NewEdge Wealth, LLC

Wrap Fee Program Brochure

Part 2A Appendix 1 of Form ADV

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This wrap fee program brochure ("Brochure") provides information about the qualifications and business practices of NewEdge Wealth, LLC (hereinafter "NewEdge" or the "Firm"). If you have any questions about the contents of this Brochure, please contact David Schnier, the Firm's Chief Compliance Officer, at the telephone number listed above. 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 the Firm is available on the SEC's website at www.adviserinfo.sec.gov. Registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

In this Item, the Firm is required to discuss any material changes that have been made to the brochure since the last annual amendment.

Since the last annual amendment dated March 31, 2023, the following changes have been made:

- Item 4 Services, Fees and Compensation-– Regulatory Assets Under Management of $6,917,822,610 (as of June 30, 2023)

- Item 9 – Other Financial Industry Activities and Affiliations – Updated information about the Bank Deposit Sweep Program. On or around August 1, 2023, free cash balances in eligible non-retirement accounts custodied at National Financial Services LLC will be automatically swept into the NewEdge Securities Bank Deposit Sweep Program (BDSP), which will become the only available sweep investment for BDSP eligible accounts. At that time, currently available money market sweep funds will no longer accept any new monies and all debits, including securities purchases and charges, will be satisfied first by redeeming shares of money market sweep investments, if any, until the balances are depleted while all new credits will be deposited into BDSP. Free cash balances in accounts that are not eligible for BDSP will be swept into the Fidelity Government Money Market – Capital Reserves Class (FZAXX).

Item 3. Table of Contents

Item 4. Services, Fees and Compensation

NewEdge Wealth, LLC ("NewEdge", "Firm", "us" or "we") provides high net worth individuals and families a broad range of comprehensive investment advisory services. While our services depend on the specific arrangement with each client, our engagements generally include the provision of advisory services on a wrap fee basis. This means that clients pay a single asset-based fee to NewEdge, which covers our investment advisory services, performance reporting, custody of securities, trade execution with or through NewEdge Securities, Inc. (formerly known as Mid Atlantic Capital Corporation) ("NES" or "Securities")), our broker dealer affiliate, as well as compensation to our Private Wealth Advisors ("PWAs"). For more information about the services, we provide outside of the wrap fee programs discussed in this brochure, please refer to our Form ADV Part 2A Firm Brochure.

The Firm filed for registration with the SEC as an investment adviser on March 1, 2020. As of June 30, 2023, NewEdge had regulatory assets under management of $6,917,822,610.

NewEdge is a wholly owned subsidiary of NewEdge Capital Group, LLC, which is a wholly owned subsidiary of New Edge Wealth Holdings, L.P. New Edge Wealth Holdings, L.P. was formed on February 4, 2020 by its ultimate parent company, EdgeCo Investor Holdings, LP as part of a consolidation of its wealth management businesses. EdgeCo Investor Holdings, L.P. was formed in conjunction with the purchase of Mid Atlantic Capital Group, Inc. in 2018 by investment funds affiliated with Parthenon Capital, LLC and Waterfall Asset Management, LLC, an SEC-registered institutional asset manager.

NewEdge is under common control with NES, a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. ("FINRA"), LPA Insurance Agency, a California registered insurance agency, and NewEdge Advisors, LLC, an investment adviser registered with the SEC.

Advisory Services

Portfolio Management

NewEdge's clients can choose from both discretionary and non-discretionary portfolio management services through our wrap fee programs including:

- NewEdge Investment Solutions ("NEIS")
- PWA advised portfolios
- Separately Managed Account ("SMA") Programs
- Model Delivery Programs
- NewEdge primarily advises clients on the allocation of their assets among various investments including but not limited to:
- Separately managed accounts of independent investment advisers ("Independent Managers") and model providers;
- NEIS strategies;
- PWA managed portfolios;
- unaffiliated registered funds, including mutual funds, closed-end funds, REITs and exchange-traded funds; and

- affiliated and unaffiliated unregistered pooled investment vehicles ("Private Funds").

NewEdge, through its Private Wealth Advisers ("PWA" or "PWAs"), tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. NewEdge consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify NewEdge if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if NewEdge determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

The terms of the advisory services that NewEdge provides for each client is set forth in the master investment advisory agreement between NewEdge and such client (the "Advisory Agreement"). Some platforms and programs may also require an additional advisory agreement with clients in addition to the Advisory Agreement clients sign with NewEdge. Each Wrap Fee Program relies on a third party to custody all securities and other assets held for the client's advisory account and execute transactions for such account under the program. In our wrap fee programs, Client assets are generally custodied with National Financial Services LLC ("NFS") or Fidelity Brokerage Services LLC ("FBS" and together with NFS, "Fidelity") or another custodian as agreed to by NewEdge and the client (each, as applicable, the "Selected Custodian"). Clients whose assets are custodied with NFS will enter into an account agreement with NES, NewEdge's affiliated broker-dealer, pursuant to which NES acts as an introducing broker for client's account and transactions through NFS for execution, clearing, and custody.

NewEdge may be given the authority to exercise discretion on behalf of clients. NewEdge is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. NewEdge is given this authority through a power-of-attorney included in the Advisory Agreement between NewEdge and the client. Clients may request reasonable limitations on this authority (such as certain securities not to be bought or sold). NewEdge takes discretion over the following activities:

- the individual securities to be purchased or sold;
- the amount of securities to be purchased or sold;
- when transactions are made; and
- the hiring and firing of Independent Managers.

PWA Advised Portfolios

NewEdge, through its PWAs, can provide investment advice on the assets in your accounts on either a discretionary or non-discretionary basis. Eligible investments include a wide variety of securities and other investments, such as foreign and domestic equity securities, investment and other grade bonds, and structured products, as well as mutual funds, ETFs, closed-end funds, unit investment trusts, real estate investment trusts, hedge funds, private equity funds, and other private placement alternative investments. Portfolios can be designed to manage client assets within a single asset class or across multiple asset classes.

Clients that determine to engage NewEdge on a non-discretionary investment advisory basis <u>must be willing to accept</u> that NewEdge cannot effect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event that NewEdge would like to make a transaction for a client's account, and client is unavailable, NewEdge will be unable to effect the account transaction (as it would for its discretionary clients) without first obtaining the client's consent.

Model Strategies

PWAs may also recommend strategies that are available through contractual arrangements with model only providers. The Firm believes this approach helps it to solve core administrative and technology issues through a flexible and open architecture solutions. NewEdge can offer solutions and services including: (1) portfolio rebalancing and tax optimization, (2) reporting and data aggregation, and (3) account reconciliation and asset transfers through electronic data feeds from trading firms, clearing firms and custodial firms.

Separately Managed Accounts

NewEdge may recommend or allocate a portion of a client's assets in certain Independent Managers to actively manage a portion of its clients' assets in accordance with the client's designated investment objective(s). In such situations, the Independent Manager[s] shall have day-to- day responsibility for the active discretionary management of the allocated assets. NewEdge shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors that NewEdge shall consider in recommending Independent Managers include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. **Please Note**. The investment management fee charged by the Independent Manager(s) is separate from, and in addition to, NewEdge's investment advisory fee disclosed at Item 5 below.

The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated independent manager. Alternatively, NewEdge may contract directly with the Independent Manager to advise on a sub-advisory basis. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. In this arrangement, the Independent Manager has day-to-day responsibility for the active discretionary management of the allocated assets. NewEdge has no ability to affect the trading decisions of the Independent Managers once they are chosen but can advise on the decision to engage or terminate a particular manager.

Envestnet Asset Management, Inc. Envestnet is an investment management firm providing investment management and advisory services through Independent Managers. Envestnet provides NewEdge the ability to use the NFS custodial platform, or other custodial platforms, with the Independent Managers established on the Envestnet platform. Envestnet performs the initial and ongoing due diligence on Independent Managers and provides other "backoffice" operations needed for this type of program.

NewEdge Investment Solutions

NewEdge can provide asset management services for specific investment strategies through NewEdge Investment Solutions ("NEIS"). NEIS is a division of NEW which is responsible for managing certain equity and fixed income investment strategies primarily through separately managed accounts.

Separately managed account strategies available to clients will include those to which the NEW (through its Chief Investment Officer) will be responsible for, in whole or in part, constructing, implementing, managing and/or providing other advice (such as asset allocation or capital markets assumptions).

Investment Restrictions

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in their portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to, for example, the level of difficulty this would entail in managing the account. For the programs listed in this Brochure, you should contact your PWA to determine what types of restrictions you may request for your account.

Cash Sweep Services

Generally, some portion of your account will be held in cash. When you open an account at NFS through NES free cash balances (i.e., cash not required to pay debits or charges) will be automatically deposited or "swept" nightly into a money market sweep fund.

NewEdge through its affiliated broker dealer, also offers a FDIC-insured bank deposit sweep arrangement ("Bank Deposit Program" or "BDSP"), which, beginning on or around August 1, 2023, will become the sole sweep option for all eligible accounts[1] held at NFS.

Under BDSP, free cash balances are automatedly deposited into Deposit Accounts established for you at one or more FDIC insured depository institutions. Over any given period, the interest rate on the bank deposit sweep may be lower than the rate of return on a money market fund which is not-FDIC insured or on bank account deposits offered outside of the platform. Money market sweep vehicles generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses. In BDSP, NEA. can earn income on BDSP assets, and that income is greater than the fees NEW or NES earns on money market funds. Thus, the Firm has a conflict of interest in recommending BDSP as your sweep vehicle, rather than an eligible money market fund.

Core account investment vehicles for eligible accounts offered by NewEdge as a service to facilitate the efficient management of cash in the account while awaiting reinvestment. These programs should not be viewed as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your advisor to discuss investment options that are available outside of BDSP that may be better suited to your goals. BDSP is intended to operate on a nondiscretionary allocation methodology. Neither NewEdge, its representatives, its affiliates nor its advisors provide investment advice or recommendations regarding your use of the program, its operation, or the participating banks.

