FORM ADV PART 2A AND APPENDIX 1

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June 11, 2015

This brochure provides important information about Cetera Investment Advisers LLC (Firm, us, our, or we). You should use this brochure to understand the relationship between you, the Firm, and your investment adviser representative (Advisor). If you have any questions about the contents of this brochure, please contact Advisor Services at 888.528.2987, option 2, then option3 or at www.ceterafinancialspecialists.com.

The Firm is registered with the Securities and Exchange Commission (SEC) as a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The information in this brochure has not been approved nor verified by the SEC or by any state securities authority.

Additional information about the Firm is also available on the SEC's website at www.adviserinfo.sec.gov (select "investment adviser firm" and type in our name).

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Cetera® | INVESTMENT ADVISERS LLC

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ITEM 2 – MATERIAL CHANGES

Why are you providing me with this Brochure?

Cetera Investment Advisers LLC prepared this brochure in response to the 2010 amendments to the SEC's Form ADV.

When appropriate, Item 2 provides a summary of material changes the Firm has made to this brochure since the last annual update, which occurred in March 2014.

On January 16, 2014, RCS Capital Corporation (RCAP) announced that it entered into an agreement to acquire Cetera Financial Group, Inc., the parent company of Cetera Investment Advisers. The transaction closed on April 29, 2014 and resulted in a change of ownership. The transaction in no way affects the services provided by your investment adviser representative.

On January 17, 2014, the firm terminated the Strategic Advisor Program.

Beginning January 21, 2014, the Firm began to offer advisory services to clients of Advisors who are registered representatives of Cetera Investment Services LLC.

On September 8, 2014, the firm launched Managed Wealth ADVANTAGE, a discretionary mutual fund wrap program using accounts held at Pershing, LLC. Cetera Investment Management LLC (CIM) was the Model Provider for the program.

CIM was established and registered on or about November 15, 2012 to provide portfolio advice to related broker-dealers, Cetera Investment Advisors (CIA), and their clients. As of June 11, 2015, CIM changed its name and is now known as Tower Square Investment Management LLC (TSIM).

Will I receive a brochure every year?

We may, at any time, update this Brochure. Any material changes will either be sent to you as a summary of those changes or, depending on the extent of these changes, you will receive the entire updated Brochure.

May I request additional copies of the brochure?

Absolutely. You may request and receive additional copies of this Brochure in one of three ways:

- Contact the Advisor with whom you are working with
- Download the Brochure from the SEC website at www.adviserinfo.gov. Select "investment adviser Firm" and type in our Firm name
- Contact Advisor Services at 888.528.2987, option 2, then option 3.

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ITEM 4 – ADVISORY BUSINESS

Who We Are

Since 1983, Cetera Investment Advisers LLC (the "Firm") has provided investment advisory services designed to help clients fulfill their financial goals. The Firm conducts business throughout the United States through investment adviser representatives ("Financial Advisors" or "Advisors") who are independent contractors registered with the Firm.

As of December 31, 2014, Cetera Investment Advisers had $7,447,362,333 in assets under management, of which $4,522,861,578 was managed on a discretionary basis and $2,924,500,755 was managed on a nondiscretionary basis.

We are wholly owned by Cetera Financial Group, Inc. On January 16, 2014, RCS Capital Corporation (RCAP) announced that it entered into an agreement to acquire Cetera Financial Group Inc. The transaction closed on April 29, 2014 and resulted in a change of ownership for Cetera Advisors. Please refer to Item 10 of this brochure for more information on our corporate structure.

Getting to Know You Better

Most advisory relationships begin with an initial client meeting. Typically, meetings may be done in person, over the telephone, or through email communications. The purpose of this initial meeting is to discuss with your Advisor your investment history, goals, objectives, and concerns as it relates to the management of your account.

Depending on your specific situation and the program that you select, your Advisor may have you complete a questionnaire or other fact-finding documentation. The answers that you provide may assist your Advisor in creating an Investment Policy Statement (IPS). Your Advisor may use your completed IPS, which includes information such as your goals, objectives, income, etc., to assist you and your Advisor in the management of your account. If your financial situation changes, including your goals and objectives, it is important that you let your Advisor know as soon as possible.

