are subject to no regulation.

Risks Associated with Structured Products:

Complexity. Structured notes are complex financial instruments. Clients should review the prospectus and other offering documents associated with structured notes. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied on the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and fees. Structured notes have complicated payoff structures that can

make it difficult for clients to accurately assess their value, risk and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse-leveraged, which may result in larger returns or losses. Clients should carefully read the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with us.

Market risk. Some structured notes provide for the repayment of principal at maturity, which is often referred to as “principal protection.” This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, or market volatility. The valuation of a structured note prior to maturity can be detached from the valuation of the underlying or referenced security.

Issuance price and note value. The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer’s estimated value of the note and the issuance price. The initial market value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus can be difficult to value given their complexity.

Liquidity. The ability to trade or sell structured notes in a secondary market is often very limited as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on security exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution’s broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date, or risk selling the note at a discount to its value at the time of sale.

Credit risk. Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

D. Third Party Money Managers and Platforms

In addition, Prosperity IARs can recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers (“Independent Managers”), based upon the stated investment objectives of the client.

The terms and conditions of the relationship between Prosperity, the client and the Independent Manager are set forth in a separate written agreement between Prosperity and the designated Independent Manager. Prosperity will continue to be responsible for monitoring and reviewing each client’s account to ensure that the assets are being managed in accordance with their investment objectives. Prosperity will

receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager.

When recommending or selecting an Independent Manager for a client, Prosperity and its IARs weigh information about the Independent Manager such as its disclosure brochure and/or material supplied by the Independent Manager or independent third parties for a description of the Independent Manager's investment strategies, past performance and risk results to the extent available. Factors that Prosperity considers in recommending an Independent Manager include the client's stated investment objectives, management style, performance, risk-adjusted performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Managers, together with the fees charged by the corresponding designated broker dealer/custodian of the client's assets, is exclusive of, and in addition to, Prosperity's investment advisory fee. The client may incur additional fees other than those charged by Prosperity, including fees charged by the designated Independent Managers, and corresponding broker-dealer and custodian.

In addition to Prosperity's written disclosure brochure, the client will also receive the written disclosure brochure of the designated Independent Managers. Certain Independent Managers may impose more restrictive account requirements and varying billing practices than Prosperity. In such instances, Prosperity may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers. Prosperity conducts the initial due diligence on Independent Managers as well as ongoing reviews of their management of client accounts. Prosperity retains the authority to hire and fire Independent Managers at our discretion.

Prosperity has established agreements to work with a third-party investment adviser in a sub-advisory or investment research capacity. The sub-advisor is responsible for all investment-related decisions and trading in the client accounts. The Separate Advisor may be limited to only manage assets through specific custodians. For more information about what custodians a specific sub-advisor is authorized to offer services through, please refer to the sub-advisor's ADV. There may be additional strategist, subscription, and/or administrative fees for the use of third parties which will be disclosed to the client on the Prosperity Schedule A. Please review the sub-advisor's ADV for more information. Prosperity retains the authority to hire and fire sub-advisors at our discretion.

E. Signal Based Relationships

Prosperity also enters into signal-based relationships with certain third-party managers whereby it makes available their model asset allocation portfolios. These third-party managers typically called Signal Providers monitor their respective models and provide Prosperity with ongoing recommendations for the allocation and reallocation of assets in the model consistent with the stated strategy. Different selected signal-based strategies and models will be sleeved within one account so that the Client does not have to open multiple accounts. Clients will receive the most recent copy of the sleeved third-party strategy/model manager's Form ADV brochure which outlines the strategy, risks, associated fees, and other pertinent information, along with Prosperity's disclosure documents. Prosperity does not typically reject or deviate from the trade signals provided by the Signal Provider. However, Clients will not achieve the same performance returns as shown in a Signal Provider's marketing material and fact sheets if their accounts do not execute trades in strict conformance with the Signal Provider's trade signals. Prosperity conducts the initial due diligence on these strategies/models and performs administrative, trade order management and execution, operational and other support services for which it charges a fee as discussed below.

F. SpiderRock

Prosperity utilizes SpiderRock which uses option overlay strategies that assist in implementing client investment strategies. For clients utilizing option strategies, SpiderRock may be used to generate and execute customized derivatives-based investment solutions. These solutions are designed to enhance portfolio returns, provide downside protection, or achieve specific risk management objectives. SpiderRock is an independent third-party service provider and is not affiliated with Prosperity.

Risk Considerations

Clients engaging in option strategies facilitated by SpiderRock should understand that derivatives involve additional risks, including but not limited to volatility and liquidity constraints. Prosperity evaluates these risks as part of our portfolio management process, but clients should carefully consider whether option-based strategies align with their investment objectives and risk tolerance. SpiderRock charges additional fees for their services that are in addition to Prosperity's advisory and platform fees. These fees are as follows:

- SpiderRock Hedged Equity Concentrated Stock 50 bps
- SpiderRock Hedged Equity Portfolio 50 bps
- SpiderRock Cash Secured Put 50 bps
- SpiderRock Opportunistic Yield Enhancement 70 bps
- SpiderRock Exchange Fund Replication 85 bps

10. Additional Models

Throughout the course of the year Prosperity's Investment Committee continues to research additional models and/or investment options to potentially add to the platform. Any additional fees associated with these investment options will be disclosed to you on the Prosperity Schedule A or equivalent fee disclosure document.