Should you have any questions regarding the Program Banks, current interest rates or our compensation, please refer to https://www.newedgecapitalgroup.com/brokerage-sweep/ or direct any questions you may have to your advisor.

Please refer to Item 9. Additional Information for more information about compensation and conflicts of interest related to the Bank Deposit Program.

[1] Eligibility is based on account type and ownership of the account. Please refer to the Bank Deposit Disclosure Statement for details on account eligibility.

Trade Execution, Confirmations, Account Statements and Performance Reviews

In the Advisory Agreement, clients in wrap fee programs authorize and direct NewEdge and NES to execute transactions for their accounts. Transactions in the account will generally be effected through NES and the Selected Custodian, unless otherwise required by applicable law. When a transaction is executed through the Selected Custodian, the Selected Custodian will be entirely responsible for the execution and clearance of the transaction. By recommending the wrap fee program described in this Brochure, NewEdge may be recommending its affiliated broker-dealer, NES. Clients should understand that this directed brokerage arrangement may cause the client to forego any savings on execution costs that NES otherwise might be able to negotiate with different broker-dealers, other than NES or the Selected Custodian, such as reduced execution costs that may result from utilizing alternative trading services. Clients are encouraged to consider the possible costs and disadvantages of such directed brokerage arrangements.

All transactions are subject to any NewEdge's internal policies or procedures. In no event is NewEdge obligated to effect any transaction for an account that NewEdge believes would violate applicable state or federal securities laws or the rules or regulations of any regulatory or self-regulatory body or would otherwise present a risk to NewEdge.

The Selected Custodian will provide you with written confirmation of securities transactions and account statements at least quarterly. You may waive the receipt of trade confirmations after the completion of each trade in favor of alternative methods of communication where available. You may also receive mutual fund prospectuses, where appropriate.

NewEdge will provide periodic reviews of your account. These reviews show how your account investments have performed, either on an absolute basis or on a relative basis compared to recognized indices (such as Standard & Poor's indices). You may access these reports through our online account services site.

Retirement Rollovers-Potential for Conflict of Interest A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If NewEdge recommends that a client roll over their retirement plan assets into an account to be managed by NewEdge, such a recommendation creates a <u>conflict of interest</u> if NewEdge will earn new (or increase its current) compensation as a result of the rollover. If NewEdge provides a recommendation as to whether a client should engage in a rollover or not (<u>whether it is from an employer's plan or an existing IRA)</u>, NewEdge is acting as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. <u>No client is under any obligation to roll over retirement plan assets to an account managed by NewEdge, whether it is from an employer's plan or an existing IRA</u>.

<u>NewEdge's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.</u>

Structured Notes NewEdge may purchase structured notes for client accounts. A structured note is a financial instrument that combines two elements, a debt security and exposure to an underlying asset or assets. It is essentially a note, carrying counter party risk of the issuer. However, the return on the note is linked to the return of an underlying asset or assets (such as the S&P 500 Index or commodities). It is this latter feature that makes structured products unique, as the payout can be used to provide some degree of principal protection, leveraged returns (but usually with some cap on the maximum return), and be tailored to a specific market or economic view. In addition, investors may receive long-term capital gains tax treatment if certain underlying conditions are met and the note is held for more than one year. Finally, structured notes may also have liquidity constraints, such that the sale thereof before maturity may be limited. In the event that a client has any questions regarding structured notes, NewEdge's Chief Compliance Officer remains available to address them. *See* Risks associated with Structured Notes at Item 6 below.

Portfolio Activity. NewEdge has a fiduciary duty to provide services consistent with the client's best interest. NewEdge will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, market conditions, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when NewEdge determines that changes to a client's portfolio are neither necessary, nor prudent. Clients remain subject to the fees described in Item 5 below during periods of account inactivity.

Cross Transactions. In limited circumstances, when determined to be in the best interest of its clients, NewEdge may engage in a cross-transaction pursuant to which NewEdge may effect transactions between two of its managed client accounts (i.e., arranging for the clients' securities trades by "crossing" these trades when NewEdge believes that such transactions generally, thinly traded bonds are beneficial to its clients). Such a transaction presents a conflict of interest if Securities serves in an agency capacity. In addition, NewEdge has an interest in the price at which the cross trades are conducted since NewEdge's asset-based fees will be negatively impacted by lower bond values. The client can revoke NewEdge's cross-transaction authority at any time upon written notice to NewEdge.

Tradeaway/Prime Broker Fees. In limited circumstances, if, in the reasonable determination of NewEdge, it would be beneficial for the client, individual equity and/or fixed income transactions may be effected through broker-dealers other than the Selected Custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate "tradeaway" and/or prime broker fee charged by the account custodian.

ANY QUESTIONS: NewEdge's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the Firm's Advisory Services.

Fees and Compensation

Wrap vs Non-Wrap Fees

Some clients choose to pay NewEdge an "unbundled" fee, whereby they pay a separate fee for (1) our Advisory Fee, (2) third party brokerage services (including commissions) charged by broker dealers and (3) management fees charged by Independent Managers or NEIS.

However, many of our clients choose to be charged a single "wrap" fee. This "wrap" fee is a single fee that includes (1) our Advisory Fees, (2) third party brokerage and trading costs, commissions, custody fees, and fees for platform administration, and reporting services, and (2) investment management fees charged by Independent Managers or NEIS ("Manager Fees").

If you choose to pay us an Advisory Fee as opposed to a "wrap" fee, you will generally pay NewEdge a lower amount. However, you would need to separately pay a broker dealer for the cost of trade execution and custody. For strategies that include a significant amount of trading, your total costs and expenses could be higher in an "unbundled" fee structure.

Participation in a wrap program may cost the client more or less than purchasing such services separately. Because wrap program transaction fees and/or commissions are being paid by NewEdge to the account custodian/broker-dealer, NewEdge has an economic incentive to maximize its compensation by seeking to minimize the number of trades in the client's wrap fee account.

NewEdge's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding a wrap fee arrangement and the corresponding conflict of interest.

NEW Advisory Fee

Our Advisory Fee generally varies between 35 and 200 basis points (0.35% – 2.00%) calculated as an annual percentage of assets under management. The actual Advisory Fee for any particular client is set forth in their Advisory Agreement. **Before engaging NewEdge to provide investment advisory services, clients are required to enter into an *Advisory Agreement* with NewEdge setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client.**

NewEdge generally prices its advisory services based upon various objective and subjective factors. As a result, our clients could pay diverse fees based upon the type, amount and market value of their assets under management, the anticipated complexity of the engagement, and the anticipated level and scope of the overall investment advisory and consulting services to be rendered. Additional factors effecting pricing can include related accounts, employee accounts, competition, and negotiations. As a result of these factors, similarly situated clients could pay diverse fees, and the services to be provided by NewEdge to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

Manager Fees

To the extent a client invests with an Independent Manager through our SMA Program or an internally managed strategy through NEIS, the Client will also pay a Manager Fee. Manager Fees generally range from 0.10% to 1.50% of AUM.

NEIS Manager Fees:

- Equity Strategies: 25 bps
- Multi-Asset Strategies: 25 bps
- Fixed Income Strategies: 10 bps
- Structured Note Strategy: 50 bps

Wealth Strategy Fees

NewEdge may charge a fixed annual fee or AUM based fee for providing a broad range of financial planning, discretionary investment management, non-discretionary investment advisory services, wealth planning, and other services designed to assist ultra-high net worth clients in managing their wealth. Clients can choose to wrap custody, trade execution and other brokerage fees and expenses in this program. Fees are negotiated based on the scope and complexity of the services.

The terms and conditions of the Wealth Planning Services are set forth in the Advisory Agreement. In a fixed fee arrangement, NewEdge generally requires one-quarter of the fee payable upon execution of an agreement. In such arrangements, the outstanding balance is generally due quarterly in advance.

Fee Discretion

NewEdge may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities, the client's needs, complexity of the services required, and types of assets.

Payment of NewEdge Fees

The NewEdge Fee will be prorated and paid in monthly or quarterly in advance based upon the market value of the assets in your Account ("Assets") on the last day of the previous billing period ("Billing Period"). Uninvested cash and allocations to cash including Assets invested in bank deposit sweep programs or money market funds are included in the calculation of the NewEdge Fee.

For the initial period of an engagement, the NewEdge Fee is calculated on a pro rata basis in arrears based on the value of the assets when the Account is funded. In the event the Agreement is terminated, the New Edge Fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the NewEdge Fee is charged or refunded to the client, as appropriate.

Clients generally provide NewEdge and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The financial institution that acts as the qualified custodian for the client's account, from which the Firm retains the authority to directly deduct fees, must send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to NewEdge.

NewEdge may be authorized to use margin in the management of the client's investment portfolio. In these cases, the Advisory Fee will be assessed gross of margin such that the market value of the client's account and corresponding fee payable by the client to NewEdge will be increased. This results in a conflict of interest for the Firm to recommend the use of margin. The Firm seeks to mitigate this conflict by ensuring that its PWAs have an independent and objective investment rational for recommending the use of margin in a client's portfolio**.**

Cash Balances

Generally, some portion of your account will be held in cash. When you open an account at NFS, free cash balances (i.e., cash not required to pay debits or charges) will be automatically deposited or "swept" nightly into a money market sweep fund or an FDIC-insured bank deposit sweep arrangement ("Bank Deposit Program" or "BDSP"). **Beginning on or around August 1, 2023, all available cash balances will be swept through the Bank Deposit Program into interest-bearing deposit accounts (the "Deposit Accounts") at program banks (the "Banks"). The Deposit Accounts are eligible for Federal Deposit Insurance Corporation ("FDIC") insurance in the manner described below and in the Bank Deposit Disclosure Document.**

The interest rate you receive in Deposit Accounts is based on the amounts paid by the Program Banks to NewEdge, less fees retained by NewEdge, NFS, and IntraFi Network LLC, the administrator of the Program ("Program Administrator"). Conversely, the fee NewEdge retains is based on the amounts paid by the Program Banks, less the interest rate you receive in Deposit Accounts, less the fees retained by NFS and the Program Administrator. More information on the fees NewEdge, NFS, and the Program Administrator retain, including how NewEdge's fee is determined in connection with the Program, is described in the Bank Deposit Disclosure Document under "Benefits to NewEdge and Others."