Important Considerations Prior to Opening an Account

We would like to provide you with general overviews of several important facts that are common with the advisory programs that we offer. While the list below is not meant to include every possible situation, we do consider and take into account the following:

Reasonable Restrictions

All advisory programs that involve the purchase and sale of securities offer you the ability to place reasonable restrictions on how we manage your account. For example, a reasonable restriction may indicate your desire that we do not invest in a certain sector or industry. If we determine that a restriction is unreasonable, we may refuse to manage your account. If this occurs, we will give you the opportunity to modify or withdraw the restriction.

Deposits and/or Withdrawals

Unless specifically stated, you may make additions to or withdrawals from your account at any time. If your account falls below the minimum required account value, we may terminate your account. You may also add securities to your account; however, note that we reserve the right to not accept particular securities into your account.

Trading Authorization

Advisory accounts typically involve the purchase and/or sale of securities. These accounts may be managed either on a discretionary or non-discretionary basis.

Quarterly Performance Reports

On a calendar quarter basis, you may receive a Performance Report that indicates how your account has performed over time. If you have any questions regarding the performance of your account, please contact your Advisor.

Minimum Account Opening Balance

Each advisory program requires a program-specific minimum account opening balance. At its sole discretion, the Firm may waive the minimum account size. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into a money market fund until the minimum opening balance requirements are met.

Wrap Fee Programs

Most third-party money management programs, as well as all of the Firm-Sponsored Programs, with the exception of Preferred Asset Management® and Advisor Select program (under the circumstances described below), are considered “wrap fee” programs, in which the client pays a specified fee for portfolio management services and trade execution. Wrap fee programs differ from other programs in that the fee structure for wrap programs is all-inclusive, whereas non-wrap fee programs assess trade execution costs that are in addition to the investment advisory fees.

Prime Portfolio Services and Premier Portfolio Management accounts are managed by your Advisor in accordance with his or her own investment methodology and philosophy. The other wrap fee programs available through Cetera Advisors are either managed by a related registered investment called Tower Square Investment Management LLC (TSIM) or an unaffiliated third-party money manager. Wrap fee programs are managed in accordance with the investment methodology and philosophy used by the respective third-party portfolio manager or TSIM's Investment Research team. Cetera Advisors receives a portion of the investment advisory fee you pay to your Advisor when you participate in any managed account program. If TSIM is acting as the portfolio manager, it will also receive a portion of the investment advisory fees.

Program Choice Conflict of Interest

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

Firm-Sponsored Programs

The Firm has developed several advisory services and programs to give you as much flexibility as possible. The specific advisory program selected by you may cost you more or less than purchasing program services separately. Factors that bear upon the cost of a particular advisory program in relation to the cost of the same services purchased separately include, but may not be limited to, the type and size of the account, the historical and/or expected size or number of trades for the account, and the number and range of supplementary advisory and client-related services provided to the account.

The following is a list of our advisory programs:

- Firm-Sponsored Programs
  a. Premier Portfolio Management
  b. Managed Wealth ADVANTAGE®
  c. Mutual Fund/Exchange-Traded Funds Advisory Program
  d. Next Generation Managed Account (xMA®) Program
  e. Portfolio Advisory Services
- Third-Party Money Management Programs
- Financial Planning
- Consulting Services
- Plan Advice and Consulting Services Retirement Plan Services

Portfolio Advisory Services

Portfolio Advisory Services (PAS) offers passively managed asset allocation models (Portfolios) based on clients' assessed risk tolerance and recommends investment primarily in institutional mutual funds from Dimensional Fund Advisors (DFA).

Cetera PAS Program Profile and Proposal Process

Your relationship begins with you completing a Risk Tolerance Questionnaire (RTQ). Based on your assessed risk tolerance, we will recommend a diversified portfolio. You may however select a different PAS Portfolio. The Firm has designed Portfolios to meet a range of investment objectives.