D. Risks Associated with Investment Strategies

Similarly, Managed Accounts

For certain clients, Prosperity may manage portfolios by allocating portfolio assets among various securities on a discretionary basis using one or more of recommended investment strategies. In so doing, Prosperity and/or the Independent Manager may buy, sell, exchange and/or transfer shares of securities based upon the investment strategy.

Prosperity's management using the investment strategy complies with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly managed accounts, such as the investment strategy, with a safe harbor from the definition of an investment company.

The investment strategy can involve an above-average portfolio turnover that could negatively impact upon the net after-tax gain experienced by an individual client. Clients are encouraged to consult a tax professional regarding the tax implications of any investment strategy.

E. Certain Risk Factors

All securities, to varying degrees, contain risks inherent to the investments utilized. Securities used by Prosperity's investment strategies are subject to the following principal investment risks due to the variety of investments utilized in each strategy:

1. Credit Risks – The risk that the portfolio could lose money if the issuer or guarantor of a fixed-income security, or the counterparty to a derivative contract, is unable or unwilling to meet its financial obligations.
2. Counter-Party Risks – A portfolio will incur a loss if the other party to an investment contract, such as a derivative, fails to fulfill its contractual obligation.
3. Currency Risks – The risk that foreign currencies will decline in value relative to the US dollar and affect a portfolio's investments in foreign (non-US) currencies or in securities that trade in and receive revenues in, or in derivatives that provide exposure to, foreign (non-US) currencies.
4. Debt Securities Risks – The issuer of a debt security may fail to pay interest or principal when due and increases in market interest rates typically will reduce the value of debt securities or reduce the portfolio's returns.
5. Derivative Risk - The use of derivatives such as futures, options and swap agreements can lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than offset risk.
6. Emerging-Market Risk – Foreign investment risks are typically greater for securities in emerging markets, which can be more vulnerable to recessions, currency volatility, inflation, and market failure.
7. Equity Risks – The risk that the value of equity securities, such as common stocks and preferred stocks, can decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.
8. ETF Risks – Portfolio will be exposed indirectly to all of the risks of securities held by an ETF.
9. Foreign Investment Risk – Foreign investments face the potential of heightened illiquidity, greater price volatility and adverse effects of political, regulatory, tax, currency, economic or other macroeconomic developments.
10. High-Yield Securities Risk – High-yield securities have a much greater risk of default or of not returning principal and tend to be more volatile than high-rated securities of similar maturity.
11. Interest Rate Risk – The risk that fixed income securities will decline in value because of an increase in interest rates.
12. Issuer Risk – The value of a security may decline because of adverse events or circumstances that directly relate to conditions at the issuer or any entity providing it credit or liquidity support.
13. Issuer Non-Diversification Risk – The risks of focusing investments in a small number of issuers, industries, or foreign currencies, including being more susceptible to risks associated with a single economic, political, or regulatory occurrence than a more diversified portfolio might be.

14. Liquidity Risk – A security with limited liquidity may not be able to be sold at the time desired; or without adversely affecting the price.
15. Hedge Funds Risks - Investments in hedge funds and other private investment vehicles involve a high degree of risk and are suitable only for investors who can bear the risk of substantial or total loss. Such investments are generally illiquid, may be subject to lock-ups, redemption restrictions, or suspension of withdrawals, and often employ complex strategies, including the use of leverage and derivatives, which can magnify losses. Hedge fund performance may be adversely affected by market conditions, interest rate changes, valuation challenges, counterparty failures, regulatory or tax changes, and operational risks, including reliance on key personnel. There can be no assurance that any investment strategy will be successful, and investors may lose some or all of their invested capital.
16. Market Risk – The market price of securities held by a portfolio will rapidly or unpredictably decline due to negative factors affecting securities markets generally or particular industries.
17. Mortgage and Asset-Backed Securities Risk – These securities decline in value when defaults on the underlying mortgage or assets occur and exhibit additional volatility in periods of changing interest rates. When interest rates decline, the prepayment of mortgages or assets underlying such securities typically require the reinvestment of money at lower prevailing interest rates, resulting in reduced returns.
18. Defined Maturity Bond ETF Risks – Unlike a direct investment in bonds, the funds’ income distributions will vary over time and the breakdown of returns between fund distributions and liquidation proceeds are not predictable at the time of investment. For example, at times, the funds may make distributions at a greater (or lesser) rate than the coupon payments received, which will result in the funds returning a lesser (or greater) amount on liquidation than would otherwise be the case. The rate of fund distribution payments may affect the tax characterization of returns, and the amount received as liquidation proceeds upon fund termination may result in a gain or loss for tax purposes.

Income generated from the funds is based primarily on prevailing interest rates, which can vary widely over the short- and long-term. If interest rates drop, the funds’ income generally will drop as well. During periods of rising interest rates, an issuer may exercise its right to pay principal on an obligation later than expected, resulting in a decrease in the value of the obligation and in a decline in the funds’ income.

An issuer’s ability to prepay principal prior to maturity can limit the funds’ potential gains. Prepayments may require the funds to replace the loan or debt security with a lower yielding security, adversely affecting the funds’ yield.

During the final year of the funds’ operations, as the bonds mature and the portfolio transitions to cash and cash equivalents, the funds’ yield will generally tend to move toward the yield of cash and cash equivalents and thus may be lower than the yields of the bonds previously held by the funds and/or bonds in the market.