Over any given period, the interest rate on the bank deposit sweep may be lower than the rate of return on a money market fund which is not-FDIC insured or on bank account deposits offered outside of the platform. The rates offered through BDSP may not be the highest rates available or rates that are comparable to money market funds. By comparison, money market sweep vehicles generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses.

Certain investment strategies can include high allocations to cash. Cash and cash alternatives, such as BDP and institutional and "sweep" money market funds, are included in the value of the assets being managed by NewEdge when calculating the "average daily balance." Clients should understand that the portion of the assets held in cash or cash alternatives will experience negative performance if the applicable NewEdge Fee charged is higher than the return received on the cash balance. Clients should periodically re-evaluate whether their selection of such a strategy is appropriate in light of their financial situation and investment goals. The Firm will only recommend such an allocation if it determines it is in the best interest of the client.

The interest rate for your Deposit Account and current annual percentage yield and interest rates for Program Deposits may be obtained from your private wealth advisor or on our website at https://www.newedgecapitalgroup.com/brokerage-sweep/.

Valuation

NewEdge generally relies on the prices provided directly to it by account custodians (e.g., Fidelity). Custodians, in turn, generally rely on prices provided by reputable, independent third parties. Different custodians may value assets using a slightly different method (e.g., trade date versus settle date). As a result, if a client has assets held by a third-party custodian (other than Fidelity), the prices shown on a client's account statements provided by such custodian could be different from the prices shown on statements and reports provided by Fidelity. Therefore, in the event NewEdge bills the account, the account statement sent by Fidelity may differ from the reports sent by NewEdge. Clients are encouraged to compare the statements received from custodians with the NewEdge performance statement.

Fixed income securities, including brokerage certificates of deposit, are generally priced by custodians using valuations, which may be matrix- or model based, and do not necessarily reflect actual trades. These price valuations suggest current estimated market values, which may be significantly higher or lower than the amount a client would pay (or receive) in an actual purchase (sale) of the security. These prices, which custodians obtain from various sources, assume normal market conditions and are based on large volume transactions.

In the event that NewEdge references private investment funds owned by the client on any supplemental account reports prepared by NewEdge, the value(s) for all such private investment funds shall generally reflect either the initial purchase, the most recent valuation provided by the fund or the fund administrator and for reported purposes, contributions and distributions occurring since the most recent valuation from the administrator (adjusted value). In some cases, the most recent valuations may not be provided until several months after quarter end and they will typically be unaudited. If the evaluation reflects the initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be significantly more or less than the original purchase price. Custodians may be unable to price certain securities or may assign prices that do not reflect current market conditions. Unless otherwise indicated, NewEdge shall calculate its fee based upon the latest value provided by the fund sponsor or administrator, as applicable.

Excluded Securities

The client may designate certain securities as "Excluded Securities." Excluded Securities are held in the clients advisory account at the Selected Custodian with the consent of NewEdge, but they are not part of the portfolio managed by NewEdge. NewEdge will thus not be obligated to provide any advice with respect to Excluded Securities and the risks presented by the Excluded Securities. Excluded Securities are not included in fee calculations. Transactions in Excluded Securities will be subject to commissions and other transactions charges that may or may not be discounted from standard rates. Excluded Securities will be considered brokerage assets and not advisory assets and, consequently, a clients' and NewEdge's duties and obligations to the client may differ, including the scope of NewEdge's fiduciary obligations.

ANY QUESTIONS: NewEdge's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding Fees and Compensation.

Program Costs

The fees charged may be higher or lower than the fees that NewEdge charges other clients in this or other programs; and they may be higher or lower than the cost of similar services offered through other financial institutions.

In as much as the execution costs for transactions effected in the client's accounts will be borne by NES, a conflict of interest arises in that the NewEdge may have an indirect disincentive to trade securities in the client's account(s). When managing a Client's account(s) on a wrap fee basis, the Firm shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs (including account transaction fees) incorporated into the wrap fee have been deducted. Accordingly, the Firm has a conflict of interest because it could have an economic incentive to maximize its compensation by seeking to minimize the number of transactions/total costs in the client's account(s).

PWAs may use utilize and investment strategy that generally seeks investments that are long term in nature with a buy and hold bias. Due to the nature of these strategies, investments in accounts could incur low turnover. For wrap fee accounts, however, the client continues to pay the NewEdge Fee regardless of the number of transactions incurred in the account.

Clients should also be aware that services similar or comparable to those provided to them might be available to the client at a lower aggregate cost elsewhere on an "unbundled" basis., in which case the client may pay a separate fee for our asset management services, brokerage services (including commissions), and management fees charged by Independent Managers. The amount of compensation received by the NewEdge as a result of the client's participation in the wrap fee program may be more than what the Firm would receive if the client paid separately for investment advice, brokerage and other services.

Neither NewEdge nor the PWA will earn commission or other transaction-based compensation in connection with the execution of securities transactions for client accounts the wrap fee programs described in this Brochure.

Additional Fees and Expenses

If you open an account through Fidelity in one of the programs described in this Brochure, you will pay us an asset-based wrap fee for our services including, where applicable, custody of securities and trade execution through Fidelity.

However, the wrap fee does not cover:

- The costs of investment management fees and other expenses charged by pooled investment vehicles or funds (see below for more details);
- "Mark-ups," "mark-downs," and dealer spreads that (A) we or our affiliates may receive when acting as principal in certain transactions where permitted by law or (B) other broker-dealers may receive when acting as principal in certain transactions effected through us and/or our affiliates acting as agent, which is typically the case for dealer market transactions (e.g., fixed income and over-the-counter equity);
- Fees or other charges that you may incur in instances where a transaction is effected through a third party and not through us or our affiliates. Such fees or other charges will be included in the price of the security and not reflected as a separate charge on your trade confirmations or account statements.
- Processing fees or certain other costs or charges that may be imposed by third parties (including, among other things, odd-lot differentials, transfer taxes, foreign custody fees, exchange fees, supplemental transaction fees, regulatory fees and other fees or taxes that may be imposed pursuant to law);

- Any fee which a trust company affiliated with the Firm charges for its services (if applicable) as custodian and trustee for the assets in the program described in this Brochure, pursuant to a separate agreement between you and the trust company; or
- Interest charged to the account should the account have a trade-related debit balance.

In addition to the wrap fee paid to NewEdge and Independent Managers, as applicable, clients may also incur certain charges imposed other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges may include transaction fees, custodial fees, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as 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. In addition to the Wrap Fee, clients will bear a proportionate share of any fees and expenses associated with ADRs, GDRs, and REITs, if applicable, in which account assets are invested, and may also bear any fees and expense associated with converting non U.S. securities into ADRs or GDRs, if applicable.

Investment Manager Fees and Trading Expenses

In the event an Independent Manager elects to utilize brokers or dealers other than Fidelity to effect a transaction in a recommended security ("trade away" from Fidelity), brokerage commissions and other charges for transactions not effected through Fidelity are generally charged to the client by the executing broker or dealer, whereas the wrap fee assessed by NewEdge covers the cost of brokerage commissions on transactions effected through Fidelity. In the event an Independent Manager elects to trade away from Fidelity, those transactions are generally traded from broker to broker and are usually cleared without any commissions. However, the client should be aware that, in many cases, the executing broker or dealer may assess a commission or other charges to the transaction and such costs will be in addition to the wrap fee charged by NewEdge. As a result, the net purchase or sale price reflected on trade confirmations provided by Fidelity on such trades may reflect brokerage commissions or dealer markups or markdowns charged by the executing broker, that are not separately itemized by Fidelity. Additionally, investment disciplines of Independent Managers that elect to trade away from Fidelity will generally be more costly to clients than those disciplines of Independent Managers that elect to trade exclusively or primarily through Fidelity.

Mutual Funds & ETFs

NewEdge may recommend that certain clients invest account assets in open-end mutual funds (including money market funds), closed-end funds, exchange traded funds, and other registered collective investment vehicles that have various internal fees and expenses, which are borne by the client as an investor. The NewEdge Fee does <u>not</u> include the internal management, operating or distribution fees or expenses imposed or incurred by a mutual fund, ETF or other pooled investment vehicles held in a client's account. If a client's assets are invested in any mutual funds, ETFs, or other pooled investment vehicles, in addition to the NewEdge Fee, the client will incur the internal management and operating fees and expenses, investment management and/or performance-based fees, redemption/early termination fees (which include fees on whole or partial liquidations of the client's assets in the investment vehicles) and other fees and expenses that may be assessed by the investment vehicle's sponsor, custodian, transfer agent, adviser, shareholder service provider or other service providers. These expenses may include administration, distribution, transfer agent, custodial, legal, audit and other fees and expenses. Further information regarding charges and fees assessed may be found in the appropriate prospectus, offering memorandum, annual report and/or custodial agreement applicable to the corresponding investment vehicle.

NewEdge clients generally have access institutional or advisory share classes that typically have a higher initial minimum investment and lower expense ratios as compared with other retail share classes. However, in some instances, NewEdge may not be able to purchase institutional or advisory share classes though third party custodians. In other instances, NewEdge may be able to purchase other share classes, such as load waived A shares, which don't have a sales load but typically have a higher expense ratio than institutional share classes. Clients should not assume that they will only be invested in mutual funds with the lowest expense ratio, as we consider other factors beyond expense ratios when making recommendations to our advisory clients.

Shareholder Service Fees in Advisory Accounts

Certain mutual funds pay Shareholder Services Fees. "Shareholder Services Fees" are often referred to as trailers, rebates or revenue sharing arrangements and are received from various mutual fund companies with respect to clients whose assets are invested in those mutual funds. The payment of these fees to investments advisers, their affiliates and supervised persons can be substantial, typically ranging from 5 to 50 basis points (0.05% to .50%) of the mutual fund balance depending on the mutual fund purchased. This practice creates a potential conflict of interest in so far as the Firm and its PWAs could have a financial incentive to recommend mutual funds over other investments and higher paying mutual funds over lower paying mutual funds.