- **Capital Preservation:** This portfolio invests 100% in bond mutual funds. This portfolio looks to minimize potential losses and provide a return on mutual funds that invest in bonds rated BBB or higher with an average maturity of two years or less. The portfolio is appropriate for clients who would like more protection from loss on their assets than they might get from stock-invested accounts. This portfolio is not a money market account and is not government guaranteed. Although it contains no stock investments, it is subject to inflation and interest rate risk, and the bonds in the portfolio can increase or decrease in value, which can cause an overall Increase or decrease in the value of the portfolio.
- **Income:** This portfolio invests 15-25% in stock mutual funds and 75-85% in bond mutual funds. It typically includes mutual funds with bonds as its primary investments. This portfolio seeks to provide current income, but also contains some stock funds to provide additional opportunities for growth. This portfolio is suitable for clients whose primary concern is reducing the risk of their assets — such as those approaching retirement, or those who simply desire decreased risk of loss, but may desire some exposure to stocks in order to provide growth potential for their assets.

- **Income and Growth:** This portfolio invests 30-40% in stock mutual funds and 60-70% in bond mutual funds. It seeks current income, with a secondary objective of growth of the amount invested. This portfolio is suitable for clients who want the potential for some growth of assets, but also are interested in potentially generating some income. Although the majority of the assets are in bond funds, some stock funds are included. Historically, this has resulted in a higher potential return, but does involve more risk.
- **Growth and Income:** This portfolio invests 45-55% in stock mutual funds, and 45-55% in bond mutual funds. This portfolio seeks growth of the amount invested and current income as near-equal objectives. This portfolio is suitable for clients who want the potential for the higher returns possible from stocks over time without extreme variations in short-term market performance.
- **Growth:** This portfolio invests 60-70% in stock mutual funds and 30-40% in bond mutual funds. It seeks growth of the amount invested by using stock funds, but tries to balance the risk by also placing a significant portion of the balance in bond funds. This portfolio is suitable for clients who are willing to accept some risk in exchange for the potential for higher returns provided by stocks over time. Generally, because of the higher risk involved, clients should not invest in this portfolio unless they have an investment time horizon of more than five years.
- **Aggressive Growth:** This portfolio invests 75-100% in stock and 0-25% in bonds. Its goal is to produce growth of the amount invested by putting most of the portfolio into stock funds, while seeking to protect from wide swings in value by placing a small investment in bond funds. This portfolio is best suited for clients who are willing to accept significant risk in exchange for the potential for higher returns provided by stock funds over time. This portfolio is suitable for clients who can afford to risk short-term loss of a significant portion of the amount invested for the potential for higher long-term returns. Clients should typically have an Investment time horizon of more than five years.

Investment Management Philosophy

PAS Portfolios through the mutual fund holdings have broad exposure to the domestic and international markets. Clients may select a Standard Core portfolio or a Global Core portfolio for their investment objectives. Global Core portfolios offer increased exposure to international markets. PAS's Investment Committee, Tower Square Investment Management, a related registered investment adviser, regularly reviews the asset classes and mutual funds it includes in the Portfolios. From time to time, the Investment Committee may add or delete mutual funds. If this occurs, the Committee may decide to apply the changes to current client accounts, where applicable.

Trading Authorization

You select the portfolio your account(s) will follow. By completing the account opening documentation, you authorize us to implement transactions on a discretionary basis. We will use discretionary authority to execute securities transactions that are recommended by models developed by PAS' Investment Committee and to rebalance client accounts.

We utilize Charles Schwab & Co. (Schwab) as the broker-dealer and for clearing and trade execution services. The Firm selected Schwab after considering its reputation, size, longevity, fees, computer access, and level of service. Further information can be found in Section 12.

If you open more than one PAS account, these accounts can be managed together as one "household." All household accounts, when taken together, will match the selected Portfolio. If the accounts significantly differ in size, an individual account within the household may contain only a few mutual funds, or even a single fund. The Firm determines the securities bought in each account.

Minimum Account Opening Balance

PAS generally requires a minimum deposit of $50,000, and clients can open multiple accounts and combine their assets to meet the deposit minimum. At its sole discretion, the Firm may waive the minimum account size. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into a money market fund until the minimum opening balance requirements are met.