19. Cybersecurity Risk – The computer systems, networks, and devices used by Prosperity and service providers to Prosperity and our clients to carry out our business operations engage a variety of safety measures designed to prevent interruption from computer viruses, systems failures, infiltration by

unauthorized persons and other security breaches. Despite the various protection efforts employed, systems, networks and/or devices can be breached. Prosperity and clients could be negatively impacted as a result of a cybersecurity breach. For example, cybersecurity breaches cause disruptions in business operations which in turn may potentially result in a financial loss to a client; the inability by us and/or other services providers to transact business; violations of applicable privacy laws; the inadvertent release of confidential information, regulatory fines, penalties and/or reputational damage. Similar adverse consequences would apply to issuers of securities in which a client invests, exchange and other financial market operators, government authorities, banks, or other financial institutions, among other parties.

20. Disease Outbreak Risk – Disease outbreaks that affect local economies or the global economy may have material and adverse impacts on Prosperity, the market, and investments. Outbreaks such as Coronavirus (COVID-19) can be expected to cause severe decreases in core business activities such as manufacturing, purchasing, tourism, business conferences and workplace participation, among others. These disruptions lead to instability in the marketplace, including stock market losses and overall volatility, as have recently occurred in connection with COVID-19. In addition, these disruptions result in shortages of parts for production as well as medicines and other healthcare-related products and services. Healthcare related institutions, personnel, services, and products may be particularly overwhelmed or become dysfunctional. Governments can also take extreme and unpredictable measures in order to combat the spread of disease and mitigate the resulting market disruptions and losses. The full impacts of disease outbreaks are unknown, resulting in a high degree of uncertainty for potentially extended periods of time.
21. Cryptocurrency Risks: Prosperity or its IARs may provide advice or recommendations regarding investments in cryptocurrency ETFs. Prosperity does not directly trade or custody actual cryptocurrency but instead leverages ETFs available through our custodians. Investments in cryptocurrencies carry a high degree of risk due to price volatility, regulatory uncertainty, cybersecurity vulnerabilities, and limited historical data. Clients should be aware that the value of such investments can fluctuate significantly, and there is a risk of total loss. We recommend that clients only allocate a small portion of their portfolio to such assets unless they have a very high risk tolerance.

Item 9. Disciplinary Information

Prosperity is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Prosperity does not have any required disclosures to this Item. The disciplinary events of each individual Prosperity IAR are disclosed on their ADV Part 2B and adviserinfo.sec.gov. If working with Prosperity through a Separate Advisor please refer to their disclosure documents.

Item 10. Other Financial Industry Activities and Affiliations

Prosperity is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. Prosperity has described such relationships and arrangements below.

Supervised Persons may offer their services, including those described above, as a Prosperity Investment Advisory Representative through another name. We call this a "doing business as" (dba) name. For example, instead of operating under the name John Doe, the representative may operate under Doe Financial Group or XYZ Wealth Management. In these circumstances, the client may be provided with

financial planning, accounting, tax, fixed insurance, broker dealer and or legal services, but only the investment management services, are offered through Prosperity.

Prosperity may provide investment advisory services to companies that provide products and/or services to Prosperity and its affiliated entities. Prosperity provides its services on commercially reasonable terms consistent with the disclosure regarding fees as set forth in Item 4 above. The products and/or services Prosperity receives from third-party service providers (that also receive advisory services from Prosperity) are on the same terms that are available to the general public.

A. Broker-Dealer Registration and Registered Representatives

Prosperity is not registered, nor does it have an application pending to register, as a broker-dealer. Certain of Prosperity's Supervised Persons, in their individual capacities, are also registered representatives with various unaffiliated FINRA-registered broker-dealers, and in such capacity, may recommend, on a fully disclosed commission basis, the purchase of certain investment products. While Prosperity does not sell any commissionable investment products to its clients, Prosperity does permit its Supervised Persons, in their individual capacities as registered representatives, to sell investment products to their clients. A conflict of interest exists to the extent that Prosperity's advisor recommends the purchase of investment products where Prosperity's Supervised Persons receive commissions or other additional compensation.

To the extent that clients wish one or more of these individuals to implement any recommendations made by Prosperity, the purchase or sale of any securities in conjunction with the implementation of such recommendations is made through one or more of these broker-dealers. Clients are free, however, to implement Prosperity's recommendations through any broker-dealer that they choose. The receipt of commissions for recommended products represents an incentive for these individuals to recommend products that pay a commission over other products, therefore creating a conflict of interest. Additionally, if a client implements the recommendation through these individuals, the client may be limited to those products or services available through these broker-dealers.

Commissions earned may be higher or lower at these broker-dealers than other broker-dealers. Notwithstanding the fact that these individuals are registered representatives of such broker-dealers, each of these Investment Advisor Representatives is solely responsible for the investment advice rendered. Prosperity's advisory services are provided separately and independently of these broker-dealers.

B. Dual Registration

From time to time, certain investment adviser representatives ("IARs") of Prosperity may also be separately registered as investment adviser representatives of unaffiliated registered investment advisers. This dual registration may occur on a temporary basis to facilitate a smooth transition of client relationships to or from Prosperity.

In such cases, the dually registered IAR may provide advisory services through either firm, depending on the specific client relationship and custodian arrangements. Clients are informed of the advisory firm providing services at the time of engagement and are required to sign the appropriate client agreements with that firm.

These arrangements may create a conflict of interest, as the IAR may receive compensation from both advisory firms during the transition period. To address this, Prosperity implements compliance oversight procedures to supervise the IAR's activities conducted on behalf of the Firm and to ensure all recommendations and services remain in the best interest of clients.

Clients with questions about any dual registration arrangement or how it may impact them are encouraged to contact the Firm's Chief Compliance Officer at the phone number noted on page one of this document.