Except as set forth below, neither NewEdge, nor its affiliates or PWAs are permitted to retain any Shareholder Service Fees with respect to assets in NewEdge's advisory account. To the extent that a fund only offers share classes that pay Shareholder Services Fee, NewEdge will credit payment received to advisory clients.

In limited instances, certain mutual funds purchased in Fidelity's no transaction fee program ("NTF Program") pay revenue share to NES. In order to mitigate this conflict, the Firm does not share these payments with its PWAs and has policies and procedures in place to ensure that clients purchasing funds in the NTF Program that pay revenue share to NES only purchase such shares when they have the lowest expense ratio of the fund's share classes offered through NES.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges for redemptions (typically 1%-2% of the amount redeemed) made within short periods of time. These short-term charges are imposed by the funds (and not NewEdge) to deter "market timers" who trade actively in fund shares. Clients should consider these short-term trading charges when requesting liquidation of shares. These charges, as well as operating expenses and management fees, may increase the overall cost to the client by 1%-2% (or more) of the mutual fund, and are described in each fund's prospectus.

Certain ETFs may be classified as partnerships for U.S. federal income tax purposes, which may result in unique tax treatment, including Schedule K-1 reporting. Clients should consult their tax adviser for additional information regarding the tax consequences associated with the purchase, ownership and disposition of such investments. Additional information is also available in the ETF prospectus, which is available upon request.

Use of Margin

Through execution of a separate Margin Agreement, eligible clients will have the ability to borrow cash against the value of certain assets held within a client's advisory account (the "Margin Program"). Except for its long/short strategy, NewEdge does not recommend the use of margin for investment purposes. A *margin account* is a brokerage account that allows investors to borrow money to buy securities and/or for other non-investment borrowing purposes. The broker/custodian charges the investor interest for the right to borrow money and uses the securities as collateral. By using borrowed funds, the customer is employing leverage that will magnify both account gains and losses. Should a client determine to use margin, NewEdge will include the entire market value of the margined assets when computing its advisory fee. Accordingly, NewEdge's fee shall be based upon a higher margined account value, resulting in NewEdge earning a correspondingly higher advisory fee. As a result, the potential of conflict of interest arises since NewEdge may have an economic disincentive to recommend that the client terminate the use of margin. Please Note: The use of margin can cause significant adverse financial consequences in the event of a market correction. ANY QUESTIONS: Our Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the use of margin.

NFS pays NES a percentage of the margin rate charged to clients on borrowed funds held at NFS, and PWAs may share in a portion of this compensation attributable to their clients' margin accounts. The receipt of this compensation creates an incentive for the Firm and its PWAs to recommend use of the Margin Program to clients. NewEdge seeks to address this conflict of interest by disclosing to clients the payment of compensation to the Firm and its PWAs under the Margin Program, and by imposing suitability requirements on clients seeking to utilize the Margin Program. In addition, clients must meet the credit and suitability requirements of NFS. Clients should carefully review the terms and conditions of the Margin Program as described in the Margin Agreement. Margin costs and expenses are separate client changes and not part of the overall NewEdge Fee.

Pledged Asset Loans (Non-Purpose Securities Backed Loans)

A client who has a need to borrow money could determine to do so by using:

- Margin-The account custodian or broker-dealer lends money to the client. The custodian charges the client interest for the right to borrow money, and uses the assets in the client's brokerage account as collateral; and,
- Pledged Assets Loan- In consideration for a lender (i.e., a bank, etc.) to make a loan to the client, the client pledges its investment assets held at the account custodian as collateral;

These above-described collateralized loans are generally utilized because they typically provide more favorable interest rates than standard commercial loans. These types of collateralized loans can assist with a pending home purchase, permit the retirement of more expensive debt, or enable borrowing in lieu of liquidating existing account positions and incurring capital gains taxes. However, such loans are not without potential material risk to the client's investment assets. The lender (i.e. custodian, bank, etc.) will have recourse against the client's investment assets in the event of loan default or if the assets fall below a certain level. NewEdge received the following economic benefits from Securities Backed Loans:

- by taking the loan rather than liquidating assets in the client's account, NewEdge continues to earn a fee on such Account assets; and,
- if the client invests any portion of the loan proceeds in an account to be managed by NewEdge, NewEdge will receive an advisory fee on the invested amount;

- if NewEdge or one of its representatives will be compensated by the Lender for making the introduction; and,
- if NewEdge's advisory fee is based upon the higher margined account value (*see* margin disclosure at Item 5 below), NewEdge will earn a correspondingly higher advisory fee. This could provide NewEdge with a disincentive to encourage the client to discontinue the use of margin.

Alternative Investments

An important component of the selection process of Private Investments such as hedge funds, private equity funds, private real estate funds and structured products includes carefully reading the accompanying offering documents and/or prospectus prior to making a purchase decision. The offering documents contain important information that will help the client make an informed choice. Each prospective client investor will be required to complete a subscription agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

As part of the review process, a client should consider the fees and expenses associated with a particular alternative investment. It is important to note that the fees and expenses related to alternative investments are often higher than those of more traditional investments.

While each investment will differ in terms of both total fees and expenses and how those fees and expenses are calculated, the following section will discuss the primary categories of fees and expenses that are common to many alternative investments.

- *Management fees*: The manager for any particular investment will often charge a management fee that is based on the total value of your investment. As the value of your investment increases, the total management fees that a manager receives may increase. As the value of your investment decreases, the total management fees that a manager receives may decrease. These fees are similarly structured but are often higher than management fees associated with other, more traditional, investments such as mutual funds.
- *Incentive-based compensation*: Many alternative investment managers receive incentive-based compensation in addition to management fees. Incentive-based fees typically involve the manager retaining a percentage of profits generated for clients. Fees related to incentive compensation are often referred to as incentive/performance-based fees or carried interest. It is important to note that these fees are in addition to management fees that are charged by the manager and that the exact calculation of incentive fees or carried interest differs by product and manager. NewEdge does not typically share in any incentive-based compensation to which an investment manager is entitled.
- *Redemption fees:* Some investments may have direct or indirect costs related to liquidating your position, particularly if an investment is liquidated shortly after being purchased or if an investment is specifically designed to provide limited or no liquidity to investors.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time. Clients may withdraw account assets on notice to NewEdge, subject to the usual and customary securities settlement procedures. NewEdge may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. After transfer into an advisory account, clients should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, clients should consider and speak to us about whether (1) a commission was previously paid on the security; (2) client wishes for the security to be managed as part of the account and be subject to an advisory fee; or (3) client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

Compensation of PWAs

PWAs are compensated, on an ongoing basis, based on a portion of the NewEdge Advisory Fee. The amount of the compensation received by a PWA may be more or less than what the PWA would receive if you participated in other investment programs or paid separately for investment advice, brokerage and other services through another firm. Therefore, your PWA may have a conflict of interest in recommending our wrap fee program over other programs or services. Please Note: Conflict of Interest. NewEdge shall generally compensate its representatives based upon the revenues derived from accounts that they service. The representative generally maintains the authority to determine/negotiate the percentage advisory fee. Thus, a conflict of interest is presented because the higher the advisory fee, the greater the representative's (and NewEdge's) compensation.

In addition, experienced PWAs moving their practices to NES or NewEdge may have received loans or other financial incentives based on reaching certain asset levels or revenues generated. The Firm mitigates this potential conflict of interest by imposing suitability requirements and maintaining a supervisory system that includes conducting periodic supervisory visits and compliance inspections and audits. This conflict of interest is further mitigated by fiduciary obligations and regulatory and compliance rules and procedures to which the Firm and the PWAs are subject.

Item 5. Account Requirements and Types of Clients

NewEdge offers services to high-net-worth families and individuals, family limited partnerships, family offices, foundations, endowments, trusts, estates, charitable organizations, donor advised funds, corporations, privately offered pooled investment vehicles and business entities.

Minimum Account Value

NewEdge does not have a minimum account value, although certain Independent Managers and pooled investment vehicles available through NewEdge may have their own minimums.

Item 6. Portfolio Manager Selection and Evaluation

A. Manager Selection

Before NewEdge recommends an Independent Manager or Private Fund, it conducts due diligence on such Independent Manager/Private Funds, either directly through its own internal vetting process and/or through a third-party research provider. This due diligence process includes, among other things, a review of each firm's structure, trading and operations, legal and compliance issues, investment and risk management.

Investment Managers and Private Funds

All Independent Managers and Private Funds recommended by NewEdge undergo a due diligence process that includes:

- Initial Manager Evaluation
- Quantitative Analysis
- Ongoing Monitoring

As discussed above, your PWA will assist you in selecting an asset allocation and one or more Independent Managers and Private Funds. Those investment portfolios and the methods of analysis utilized by their Independent Managers are described in more detail in each Independent Manager's Form ADV. Information about a Private Fund's investment objective and policies is contained in its private placement memorandum and subscription agreement.

B. NewEdge Investment Solutions (NEIS)

US and Int'l Equity Strategies. NEIS screens stocks within defined characteristics and factors usings a scoring system across multiple factors that ranks the appropriate universe of securities for each strategy. Those rankings are used to select the highest scoring securities across each sector to build a concentrated portfolio of approximately 30 securities. The core factor we seek to identify is Quality. Core Quality metrics include companies that demonstrate (1) positive Return On Invested Capital (ROIC): (2) Free Cash Flow, (3) Earnings Variability and (4) Valuation: The Quality factor is complemented with other factors for specific strategies including:

- Dividend Income which adds companies with growing dividends to the screening process
- ESG investing which screens for companies which demonstrate strong ESG components

Fixed Income Strategies. NEIS employs a risk-controlled exposure to credit, treasuries, and alternative fixed income to optimize the diversification of portfolio duration. Tax and liquidity efficiency through a risk-factor weighted portfolio of low-cost ETFs. Excess alpha generation by a selection of securities through a bottoms-up credit research process and vetted search of third-party fixed-income SMA managers.