C. Futures and Commodity Registration

Prosperity is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor. No management person is registered, nor does any management person have an application pending to register, as an associated person of a futures commission merchant, commodity pool operator or a commodity trading advisor.

D. Financial Institution Consulting Services

Prosperity has agreement(s) with broker-dealers to provide investment advisory services to Brokerage Customers. Broker-dealers pay compensation to Prosperity for providing investment advisory services to Customers. Brokerage Customers will execute a written advisory agreement directly with Prosperity. This relationship presents conflicts of interest. Potential conflicts are mitigated by Brokerage Customers consenting to receive investment consulting services from Prosperity; by Prosperity not accepting or billing for additional compensation on broker/dealers' assets under management beyond the consulting fees disclosed in Item 5 in connection with the investment consulting services; and by Prosperity not engaging as, or holding itself out to the public as, a securities broker/dealer. Prosperity is not affiliated with any broker/dealer.

E. Financial Industry Affiliations

Prosperity advisors have an economic incentive to recommend that clients invest their assets on platform with Prosperity in lieu of selecting an independent investment manager to manage client assets, because Prosperity's organization may earn a larger advisory fee for such services and other financial benefits.

Prosperity is under common control with Clarity Insurance Marketing, LLC ("CIM") which is an insurance agency and insurance marketing organization facilitating the selection and support for fixed annuities, fixed index annuities, single premium and deferred-income annuities, life insurance, disability insurance, long-term care insurance, Medicare supplement insurance and final expense funeral trust policies to insurance agents throughout the United States. CIM may offer fixed insurance products of certain Prosperity institutional clients to its agents on the same terms as available to other customers. Some officers and/or employees of Prosperity are also officers and/or employees of CIM.

Prosperity is in the process of starting or acquiring a limited receipt broker dealer in 2026. Prosperity will either be purchasing this entity or creating one. Prosperity IARs will not be registered with this broker dealer and this broker dealer will not be selling investment products to clients.

Prosperity is also a member firm of M Financial Holdings Incorporated d.b.a. M Financial Group. Through this arrangement Prosperity may have IARs who are registered with M Financial Group and who sell commissionable broker dealer products through M Financial Group.

Prosperity is under common control with Clarity 2 Prosperity, LLC which is a financial training, coaching and IP development organization which provides training on the financial planning process. As indicated

under the disclosure for Item 5, Prosperity IAR's are eligible to receive access to training, education, and marketing material on a reduced or no-cost basis.

Licensed Insurance Producers

Certain of Prosperity's Supervised Persons, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully disclosed commission basis, the purchase of certain insurance products. While Prosperity does not sell such insurance products to its clients, Prosperity does permit its Supervised Persons, in their individual capacities as licensed insurance agents, to sell insurance products to their clients. A conflict of interest exists to the extent that Prosperity's adviser recommends the purchase of insurance products where Prosperity's Supervised Persons receive insurance commissions and/or other additional compensation.

Tax Professionals

Certain of Prosperity's Supervised Persons, in their individual capacities, are also Certified Public Accountants, Enrolled Agents, or tax professionals, or may recommend the services of an outside certified public accountant, including representatives from their own outside firm to its clients. A conflict of interest exists to the extent that Prosperity's adviser recommends accounting services where Prosperity's Supervised Persons may receive any fees or additional compensation, referral or otherwise.

Referrals to Related Estate Planning Attorneys

Prosperity does not render legal advice or services to its clients. Certain of Prosperity's Supervised Persons, in their individual capacities, may recommend the services of an outside legal estate planning specialist, including representatives from their own outside firm to its clients. A conflict of interest exists to the extent that Prosperity's adviser recommends legal and estate planning services where Prosperity's Supervised Persons may receive any fees or additional compensation, referral or otherwise.

Item 11. Code of Ethics

Prosperity and persons associated with Prosperity ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with Prosperity's policies and procedures. Prosperity has adopted a Code of Ethics that sets forth the standards of conduct expected of its Associated Persons and requires compliance with applicable securities laws. In accordance with Section 204-A of the Investment Advisers Act of 1940 (the "Advisers Act"), its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by Prosperity or any of its Associated Persons. The Code of Ethics also requires that certain of Prosperity's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Prosperity's Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and quarterly securities holdings reports that must be submitted by the firm's Access Persons. The code also provides for oversight, enforcement, and recordkeeping provisions. A complete copy of Prosperity's Code of Ethics can be obtained by contacting the firm at the telephone number, address and/or email address listed on the cover of this document.

Prosperity has adopted a Code of Ethics to ensure that securities transactions by Prosperity employees are consistent with the Firm's fiduciary duty to its clients and to ensure compliance with legal requirements. Prosperity's Compliance Manual and Code of Ethics require that all trades made by employees or related persons of Prosperity, who make recommendations or participate in the determination of which recommendations shall be made, be reviewed by the designated person

responsible (except transactions in investment company securities and/or other exempt transactions). Prosperity will also maintain quarterly reports on all personal securities transactions, except transactions in investment company securities and/or other exempt transactions.

Notwithstanding the above, Prosperity, and/or its officers, directors or employees may purchase for themselves similar or different securities as are purchased or recommended for investment advisory clients of Prosperity and different securities or transactions may be affected or recommended for different investment advisory clients of Prosperity.

To prevent conflicts of interest, all employees of Prosperity must comply with the Firm's Compliance Manual and Code of Ethics, which impose restrictions on the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons. It is Prosperity's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. Prosperity will also not cross trades between client accounts.

A. Recommendations Involving Material Financial Interests

The Firm does not recommend to Prosperity IARs, Separate Advisors or their Clients any securities in which the Firm or its personnel has a material financial interest. Prosperity serves as an Investment Adviser and manager over the Firm model portfolios and does not offer investments that would be of a material conflict of interest.

Our President, who also serves as an Investment Adviser Representative (IAR), has a business relationship with a client of the firm who is also his brother. As part of their joint business venture, the President's brother has funded the mortgages in multiple LLCs that they co-own. While this relationship does not affect the management of client accounts, it could create a potential conflict of interest that the President could provide preferential treatment to his brother in investment-related decisions or recommendations or create indirect pressures or incentives that could affect the President's decision-making in his capacity as an IAR. We have policies and procedures in place to mitigate any potential conflicts arising from this relationship.

B. Investing or Trading in the Same Securities as Clients

Prosperity's employees and persons associated with Prosperity are required to follow Prosperity's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Prosperity and its affiliates may trade or invest for their own accounts in securities which are recommended to and or purchased for Prosperity's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of the employees of Prosperity will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Item 12. Brokerage Practices

A. Brokerage Selection

As discussed above, in Item 5, Prosperity and its IARs maintain discretion over the choice of clearing brokers to be used in executing client transactions. Generally, Prosperity and its IARs recommend that retail clients utilize the brokerage and clearing services of Schwab and/or Fidelity. Prosperity participates in the institutional programs of Fidelity and Schwab. Retail clients enter into a separate agreement with

the custodian and transactions are executed through the custodian selected. For institutional clients, Prosperity maintains the discretion to choose certain clearing firms. Best execution of these transactions are reviewed as outlined below.

When Prosperity is acting as a sub-advisor to outside RIAs, the Firm generally does not recommend or select broker-dealers to Clients. Separate Advisors utilizing the services of Prosperity work with their Client to select the broker-dealer and/or custodian they deem most appropriate. Prosperity has identified preferred Custodians considering factors including but are not limited to (i) the ease with which Prosperity can conduct day-to-day administration of accounts with such custodians, (ii) the ease with which Clients can open accounts, obtain information, and execute trades with such custodians, and (iii) reasonableness of transaction commissions and fees. In considering the reasonableness of commissions and fees, the Client should consider the expense of commissions and account fees relative to other available Custodians as fees/costs vary, in conjunction with an evaluation of the services provided. The Firm does not receive any additional products or services based on its business activities. In the normal course of business and in varying degrees and forms, all custodians typically provide internal practice management resources and potentially other soft dollar arrangements. Custodians may also make available to Prosperity other products and services that benefit Prosperity but may not benefit its clients' accounts. Some of these other products and services assist Prosperity in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Prosperity's fees from its clients' accounts, and assist with back-office support, record keeping and client reporting. Many of these services generally are used to service all or a substantial number of Prosperity's accounts, including accounts not maintained at the specific custodian that is offering this particular service. These custodians also provide Prosperity with other services intended to help Prosperity manage and further develop its business enterprise. These services may include consulting, publications, conferences and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, these custodians may make available, arrange and/or pay for these types of services to Prosperity by independent third parties. These custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Prosperity.

In order to use Prosperity's model portfolios, the Separate Advisor's Clients must designate a broker/dealer and a custodian acceptable to Prosperity. The Client will sign a limited power of attorney for the purposes of directing and/or otherwise effecting investments on behalf of the managed accounts invested in the portfolios. Prosperity is generally responsible for placing all trade orders with the Custodian in accordance with the model portfolio(s) selected. When placing trades for accounts invested in the same portfolio model, orders are communicated to the Custodian and every account receives the same net asset value by mutual fund. However, Custodian transaction costs vary between Custodians. Please refer to Item 5C for additional information.

Because Prosperity trades in mutual funds on behalf of the Clients of the Separate Advisors, and because brokerage fees for mutual funds are generally established by the mutual fund sponsor and set forth in the funds' prospectuses, Prosperity does not generally consider all of the factors associated with best execution when deciding to purchase or sell securities. For purchases and sales of securities other than mutual funds, we acknowledge that Clients may be able to obtain lower brokerage transaction or custody fees with other brokerage firms or custodians than those we may work with, but Prosperity believes that the joint custodial and brokerage arrangements it has in place generally provide best execution for the Clients.

As noted above, Prosperity generally invests in “no-load” mutual funds, meaning that they are not accompanied by sales commissions. With respect to other investments, Prosperity has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction or to select any broker or dealer on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to minimize the expenses incurred for effecting portfolio transactions to the extent consistent with the interests and policies of the accounts. Although Prosperity generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker or dealer involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Best Execution

Best execution has been defined by the SEC as the “execution of securities transactions for clients in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.” In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates, and responsiveness.

The commissions paid by Prosperity’s clients comply with Prosperity’s duty to obtain “best execution.” When placing portfolio transactions for client accounts, Prosperity’s primary objective is to obtain the best price and best execution, considering the costs, promptness of execution and other qualitative considerations. While we make every attempt to obtain the best execution possible, there is no assurance that it will be obtained. You should consider whether our programs result in costs or other disadvantages to you as a result of possibly less favorable trade executions.

Margin Use in Client Accounts

In managing client accounts, we use third-party platforms such as SpiderRock, which may occasionally require the use of margin to execute certain strategies. Margin may be used to enhance trading efficiency, facilitate liquidity, or manage risk. While margin use is limited and carefully monitored, it involves risks, including amplified losses, interest costs, and potential margin calls. Clients must monitor margin balances and risks. Prosperity does not cover margin calls or provide liquidity support.