NEIS Core Fixed Income strategies include:

1. Core Fixed Income
2. Core Plus
3. Enhanced Cash

We consider the following key metrics in managing the strategies:

1. Tracking Error: Measures how much the excess risk of the portfolio vs. the index

2. Risk factors: Measures the factors that comprise the total risk of the portfolio such as duration, credit spread, yield curve, volatility and liquidity

3. Model Portfolio: Measures and alternative benchmark that is based on risk targets.

4. Liquidity and Valuation: Measures the "liquidity test" of the portfolio. Valuation is based on a framework of research, relative value, and quantitative risk factors.

Multi-Asset Portfolio's. These portfolios consist of multiple asset classes that are aligned with NewEdge Wealth's Strategic Asset Allocation Models. These portfolios are rebalanced quarterly based on the views of the investment team led by the Chief Investment Officer. The portfolio consists mainly of ETFs and aim to offer a low cost multi asset class portfolio that aligns with our research views.

Structured Notes. The Structured Note Advisory Portfolio ("SNAP") is a separately managed account consisting of several individual notes. The strategy offers a carefully curated selection of several notes, implemented across several market selloffs, intended to achieve a balance of risk and potential return, which is difficult to replicate in other asset classes. The portfolio consists of two "types" of notes: (1) Fixed Return Structured Notes which are designed to provide opportunities to generate enhanced income or a defined income to a portfolio. These structure types are defined by their **potential to achieve positive returns, even when underlying indices' have negative performance over the life of the note**. (2) Growth Focused Structured Notes which are designed to provide opportunities to enhance returns, reduce risk – or both – in your portfolio. These structure types are defined by their **potential to keep up or outperform underlying equity indices, while maintaining some component of downside principal protection**.

C. PWA Strategies

Each PWA has access to various market, research, portfolio modelling and other tools and information to which he or she may refer in determining investment advice provided to clients. PWAs choose their own research methods, investment style, and management philosophy. Accordingly, the investment advice provided to each client may vary from one PWA to another. The investment strategies and advice may vary depending upon each client's specific financial situation. As such, PWAs determine investments and allocations based upon clients' predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Clients' restrictions and guidelines may affect the composition of client portfolios.

PWAs can implement investment strategies by recommending the following types of investments:

- Equities
- Fixed Income
- Mutual Funds
- Exchange Traded Funds & Trusts
- Master Limited Partnerships
- REITs
- Options Strategies
- Structured Products
- Hedge Funds

- Private Equity Funds
- Private Credit Funds
- Trading (short and long-term purchases); and
- Margin transactions.

The foregoing is not a comprehensive list of the methods of analysis and strategies that may be employed by NewEdge or its PWAs, nor are the descriptions necessarily the only ways in which the methods of analysis and strategies may be implemented.

PWA Managed Portfolios are not subject to the same review and approval process as Independent Managers or Private Funds.

Other Advisory Services

In addition to the Services described in this Brochure, NewEdge offers clients additional advisory services including:

- Wealth Planning
- Financial Planning
- Asset Allocation
- Portfolio Construction
- Institutional Consulting
- Private Investment Opportunities
- Comprehensive Performance Reporting

For information about these services, please refer to the Firm's Form ADV Part 2A Firm Brochure, which is available through your PWA and can be found on our website at www.newedgewealth.com.

Performance Based Fees and Side by Side Management

NewEdge does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. All investment programs have certain risks that are borne by the investor. Investors face the following investment risks:

- *Interest-rate Risk*: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risks*: The profitability of a significant portion of NewEdge's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that NewEdge will be able to predict those price movements accurately or capitalize on any such assumptions.
- *Inflation Risk*: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk*: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (interest rate). This primarily relates to fixed income securities.
- *Business Risk*: These risks are associated with a particular industry or a particular company within an industry. For example, oil drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk to profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasuries are highly liquid, while real estate properties are not.
- *Financial Risk*: Excessive borrowing to finance a business' operations increases the risk of profit loss, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Correlation Risk*: This is the risk that the actual correlation (a statistical measure of how two or more variables move in relation to each other) between two assets (or variables) will be different than the correlation that was assumed or expected. Differences between the actual and expected correlation may result in a portfolio being riskier than was anticipated.
- *Counterparty/Default Risk*: This is the risk that a party to a contract will not live up to (or default on) its contractual obligations to the other party to the contract.
- *Valuation Risk*: This is the risk that an asset is improperly valued in relation to what would be received upon its being sold or redeemed at maturity.
- *Tax Risk*: This is the risk that tax laws may change and impact the underlying investment premise or profitability of an investment. For example, a client may invest in Master Limited Partnership ("MLP") units, which may result in unique tax treatment and may not be appropriate for tax qualified retirement accounts.

Exchange Traded Funds. An investment in an ETF involves risk, including the loss of principal. ETF shareholders are necessarily subject to the risks stemming from the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Independent Managers. As stated above, NewEdge may select certain Independent Managers to manage a portion of its clients' assets. In these situations, NewEdge continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, NewEdge generally may not have the ability to supervise the Independent Managers on a day-to-day basis. The success of the third-party manager depends on the capabilities of its investment management personnel and infrastructure, all of which may be adversely impacted by the departure of key employees and other events. The future results of the third-party manager may differ significantly from the third-party manager's past performance. While the Firm intends to employ reasonable diligence in evaluating and monitoring third party managers, no amount of diligence can eliminate the possibility that a third party manager may provide misleading, incomplete or false information or representations, or engage in improper or fraudulent conduct, including unauthorized changes in investment strategy, insider trading, misappropriation of assets and unsupportable valuations of portfolio securities.

Use of Private Collective Investment Vehicles and Other Alternative or Private Investments. NewEdge may recommend that certain clients invest in alternative investments, including privately placed debt or equity of companies or investments in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). These investments are less liquid than publicly traded securities with some having significant holding requirements. The managers of the collective vehicles have broad discretion in selecting the investments. Often, the investments are not registered or subject to less registration. There are numerous other risks in investing in these securities. Clients should consult each investment's prospectus or private placement memorandum and/or other documents explaining such risks prior to investing.

Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike other liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

Margin. While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally affected using capital borrowed from a financial institution, which is secured by a client's holdings. Under certain circumstances, the lending institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the financial institution may liquidate account assets to satisfy the client's outstanding obligations, which could have adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

Derivatives. The use of derivatives such as swaps, commodity-linked structured notes and futures entails substantial risk, including the risk of loss of a significant portion of their principal value, lack of a secondary market, increased volatility, correlation risk, counterparty risk, liquidity risk, interest-rate risk, market risk, credit risk, valuation risk and tax risk. Derivatives, primarily futures and forward contracts, generally have implied leverage (a small amount of money to make an investment of greater value). Because of this, extensive use of derivatives may magnify any gains or losses on those investments as well as the risk of any fund using derivatives.

Risks Relating to Structured Products. Investments in structured products (generally Senior Unsecured Debt Obligations linked to the performance of an underlying market measure) (all such products, “Structured Products”) are subject to a number of risks, including credit risk, market risk, and liquidity risk. Structured Products typically have a specified maturity date and payout profile determined by the performance of an underlying, or basket of underlying, market measures. Structured Products are generally designed to provide some level or combination of principal protection, downside market risk mitigation, enhanced income, or enhanced returns relative to the performance of the underlying market measure. As a Senior Unsecured Debt Obligation, the payout at maturity is dependent on the issuer’s ability to pay off its debts as they mature. While there is generally liquidity provided by the issuer of a Structured Product prior to maturity, there is no guarantee of a secondary market. In the case that there is a secondary market provided, the sale price may be significantly less than what would be the maturity value due to factors such as volatility, interest rates, credit quality and risk appetite. The value of an investment in a Structured Product will reflect the then-current market value of the Structured Product as calculated by the issuer and will be subject to all of the risks associated with an investment in the underlying market measure along with the risks and factors described above. Investors in structured products will not own or have any claim to the underlying market measure directly and will therefore not benefit from general rights applicable to the holders of those assets, such as dividends and voting rights. Notes are not insured through any governmental agency or program and the return of principal and fulfillment of the terms negotiated by NewEdge on behalf of clients is dependent on the financial condition of the third party issuing the note and the issuer’s ability to pay its obligations as they become due.

Structured notes purchased for clients will not be listed on any securities exchange. There may be no secondary market for such structured notes, and neither the issuer nor the agent will be required to purchase notes in the secondary market. Some of these structured financial products are callable by the issuer only, therefore the issuer (not the investor) can choose to call in the structured notes and redeem them before maturity. In addition, the maximum potential payment on structured notes will typically be limited to the redemption amount applicable for a payment date, regardless of the appreciation in the underlying index associated with the note. Since the level of the underlying index at various times during the term of the structured notes held by clients could be higher than on the valuation dates and at maturity, clients may receive a lower payment if redeemed early or at maturity than if a client would have invested directly in the underlying index.

While the payment at maturity of any structured notes would be based on the full principal amount of any note sold by the issuer, the original issue price of any structured note purchased for clients includes an agent’s commission and the cost of hedging the issuer’s obligations under the note. As a result, the price, if any, at which an issuer will be willing to purchase structured notes from clients in a secondary market transaction, if at all, will likely be lower than the original issue price and any sale before the maturity date could result in a substantial loss. Structured notes will not be designed to be short-term trading instruments so clients should be willing to hold any notes to maturity.

In the event that the client seeks to prohibit or limit the purchase of structured notes for the client's account, the client can do so, in writing, addressed to NewEdge' Chief Compliance Officer. In the event that a client has any questions regarding structured notes, NewEdge' Chief Compliance Officer remains available to address them.

Alternatives. Non-traditional investments strategies, including those that employ trading techniques to "short" the market, those that include exposure to nontraditional asset classes such as commodity futures and currency forwards. Clients should consider their overall allocation to alternative investments when determining the appropriateness of such a strategy. Alternatives entail substantial risk, including the risk of loss of a significant portion of their principal value, lack of a secondary market, increased volatility, correlation risk, counterparty risk, liquidity risk, interest-rate risk, market risk, credit risk, valuation risk and tax risk.