Transferred Accounts with Margin Positions:

Occasionally, clients transfer accounts to us in-kind that include existing margin positions. We will review these positions to determine their alignment with the client’s investment objectives and risk tolerance. If a margin position is retained, the client remains responsible for understanding and managing the terms of the margin account, including interest costs and potential margin calls.

Risks and Conflicts of Interest:

The use of margin involves risks such as:

- Amplified losses during adverse market movements.
- Interest charges that may reduce overall returns.
- Margin calls requiring additional deposits or the forced liquidation of securities.

Additionally, there may be a potential conflict of interest if margin usage increases account balances, potentially raising the advisory fees we charge. We mitigate this conflict by basing all recommendations on the client's best interest and individual financial circumstances.

Broker Analysis

Prosperity evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer's/custodian's trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving Prosperity.

Also, in consideration is such broker-dealers' provision or payment of the costs of research and other investment management-related services (the provisional payment of such costs by brokers are referred to as payment made by "soft dollars", as further discussed in the "Research/Soft Dollar Benefits" section immediately below). Accordingly, if Prosperity determines in good faith that the amount of trading costs charged by a broker-dealer is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker, the client may pay trading costs to such broker in an amount greater than the amount another broker might charge.

Prosperity is responsible for monitoring and evaluating the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. Prosperity periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions considering its duty to obtain best execution.

Mutual Fund Share Class Selection

Mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount. Institutional share classes usually have a lower expense ratio than other share classes. When recommending investments in mutual funds, it is our policy to review and consider available share classes. The Firm's policy is to select the most appropriate share classes based on various factors including but not limited to: minimum investment requirements, trading restrictions, internal expense structure, transaction charges, availability and other factors. When considering all the appropriate factors we can select a share class other than the 'lowest cost' share class. In order to select the most appropriate share class, we consider retail, institutional or other share classes of the same mutual fund. Regardless of such considerations, clients should not assume that they will be invested in the share class with the lowest possible expense ratio. Clients should ask their adviser whether a lower cost share class is available instead of those selected by the Firm. We periodically review the mutual funds held in client accounts to select the most appropriate share classes in light of its duty to obtain best execution.

Cash Sweep Programs

Description of Cash Sweep Program:

We may recommend or utilize a cash sweep program for client accounts, which automatically transfers uninvested cash balances into interest-bearing accounts or money market funds. These programs are typically offered through the client's custodian and are designed to provide a convenient way to earn

income on cash balances while maintaining liquidity. We do not receive compensation from cash sweep programs. However, custodians may benefit financially from these arrangements.

Cash Sweep Options:

Depending on the custodian, cash sweep options may include:

- Federally insured bank deposit accounts.
- Money market mutual funds.
- Other interest-bearing accounts.

The specific cash sweep options available and the associated terms, including interest rates or yields, are determined by the custodian and may vary.

Risks and Considerations:

Clients should be aware of the following:

- Interest rates on cash sweep vehicles may be lower than other available alternatives.
- The custodian may earn fees or other compensation in connection with the cash sweep program, which may create a conflict of interest.
- Cash sweep balances are subject to the terms and conditions of the custodian, including applicable insurance limits (e.g., FDIC insurance limits for bank deposits).

Client Responsibilities:

Clients should review the cash sweep program details provided by their custodian, including any applicable rates, fees, and insurance coverage. Clients may also choose to invest uninvested cash in alternative vehicles if they determine such options better align with their financial objectives.

Trade Settlements

Overview of T+1 Settlement:

The standard settlement cycle for most securities transactions in the U.S. markets has moved to "T+1" (trade date plus one business day). This means that securities trades will settle one business day after the trade date.

Trade Execution and Funding: Clients must ensure that sufficient funds or securities are available in their accounts to meet trade settlement obligations.

Margin Requirements: For accounts utilizing margin, the T+1 settlement cycle may increase the need for timely monitoring of margin balances and related requirements.

Client Responsibilities:

Clients are responsible for maintaining adequate cash or securities in their accounts to meet settlement obligations. Failure to do so may result in overdraft charges, forced liquidation of securities, or other actions by the custodian or broker.

Advisory Practices:

Settlement activity is closely monitored to ensure compliance with the T+1 settlement cycle and assist clients in managing their accounts to minimize potential disruptions. However, clients should proactively communicate with us regarding any funding or liquidity concerns related to settlement.

Risks and Considerations:

Clients should be aware of the following risks associated with the T+1 settlement cycle:

- Increased need for liquidity management.
- Potential penalties or disruptions if trades are not settled timely.
- Impact on cash flows, particularly for accounts relying on proceeds from securities sales to fund subsequent purchases.

Research/Soft Dollar Benefits

As stated above, Prosperity utilizes the services of the multiple broker-dealers, including, but not limited to, Schwab, Fidelity, Northern Trust and U.S. Bank. While there is no direct linkage between the investment advice given to clients and Prosperity's use of these broker-dealers, economic benefits are received by Prosperity (e.g., benefits that Prosperity does not pay for), which would not otherwise be received if Prosperity did not direct client trades to these broker-dealers. While Prosperity is not affiliated with these broker-dealers, they provide Prosperity with access to its institutional trading and operations services, which are typically not available to retail investors. These services may include research, brokerage, custody, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

These broker-dealers may also make available to Prosperity other products and services that benefit Prosperity but may not benefit its clients' accounts. Some of these other products and services assist Prosperity in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Prosperity's fees from its clients' accounts, and assist with back-office support, record keeping and client reporting. Many of these services generally are used to service all or a substantial number of Prosperity's accounts, including accounts not maintained at the specific custodian that is offering this particular service. These custodians also provide Prosperity with other services intended to help Prosperity manage and further develop its business enterprise. These services may include consulting, publications, conferences and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, these custodians may make available, arrange and/or pay for these types of services to Prosperity by independent third parties. These custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Prosperity. In certain situations, the Firm's custodian may reimburse clients for account transfer or termination fees charged by a prior custodian when assets are moved to the Firm's custodian. These reimbursements are paid by the custodian and do not increase the Firm's compensation. Not all clients are eligible.

While as a fiduciary Prosperity endeavors to act in its clients' best interests, Prosperity's recommendation that clients maintain their assets in accounts with certain broker-dealers may be based in part on the benefit to Prosperity of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage provided by these broker-dealers which would create a conflict of interest.

B. Prosperity Directed Brokerage

As stated above, clients in need of brokerage will have one or more broker-dealers recommended to them. While there is no direct linkage between the investment advice given and usage of these broker-dealers, economic benefits may be received by Prosperity for directing client trades to a particular broker-dealer. Prosperity does not participate in any transaction fees, or a commission paid to the broker dealer or

custodian and does not receive any fees or commissions for the opening or maintenance of client accounts at recommended brokers.

Not all investment advisers require their clients to direct brokerage. Prosperity is required to disclose that by directing brokerage, Prosperity may not be able to achieve most favorable execution of client transactions and that this practice may cost clients more money.

C. Client Directed Brokerage

The client can direct Prosperity in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and Prosperity will not seek better execution services or prices from other Financial Institutions or be able to “batch” client transactions for execution through other Financial Institutions with orders for other accounts managed by Prosperity (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Prosperity can decline a client’s request to direct brokerage if, in Prosperity’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

As a general rule, Prosperity encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker to the client in exchange for the directed brokerage designation.

Trade Aggregation/Allocation

Transactions for each client generally will be affected independently, unless Prosperity decides to purchase or sell the same securities for several clients at approximately the same time. Prosperity may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Prosperity’s client’s differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among Prosperity’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Prosperity determines to aggregate client orders for the purchase or sale of securities, including securities in which Prosperity’s Supervised Persons may invest, Prosperity generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the SEC. Prosperity does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Prosperity determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Prosperity may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining

accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

When Prosperity acts as a subadvisor they will not serve as an Investment Advisor to individual clients or otherwise. However, as the Firm manages asset-allocation model portfolios made available to Separate Advisors for the benefit of their Clients, the Firm may aggregate purchases or sales of any security, instrument or obligation effected for multiple client accounts. Although such trade aggregations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they will be effected only when we believe that to do so will be in the best interest of the affected accounts.

Trade Errors

Prosperity's policy is to identify and correct trade errors as promptly as possible without creating disadvantage to the client or benefit to Prosperity in any way. As soon as a trade error is identified, Prosperity will promptly proceed in correcting it. To the extent correction of the error results in a gain to a client's account, the gain will be held within the error account at the appropriate broker-dealer. Certain broker-dealers may choose to donate a portion of this trade error account to charity; however, Prosperity has no control over the amount donated or the charitable organization to which the donations are sent. If it is determined that a trade error was caused by the executing broker-dealer, Prosperity will ensure that the error is resolved and documented, and clients are reimbursed as necessary. The documentation of such trade errors will be used in the firm's best execution review process.

Clients of Separate Advisors should regularly review their custodial statements. In the event an error is identified, clients should immediately inform his or her registered investment adviser of the error. Upon notification, Prosperity will perform an analysis of the reported discrepancy. If Prosperity made an error while placing the trade, Prosperity will seek to correct the error in a way that mitigates any losses.

Item 13. Review of Accounts

For those clients to whom Prosperity provides asset management services, Prosperity monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a calendar year basis. For those clients to whom Prosperity provides financial planning and/or consulting services, reviews are conducted on an "as needed" or "as requested" basis. Such reviews are conducted by one of Prosperity's Investment Adviser Representatives. All clients are encouraged to discuss their needs, goals, and objectives with their Investment Adviser Representative and subsequently Prosperity and to keep Prosperity informed of any changes thereto.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Prosperity provides asset management services may also receive a report from Prosperity that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance as clients may request from time to time. Clients should compare the account statements they receive from their custodian with those they receive from Prosperity.

Those clients to whom Prosperity provides financial planning services will not receive either written or oral reports regarding their Financial Plans unless they enter into a subsequent written agreement with Prosperity for post-Financial Plan services, which include additional meeting and/or updates to the existing financial plan.

A. Periodic Reviews

The Firm manages asset-allocation model portfolios made available to Separate Advisors for the benefit of their Clients. Periodically, Prosperity reviews Clients' investment portfolios and repositions assets to bring them closer to their target allocations, unless the Client or his/her Separate Advisor has requested otherwise. It may be appropriate, under certain circumstances, to perform less and/or initiate more frequent rebalancing (e.g. requested strategy change, significant additions or withdrawals).

Prosperity's Investment Committee determines the portfolio recommendation and rebalancing policy, the approximate allocation percentages, and the acceptable variance level for each strategic model. Particularly following rebalancing, variations from the target model allocation may occur at any time and in varying amounts.

B. Factors that Will Trigger Non-Periodic Reviews

Please refer to Item 13 A.