Risk Relating to REITs. Certain investment strategies offer real estate-related investment disciplines, which typically invest in common stocks of U.S. corporations. Almost all such investments will be treated for tax purposes as investments in real estate investment trusts ("REITs"). Although it is unlikely that such investments will cause a tax-exempt investor to recognize "unrelated business taxable income" ("UBTI"), no assurances can be made that no UBTI will be recognized. If any investment causes a tax-exempt investor to recognize UBTI, and that tax-exempt investor is a charitable remainder trust, all of the income of the charitable remainder trust would be subject to federal income tax for the tax year in which the UBTI was recognized. Therefore, charitable remainder trusts should consult with a tax adviser before investing in real estate investment disciplines.

Risks Relating to Money Market Funds. You could lose money in money market funds. Although money market funds classified as government funds (i.e., money market funds that invest 99.5% of total assets in cash and/or securities backed by the U.S government) or retail funds (i.e., money market funds open to natural person investors only) seek to preserve value at $1.00 per share, they cannot guarantee they will do so. The price of money market funds will fluctuate and when you sell shares, they may be worth more or less than originally paid. Money market funds may impose a fee upon sale or temporarily suspend sales if liquidity falls below required minimums. During suspensions, shares would not be available for purchases, withdrawals, check writing or ATM debits. Moreover, in some circumstances, money market funds may be forced to cease operations when the value of a fund drops below $1.00 per share. In that event, the fund's holdings are liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals and, if applicable, check writing or ATM debits from your account.

Moreover, in some circumstances, money market funds may be forced to cease operations when the value of a fund drops below $1.00 per share. In that event, the fund's holdings are liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals and, if applicable, check writing or ATM debits from your account. An investor should consider the investment objectives, risks, and charges and expenses of a money market fund(s) carefully before investing. A prospectus which contains this and other important information about the money market fund(s) may be obtained from your Financial Advisor or from the firm at https://www.macg.com/clients/brokerage-sweep-disclosures/. Please read the prospectus carefully before investing.

If your sweep investment is a money market fund, then the account, as well as other shareholders of the money market fund, will bear a proportionate share of the other expenses of the money market fund in which the account's assets are invested.

<u>SIPC INSURANCE</u>

Money market funds and uninvested cash are covered by the Securities Investor Protection Corporation (SIPC). SIPC is a federal mandated U.S. nonprofit corporation that protects customer assets from financial loss in the event a broker-dealer becomes insolvent. SIPC covers securities that held by your custodian (stocks, bonds, notes) up to $500,000 per client capacity (e.g., individual, joint) of which $250,000 may be cash. Money market funds receive SIPC coverage as securities, not as cash. *An investment in a Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at $1.00 per share, if it is unable to do so, it is possible to lose money by investing in the Fund. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.* Clients may obtain a more complete and definitive description of SIPC protection by visiting www.sipc.org.

Risks Relating to Differing Classes of Securities. Different classes of securities have different rights as creditor if the issuer files for bankruptcy or reorganization. For example, bondholders' rights generally are more favorable than shareholders' rights in a bankruptcy or reorganization.

Risks related to the Bank Deposit Sweep Program. The Deposit Accounts are eligible for insurance by the FDIC, an independent agency of the U.S. government, up to a maximum amount of $250,000 (including principal and accrued interest) when aggregated with all other deposits held by you in the same insurable capacity at a Bank (e.g., individual, joint, etc.) and $250,000 for certain individual retirement accounts, in each case such account may be insured for such greater amount as may be approved by the FDIC from time to time. Your funds become eligible for deposit insurance immediately when a Bank accepts your deposits into Deposit Accounts. To the extent that your deposits at a Program Bank in one ownership capacity, either through the Program or otherwise, exceed the FDIC insurance limits applicable to that ownership capacity, deposits in excess of the limits will not be insured. Any balance held in the MMKT Overflow is also covered by SIPC, up to applicable SIPC limits.

In the event a Bank fails, the Deposit Accounts at that Bank are insured up to the $250,000 limit, or such other limit, as applicable, for principal and interest accrued to the day the Bank is closed. Neither we nor NFS is responsible for any insured or uninsured portion of a Deposit Account. You are responsible for monitoring the total amount of deposits that you have with each Bank in order to determine the extent of deposit insurance coverage available to you. Depending on the amount of deposits that you have at a Bank apart from the Deposit Accounts, you may wish to direct that the Bank be excluded from the Program Bank List applicable to your Investment Account. All funds that are not insured by the FDIC are at a risk of loss in the event of a bank failure.

Under certain circumstances, if you become the owner of deposits at a Bank because another depositor dies, beginning six months after the death of the depositor the FDIC will aggregate those deposits for purposes of the $250,000 limit or such other applicable limit, as applicable, with any other deposits that you own in the same insurable capacity at the Bank. Subject to Program limits, examples of accounts that may be subject to this FDIC policy include joint accounts, and certain trust accounts including transfer upon or payable on death accounts. The FDIC provides the six-month "grace period" to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you through NFS. There is no specific time period during which the FDIC must make insurance payments available. Furthermore, you may be required to provide certain documentation to the FDIC and NFS before insurance payments are made. For example, if you hold deposits as trustee or in other fiduciary capacities for beneficiaries, you may be required to furnish affidavits and provide indemnities regarding an insurance payment.

If your Deposit Accounts or other deposits at the Bank are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquiror until (i) the maturity date of the certificates of deposit or other time deposits which were assumed, or (ii) with respect to deposits which are not time deposits, the expiration of a six month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquiror held in the same capacity for purposes of federal deposit insurance. Any deposit opened at the acquiror after the acquisition will be aggregated with deposits established with the acquiror for purposes of federal deposit insurance.

The application of a $250,000 federal deposit insurance limitation is illustrated by several common factual situations discussed below.

Tax and Legal Considerations. You are responsible for all tax liabilities and tax return filing obligations arising from the transactions in your account or any other investment advice offered by us. Changing your investment strategy or engaging in portfolio rebalancing transactions may result in sales of securities which may subject you to additional income tax obligations. Consult your independent tax or legal advisor with respect to the services described in this Brochure. NewEdge does not provide tax, legal, accounting, estate or actuary advice, and this Brochure or any other document received from NewEdge in connection with the Platform should not be construed as providing such advice.

Cybersecurity Risks. We must rely in part on digital and network technologies (collectively, "networks") to conduct our investment advisory business. Such networks, including those of service providers, are susceptible to cyber-attacks that could potentially seek unauthorized access to digital systems for purposes such as misappropriating sensitive information, corrupting data or causing operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Cyber-attacks against, or security breakdowns, of us or our service providers, if applicable, may adversely impact us and our clients, potentially resulting in, among other things, financial losses; our inability to transact business on behalf of our clients; reputational damage; and/or additional costs. The Firm may incur additional costs related to cybersecurity risk management and remediation. In addition, cybersecurity risks may also impact issuers of securities in which we invest on behalf of our clients, which may cause our clients' investment in such issuers to lose value.

Coronavirus Outbreak Risks The recent global outbreak of the 2019 novel coronavirus ("COVID-19"), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect certain investments and the industries in which they operate. Furthermore, our ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary to carry out clients' investment strategies and objectives and our business and to satisfy its obligations to clients and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among our personnel and service providers would also significantly affect our ability to properly oversee the affairs of clients (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a client's investment activities or operations.

Risks Related to Socially Responsible Investing Limitations. Socially Responsible Investing involves the incorporation of Environmental, Social and Governance considerations into the investment due diligence process ("ESG). There are potential limitations associated with allocating a portion of an investment portfolio in ESG securities (i.e., securities that have a mandate to avoid, when possible, investments in such products as alcohol, tobacco, firearms, oil drilling, gambling, etc.). The number of these securities may be limited when compared to those that do not maintain such a mandate. ESG securities could underperform broad market indices. Investors must accept these limitations, including potential for underperformance. Correspondingly, the number of ESG mutual funds and exchange traded funds are few when compared to those that do not maintain such a mandate. As with any type of investment (including any investment and/or investment strategies recommended and/or undertaken by NewEdge), there can be no assurance that investment in ESG securities or funds will be profitable, or prove successful.

Risk Related to Cryptocurrency: For clients who want exposure to cryptocurrencies, including Bitcoin, NewEdge will consider investment in corresponding exchange traded securities, and/or an allocation to separate account managers and/or private funds that provide cryptocurrency exposure. Crypto is a digital currency that can be used to buy goods and services, but uses an online ledger with strong cryptography (i.e., a method of protecting information and communications with codes) to secure online transactions. Unlike conventional currencies issued by a monetary authority, cryptocurrencies are generally not controlled or regulated and their price is determined by the supply and demand of their market. Cryptocurrency is currently considered to be a speculative investment. The speculative nature of cryptocurrencies notwithstanding, NewEdge may (but is not obligated to) utilize crypto exposure in one or more of its asset allocation strategies for diversification purposes. Please Note: Investment in cryptocurrencies is subject to the potential for liquidity constraints, extreme price volatility and complete loss of principal. Notice to Opt Out. Clients can notify NewEdge, in writing, to exclude cryptocurrency exposure from their accounts. Absent NewEdge's receipt of such written notice from the client, NewEdge may (but is not obligated to) utilize cryptocurrency as part of its asset allocation strategies for client accounts.

Risk Related to Options Strategies: The NewEdge may engage (or hire a separate account manager to engage) in options transactions for the purpose of hedging risk and/or generating portfolio income. The use of options transactions as an investment strategy can involve a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security, depending upon the nature of the option contract. Generally, the purchase or sale of an option contract shall be with the intent of "hedging" a potential market risk in a client's portfolio and/or generating income for a client's portfolio. Please Note: Certain options-related strategies (i.e. straddles, short positions, etc.), may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. In light of these enhanced risks, client may direct NewEdge, in writing, not to employ any or all such strategies for his/her/their/its accounts. Please Also Note: There can be no guarantee that an options strategy will achieve its objective or prove successful. No client is under any obligation to enter into any option transactions. However, if the client does so, he/she must be prepared to accept the potential for unintended or undesired consequences (i.e., losing ownership of the security, incurring capital gains taxes).

- Covered Call Writing.

Covered call writing is the sale of in-, at-, or out-of-the-money call options against a long security position held in a client portfolio. This type of transaction is intended to generate income. It also serves to create partial downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced or lost to the extent it is determined to buy back the option position before its expiration. There can be no assurance that the security will not be called away by the option buyer, which will result in the client (option writer) to lose ownership in the security and incur potential unintended tax consequences. Covered call strategies are generally better suited for positions with lower price volatility.

- Long Put Option Purchases.

Long put option purchases allow the option holder to sell or "put" the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option can increase in value depending upon the strike price and expiration. Long puts are often used to hedge a long stock position to protect against downside risk. The security/portfolio could still experience losses depending on the quantity of the puts bought, strike price and expiration. In the event that the security is put to the option holder, it will result in the client (option seller) to lose ownership in the security and to incur potential unintended tax consequences. Options are wasting assets and expire (usually within months of issuance).

*** This list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in connection with the Firm's investment offerings or the management of client accounts. In addition, prospective clients should be aware that, as a client's investment portfolio develops and changes over time, the account may be subject to additional and different risks.

***ANY QUESTIONS*: NewEdge's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding these and any other risks of concern.**

Voting Client Securities

NewEdge will accept the authority to vote a client's securities (i.e., proxies) on their behalf in discretionary advisory accounts. This authority is generally granted through the client's execution of our Advisory Agreement. If a client elects to vote proxies themselves, they shall receive proxies directly from their custodians and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations. Clients may also be able to delegate proxy voting authority to Independent Managers.

When NewEdge is responsible for voting client proxies, it shall do so in conjunction with the proxy voting administrative and due diligence services provided by Glass Lewis ("GL") an unaffiliated nationally recognized proxy voting vendor. NewEdge, in conjunction with the services provided by GL, monitors corporate actions of individual issuers and investment companies consistent with NewEdge's fiduciary duty to vote proxies in the best interests of its clients. With respect to individual issuers, NewEdge may be solicited to vote on matters including corporate governance, adoption or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), NewEdge may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers. NewEdge (in conjunction with the services provided by GL) shall maintain records pertaining to proxy voting as required under the Advisers Act. Information pertaining to how NewEdge voted on any specific proxy issue is also available upon written request.

Any questions regarding NewEdge's proxy voting policy or requests for a description of the Firm's proxy voting policy should be directed to the David Schnier, the Chief Compliance Officer of NewEdge.

Class Actions
NewEdge will not render any advice to or take any actions on behalf of clients with respect to the initiation or pursuit of any legal proceedings, including bankruptcies and shareholder litigation, to which any securities or other investments transacted or held in client accounts, or the issuers thereof, become subject. The right to take any actions with respect to any legal proceedings, including bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including shareholder litigation, with respect to transactions, securities or other investments held in a client account is the client's responsibility. The client shall maintain exclusive responsibility for all legal proceedings or other type events pertaining to the assets managed by NewEdge, including, but not limited to, class action lawsuits.

Item 7. Client Information Provided to Portfolio Managers

NewEdge, through its PWAs, tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. NewEdge consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. In performing our services, NewEdge shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Clients are advised to promptly notify NewEdge if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts.

Item 8. Contact with Portfolio Managers

When PWAs serve as a client's portfolio managers, they have unrestrictive access to their portfolio manager. In addition, through their PWA, clients may also have the opportunity to contact NEIS portfolio managers. For Independent Managers in the SMA Program, clients may be limited in their direct contact with the portfolio managers or other investment personnel. For model delivery program strategies, the client will not have the ability to contact portfolio managers at the model provider. However, PWAs are available to address any questions or concerns regarding these strategies.

Item 9 Additional Information

Disciplinary Information

Within the last 10 years, there have not been any material legal or disciplinary events involving the Firm or its management personnel.

Other Financial Industry Activities and Affiliations

NewEdge does not serve as an attorney, accountant, or insurance agent, and no portion of our services should be construed as same. Accordingly, NewEdge does not prepare legal documents, prepare tax returns, or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc.), including NewEdge's representatives in their separate individual capacities as registered representatives of New Edge's affiliated broker-dealer, NewEdge Securities, Inc. ("Securities" or "NES"), an SEC registered and FINRA member broker-dealer, and as licensed insurance agents. The client is under no obligation to engage the services of any such recommended professional.

Please Note-Conflict of Interest: The recommendation that a client purchase a securities or insurance commission product from a NewEdge representative in his/her individual capacity as a representative of Securities and/or as an insurance agent, presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend investment and/or insurance products based on commissions to be received, rather than on a particular client's need. The fees charged and compensation derived from the sale of such insurance and/or securities products is separate from, and in addition to, NewEdge's investment advisory fee. No client is under any obligation to purchase any securities or insurance commission products from any of the NewEdge's representative. Clients are reminded that they may purchase securities and insurance products recommended by a NewEdge representative through other, non-affiliated broker-dealers and/or insurance agents.

ANY QUESTIONS: NewEdge's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above conflicts of interest.

NEWEDGE SECURITIES, INC. (FKA MID ATLANTIC CAPITAL CORPORATION)

NewEdge's PWAs, officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on NewEdge's behalf and are subject to the Firm's supervision or control ("Supervised Persons") may, in their individual capacities, as insurance agents or registered representatives of a broker-dealer, including our affiliated broker dealer, and/or other professionals be separately retained to render securities brokerage and insurance services under a separate commission-based arrangement.

The Firm's Supervised Persons, in their individual capacities as registered representatives of NES, may provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons will be entitled to a portion of the brokerage commissions paid to NES, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Prior to effecting any transactions, clients are required to enter into a separate brokerage account agreement.

Clients should be aware that the Firm does not have the ongoing advisory responsibility to manage the assets held in the NES brokerage relationship. The Firm has policies and procedures to review whether an advisory client should have such a brokerage relationship.

Management personnel of our Firm are also officers of NES. In their capacity as supervisory principals of NES, they also devote time to the oversight of the operations of that broker/dealer.

NES's Bank Deposit Program

The Bank Deposit Sweep Program (the "Program" or "BDSP") is a sweep investment vehicle used to hold cash balances in eligible accounts held at NFS. In the Program, cash balances in eligible accounts are deposited or "swept" into interest-bearing FDIC-insurance eligible Program deposit accounts ("Deposit Accounts") at one or more FDIC insured depository institutions that participate in the Program (collectively, "Program Banks"). Eligibility is based on account type and ownership of the account. Please refer to the Bank Deposit Disclosure Statement for details on account eligibility.

On or around August 1, 2023, free cash balances in eligible non-retirement accounts custodied at National Financial Services LLC will be automatically swept into the NewEdge Securities Bank Deposit Sweep Program (BDSP), which will become the only available sweep investment for BDSP eligible accounts. At that time, currently available money market sweep funds will no longer accept any new monies and all debits, including securities purchases and charges, will be satisfied first by redeeming shares of money market sweep investments, if any, until the balances are depleted while all new credits will be deposited into BDSP. Free cash balances in accounts that are not eligible for BDSP will be swept into the Fidelity Government Money Market – Capital Reserves Class (FZAXX).

Each Deposit Account constitutes a direct obligation of the Program Bank to the depositor and is not directly or indirectly an obligation of NES or NFS. Neither NES nor NFS guarantee in any way the financial condition of the Program Banks or the accuracy of any publicly available financial information concerning such Banks. The establishment of a Deposit Account does not create a direct account relationship between the depositor and the Program Banks. To the extent available in your account NFS, as your agent and custodian, will establish the Deposit Accounts for you at each Program Bank and make deposits to and withdrawals from the Deposit Accounts.

The interest rate you receive in Deposit Accounts is determined by NES. It is based on the amounts paid by the Program Banks to NES, less fees retained by NES and NFS. The combined maximum revenue that NEW and NFS can earn is limited to the Federal Funds Target Rate (as can be found online at http:fred.stlouisfed.org/series/DFEDTARU plus 0.25% (net of third-party fees) on an annualized basis, as applied across all Deposit Accounts (including brokerage accounts introduced by NES). In our discretion, we may reduce our fee and may vary the amount of the reductions among clients. The fee we receive may vary from bank to bank. The amount of fee received will affect the interest rate paid to customers by NFS. In addition to our fee, other service providers with respect to the Program will receive fees from NFS (collectively, with the fees paid to us and/or NFS, "Program Fees"). Your PWA may receive a portion of these fees or credits. In addition, NewEdge may receive cash compensation or credits in connection with the BDSP for assets in the deposit accounts for Retirement Plans or Coverdell Education Savings accounts.

The revenue generated by NES through the Program is greater than revenues generated by other sweep options available to clients through NES or other brokerage firms and may be greater than other core account investment vehicles currently available to you or possible core account investment vehicles that we have used in the past or may consider using in the future. As a result of the fees and benefits described above, the Program may be significantly more profitable to NES than other available sweep options, if any. NES and/or NFS may also benefit from the possession and temporary investment of cash balances prior to the deposit of such balances in the Program.

In certain rate environments, Program Banks may also have the opportunity to earn income on the BDP assets through lending activity. Through the Program, each Program Bank will receive a stable, cost-effective source of funding. Each Program Bank intends to use deposits in the Deposit Accounts at the Program Bank to fund current and new businesses, including lending activities and investments. The profitability on such loans and investments is generally measured by the difference, or "spread," between the interest rate paid on the Deposit Accounts at the Program Banks and other costs of maintaining the Deposit Accounts, and the interest rate and other income earned by the Program Banks on those loans and investments made with the funds in the Deposit Accounts.

NewEdge seeks to address the foregoing conflicts by disclosing them to clients, such as in this Brochure, and using an objective methodology for determining the interest rates you receive. A list of participating Program Banks is available from your PWA. A current version of the Bank Deposit Seep Disclosure Document can be found at https://www.newedgecapitalgroup.com/brokerage-sweep/. Should you have any questions regarding the Program, Program Banks, current interest rates or our compensation, please refer to www.newedgecapitalgroup.com or direct any questions you may have to your PWA.