C. Reports Provided to Clients

Separate Advisors and/or their Clients may receive reports containing information about the model portfolio, asset allocation, performance, and fees. The Separate Advisors' Clients will also receive transaction confirmations and account statements from their selected Custodian/Broker-Dealer on a monthly or quarterly basis.

Item 14. Client Referrals and Other Compensation

A. Economic Benefits

Prosperity does not receive any economic benefits such as sales awards or other prizes from any non-client for providing services to the firm's clients.

B. Client Referral

Prosperity has entered into Promoter arrangements with unrelated persons for Client referrals. These arrangements will compensate the Promoter a portion of the advisory fee for a set period of time as long as the client remains an advisory client of the Firm. Clients can also be referred as part of a one-time flat fee. Clients introduced through a Promoter will not pay additional fees because of these arrangements. Additional disclosures regarding these arrangements are provided during the account opening process.

Prosperity has entered into promoter arrangements with unaffiliated registered investment advisers and, where appropriate, Prosperity will refer a client to the unaffiliated RIA for services not offered thru Prosperity. Under this agreement, Prosperity is paid a promoter fee for recommending clients use their services.

C. Other Compensation

Prosperity receives certain direct and indirect compensation from custodians Charles Schwab and Fidelity. This compensation includes but is not limited to funds to apply to closed account fees when transitioning advisors to Prosperity, access to onboarding specialists to assist in transitions and training

available for transitioning advisors and their staff. Any receipt of fees from the Custodian to pay account closing costs are allocated back to the impacted client's account(s). Prosperity's receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including to seek best execution of trades for client accounts. Please also refer to Item 5.E. for additional relevant information and disclosures.

Prosperity pays various forms of direct and indirect compensation to certain Separate Advisors and its IARs, which take the form of marketing, administrative, service, conference sponsorships, sharing of advisory fee revenue, forgivable loans, and fee reimbursements. Education and training support or services are also available through Prosperity or its affiliate, Clarity 2 Prosperity, on a reduced or no cost basis. On occasion, Prosperity provides logistical and financial support for Separate Advisor-hosted or IAR hosted educational seminars for Clients or potential Clients. The amount of the direct and indirect compensation described here varies depending on the level of business generated by the Separate Advisor or IAR.

Prosperity and its affiliates also offer eligible Separate Advisor IARs or Prosperity IARs additional financial benefits through the Enterprise Partner Program ("EPP"). Based on C2Pe's results, the EPP will award certain Separate Advisor IARs or Prosperity IARs who conduct all investment advisory and fixed insurance business with Prosperity and its applicable affiliates a pro-rata C2Pe equity grant.

Since Separate Advisors or Prosperity IARs may not receive these direct and indirect financial benefits discussed above from other investment advisers and because the amount received may increase based on the level of business directed to Prosperity and its affiliates. Separate Advisors and Prosperity IARs have a financial incentive and conflict of interest to recommend Prosperity over other programs or services.

Item 15. Custody

Prosperity does not maintain custody of client funds or securities except to the extent that pursuant to Prosperity's Agreement and/or the separate agreement with any Financial Institution the client may authorize Prosperity to debit the client's account for the amount of Prosperity's investment management fee and to directly remit that fee to Prosperity in accordance with applicable custody rules.

The Financial Institutions recommended by Prosperity have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Prosperity. In addition, as discussed in Item 13, Prosperity may also provide periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Prosperity.

Item 16. Investment Discretion

Prosperity is generally given the authority to exercise discretion on behalf of its investment management clients. Prosperity is considered to exercise investment discretion over a client's account if it can affect transactions for the client without first having to seek the client's consent. Prosperity is given this authority through a limited power-of-attorney included in the Agreement between Prosperity and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Prosperity takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;

- When transactions are made; and
- The Independent Managers to be hired or fired.

The Firm maintains limited discretionary authority to construct and rebalance its Core Model Portfolios and Specialized Strategies. Prosperity does not have investment discretion for SMAs, ADP , and Advisor Custom Strategy (ACS) Portfolios. Prosperity will allow clients to hold assets in non-discretionary accounts if requested. This would include Client Directed accounts and certain types of models such as ADP or ACS if requested.

Item 17. Voting Client Securities

A. Proxy Voting

Prosperity does not vote proxies on behalf of its clients. Therefore, although Prosperity may provide discretionary investment management services relative to client investment assets, it is the client that maintains exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceeding or other type events pertaining to the client's investment assets. Prosperity and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients can contact Prosperity at (440) 471- 0345 if they have questions regarding a particular SMA.

For clients invested with Independent Managers and/or SMAs, such Independent Managers and/or SMAs may vote proxies on behalf of clients. In the event an Independent Manager and/or SMAs does indeed have a policy to vote proxies, clients maintain exclusive responsibility to: 1) direct the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted; and 2) make any elections pertaining to the client's investment assets.

B. Legal Proceedings

Although Prosperity may have discretion over client accounts, it will not be responsible for handling client claims in class action lawsuits or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

Item 18. Financial Information

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about Prosperity's financial condition. Prosperity is well capitalized, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

A. Prepayment of Financial Planning Fees

Because Prosperity does not require prepayment of more than \$1,200 in fees six months or more in advance where planning services cannot be provided, Prosperity is not required to include a balance sheet with this disclosure brochure.

B. Financial Condition

Prosperity does not have any adverse financial conditions to disclose.

C. Bankruptcy

Prosperity has never been the subject of a bankruptcy petition.