MID ATLANTIC TRUST COMPANY

NewEdge is under common control with Mid Atlantic Trust Company ("MATC"), a South Dakota non-depository trust company which could handle the custody, directed trustee, paying agent, and reporting services for corporate retirement plans, and custody of mutual fund and ETF assets for some clients of NewEdge to the extent recommended by their PWA. While NewEdge is not directly compensated by MATC for revenue generated due to this arrangement, it does benefit indirectly, due to the companies being under common control.

While NewEdge and its PWAs at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

NEWEDGE ADVISORS, LLC

Effective November 1, 2021, Mid Atlantic Financial Management ("MAFM") was merged with and into GWM Advisors, LLC. The company was renamed NewEdge Advisors, LLC. NewEdge Advisors, LLC is an investment adviser registered with the SEC that provides investment advisory services to retail investors.

Licensed Insurance Agents

A number of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that NewEdge recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Relationship with Fidelity

NES maintains a broker dealer business relationship with NFS which provides the Firm with operational and back- office support including access to a network of service providers. In addition, certain of the Firm's Supervised Persons are registered representatives of NES and/or principals of the Firm's parent company and may provide clients with securities brokerage services under a separate commission-based arrangement.

Through Fidelity's network of service providers, the Firm has access to trading technology, transition support, reporting, custody, brokerage, investments, compliance and other related services. The Firm reviews all such relationships, including the service providers engaged through NES, on an ongoing basis to ensure clients are receiving competitive rates in relation to the quality and scope of the services provided.

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, NewEdge can receive from Securities or Fidelity (or another broker-dealer/custodian, investment manager, platform sponsor, mutual fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist NewEdge to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by NewEdge can be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services (including those provided by unaffiliated vendors and professionals), discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support (including client events), computer hardware and/or software and/or other products used by NewEdge in furtherance of its investment advisory business operations. Certain of the benefits that could be received can also assist NewEdge to manage and further develop its business enterprise and/or benefit NewEdge's representatives.

The software and support is not provided in connection with securities transactions of clients (i.e., not "soft dollars"). There is no corresponding commitment made by NewEdge to Securities and/or Fidelity, or any other any entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

The software and related systems support may benefit NewEdge, but not its clients directly. In fulfilling its duties to its clients, NewEdge endeavors at all times to put the interests of its clients first. Clients should be aware, however, that NewEdge's receipt of benefits from a broker/dealer creates a conflict of interest since these benefits may influence the Firm's choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, NewEdge may receive the following benefits from Fidelity (1) receipt of duplicate client confirmations and bundled duplicate statements, (2) access to a trading desk that exclusively services its institutional traders, (3) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and (4) access to an electronic communication network for client order entry and account information.

Conflicts of Interest

Clients should be aware that the receipt of additional compensation by NewEdge and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. NewEdge endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;

- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Code of Ethics

NewEdge has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. The Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of NewEdge personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g*., initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly affect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless (1) the transaction has been completed, (2) the transaction for the Supervised Person is completed as part of a batch trade with clients; or (3) a decision has been made not to engage in the transaction for the client. These requirements are not applicable to certain types of securities. Clients and prospective clients may contact NewEdge to request a copy of its Code of Ethics.

Brokerage for Client Referrals

NewEdge does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

NewEdge recommends that its clients utilize the brokerage and custodial services provided by Securities, NFS, and Fidelity. The Firm generally does not accept directed brokerage arrangements (but could make exceptions). A directed brokerage arrangement arises when a client requires that account transactions be effected through a specific broker-dealer/custodian, other than one generally recommended by NewEdge. In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Firm will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by NewEdge. As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. **Please Note:** In the event that the client directs NewEdge to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through NewEdge. **Please Also Note**: Higher transaction costs adversely impact account performance. **Please Further Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

Trade Aggregation

Transactions for each client account generally will be effected independently, unless the Firm decides to purchase or sell the same securities for several clients at approximately the same time. The Firm may (but is not obligated to) combine or "batch" such orders for individual equity transactions (including ETFs) with the intention to obtain better price execution, to negotiate more favorable commission rates, or to allocate more equitably among the Firm's clients differences in prices and commissions or other transaction costs that might have occurred had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. In the event that the Firm becomes aware that a Firm employee seeks to trade in the same security on the same day, the employee transaction will either be included in the "batch" transaction or transacted after all discretionary client transactions have been completed. The Firm shall not receive any additional compensation or remuneration as the result of such aggregation.

Other Compensation

Client Referrals and Other Compensation

Participation in Fidelity Wealth Advisor Solutions®. NEW participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which NEW receives referrals from Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser and Fidelity Investments company. NEW is independent and not affiliated with FPWA or any Fidelity Investments company. FPWA does not supervise or control NEW, and FPWA has no responsibility or oversight for NEW provision of investment management or other advisory services.

Under the WAS Program, FPWA acts as a solicitor for NEW, and NEW pays referral fees to FPWA for each referral received based on NEWs assets under management attributable to each client referred by FPWA or members of each client's household. The WAS Program is designed to help investors find an independent investment advisor, and any referral from FPWA to NEW does not constitute a recommendation by FPWA of NEWs particular investment management services or strategies. More specifically, NEW pays the following amounts to FPWA for referrals: the sum of (i) an annual percentage of 0.10% of any and all assets in client accounts where such assets are identified as "fixed income" assets by FPWA and (ii) an annual percentage of 0.25% of all other assets held in client accounts. In addition, NEW has agreed to pay FPWA an annual program fee of $50,000 to participate in the WAS Program. These referral fees are paid by NEW and not the client.

To receive referrals from the WAS Program, NEW must meet certain minimum participation criteria, but Advisor has been selected for participation in the WAS Program as a result of its other business relationships with FPWA and its affiliates, including Fidelity Brokerage Services, LLC ("FBS"). As a result of its participation in the WAS Program, NEW has a conflict of interest with respect to its decision to use certain affiliates of FPWA, including FBS, for execution, custody and clearing for certain client accounts, and Advisor could have an incentive to suggest the use of FBS and its affiliates to its advisory clients, whether or not those clients were referred to NEW as part of the WAS Program. Under an agreement with FPWA, NEW has agreed that Advisor will not charge clients more than the standard range of advisory fees disclosed in its Form ADV 2A Brochure to cover solicitation fees paid to FPWA as part of the WAS Program. Pursuant to these arrangements, NEW has agreed not to solicit clients to transfer their brokerage accounts from affiliates of FPWA or establish brokerage accounts at other custodians for referred clients other than when NEW's fiduciary duties would so require, and NEW has agreed to pay FPWA a one-time fee equal to 0.75% of the assets in a client account that is transferred from FPWA's affiliates to another custodian; therefore, NEW has an incentive to suggest that referred clients and their household members maintain custody of their accounts with affiliates of FPWA. However, participation in the WAS Program does not limit NEWs duty to select brokers on the basis of best execution.

Participation in Halo TAMP

NEW participates in the HALO Protected Investment TAMP program, through which NEW receives referrals from HALO Investment Services, LLC a SEC registered investment adviser ("HALO") for the management of assets in its Structured Notes Advisory Program ("SNAP"). In exchange for these referrals, HALO receives between 40-50% of the investment advisory fees paid to NEW through their TAMP. As a result, HALO has a potential conflict of interest to recommend an investment in SNAP. HALO is not a current client of, or investor in any product offered by NEW; however, HALO is a current service provider to NEW. NewEdge may execute its structured notes trades on HALO's electronic trading platform, through its affiliate broker dealer, HALO Investing, Inc. HALO Investing, Inc. receives a commission for each trade that NEW executes through its platform. Accordingly, potential investors should recognize that any such recommendation by HALO will be potentially influenced by the foregoing considerations.

Recruiting & Transition Expenses

As a part of our business, the firm hires outside parties (recruiters) to help find investment advisers interested in joining NewEdge or using our platform services. The recruiters are typically paid a fee based on a percentage of the total revenue of the investment adviser or business referred to NewEdge. At times, others will contribute to the recruiting expense NewEdge might incur, including custodians of client assets such as Fidelity. When a third-party custodian contributes to the recruiting expense, it presents a conflict of interest, as NewEdge has an incentive to refer the client to the third-party custodian sharing the cost of the recruitment expense over another custodian. [The Firm also compensated certain financial advisers from referring other financial advisers to the firm]

Referrals for Banking and Lending Services

PWAs may refer clients to unaffiliated third-party firms for certain services, such as lines of credits, mortgages and other investment related services. In making such referrals, will seek to identify reputable unaffiliated third parties who offer commercially reasonable terms, but does not undertake to perform any level of due diligence on or ongoing monitoring of such third parties or to search for the providers who offer the most favorable terms to clients. Clients should carefully evaluate these unaffiliated third parties and their terms of service relative to other providers in the marketplace before entering into a service relationship with them. **In certain cases, these referral arrangements will involve the payment of referral fees to, or participation in revenue sharing arrangements with, NewEdge and potentially the PWAs making the referral.**

In addition to receiving fees in their capacity as an investment adviser or solicitor, NewEdge and its PWAs may receive reimbursements or marketing allowances for marketing expenses and business development costs incurred by the PWA. In addition, PWAs may receive invitations to conferences and meetings that are sponsored by firms that offer third-party programs to the advisor. Portfolio strategists, investment managers, and product manufacturers may contribute to the cost of the conferences and meetings, may be identified as a sponsor of the conference or meeting, and may have the opportunity to promote their products, programs, and services directly to NewEdge and its PWAs. Additionally, the advisor's travel-related costs and expenses, meals, and entertainment may be paid or subsidized by the firms. These payments to NewEdge and its PWAs present a conflict of interest because they provide a financial incentive for advisors to recommend clients to the products of the payers.

Financial Information

NewEdge is not required to disclose any financial information due to the following (1) the Firm does not require or solicit the prepayment of more than $1,200 in fees six months or more in advance of services rendered, (2) the Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and (3) the Firm has not been the subject of a bankruptcy petition at any time during the past ten years.

ANY QUESTIONS: NewEdge's Chief Compliance Officer, David Schnier, remains available to address any questions regarding this Form ADV Part 2A.