If you are a current client and wish to open an account with a deposit of less than $50,000 and do not wish to invest it as part of a household, the Firm offers the opportunity to open an advisory account that invests in one of three different DFA Global Funds: DFA 25/75 Portfolio; DFA Global 60/40 Portfolio; and DFA Global Equity Portfolio.

Trade Confirmations

You will receive trade confirmation from Schwab for each security transaction placed in your account.

Transaction Costs

Transaction costs are the costs associated with purchasing or selling a security. Any transaction costs are charged to you by Schwab. Schwab offers asset-based transaction pricing. Schwab may charge additional costs for which you may be responsible.

Managed Wealth ADVANTAGE®

Managed Wealth ADVANTAGE (MWA) offers asset allocation models that have been developed for the firm by Tower Square Investment Management LLC (Model Provider), a related investment adviser. Model Provider will also independently select and add or remove the mutual funds and/or exchange traded funds that the Firm will make available through the program (Available Funds). We, and not the Model Provider, make the investment allocation decisions for client accounts under the MWA Program.

MWA Program Profile and Proposal Process

The process with the Firm begins with you completing an Investment Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon, and other pertinent information. The information we gather will also be used to determine your suitability for the program and to assist you in setting an appropriate investment objective and selecting an asset allocation model.

You and/or your Advisor will build an investment portfolio (Portfolio) consistent with your asset allocation model, using available funds. Your Advisor will provide ongoing advice on the selection or replacement of mutual funds and/or ETFs in your account based on your individual needs and the investment choices available in the program.

Investment Management Philosophy

MWA provides you with the opportunity to participate in an asset allocation program using selected mutual funds and/or exchange traded funds.

Trading Authorization

By completing the account opening documentation, you authorize us to implement transactions on a discretionary basis. You also authorize us to act as overlay manager and to delegate this authority to FDX Advisors, Inc. (Folio), an independent investment adviser. Folio, as the overlay manager, will have full discretion to place orders for the purchase and sales of securities in accordance with your selected Portfolio and to rebalance your account whenever it moves up or down 25% from the target allocation.

Minimum Account Opening Balance

MWA generally requires a minimum deposit of $25,000. If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into a money market fund until the minimum opening balance requirements are met. Your balance in the money market fund is not insured or guaranteed against loss.

Trade Confirmations

You will receive trade confirmation from Pershing for each security transaction placed in your account. Trade confirmation suppression is available upon client request.

Transaction Costs

Transaction costs are the costs associated with purchasing or selling securities. In the MWA program, any transaction costs associated with your account are included or wrapped into your advisory fee. Other brokerage account charges will be charged to your account when applicable.

Premier Portfolio Management

We sponsor a wrap fee program called Premier Portfolio Management (Premier). In this program, your Advisor will create a mix of investments that are appropriate for your investment goals. The benefit of opening these types of accounts includes:

- Individualized management of your account
- Annual reviews of your account
- Quarterly performance reports

Minimum Account Opening Balance

In general, we require a minimum deposit of $25,000 to open a Premier account. Your opening balance may include both cash and securities. Depending on a number of factors, we may waive the minimum required balance, including whether or not you have other accounts with us.

Trade Confirmations

You will receive trade confirmation from Pershing for each securities transaction placed in your account.

Transaction Costs

Transaction costs are the costs associated with purchasing or selling securities. In the Premier program, any transaction costs associated with your account are included or wrapped into your advisory fee.

In addition to the transaction costs, IRA maintenance fees, trade confirmation fees, paper surcharge fees, SEC 31 fees, inactivity fees, dividend reinvestment fees, FundVest short-term redemption fees, and real estate investment trust (REIT) holding fees are also covered by your advisory fees. Other brokerage account charges will be charged to your account when applicable.

FundVest Mutual Funds

We offer a wide range of mutual funds, including mutual funds in the FundVest mutual fund program. This program is maintained by our clearing/custodial firm, Pershing. Pershing, at their sole discretion, may add or remove mutual funds from the FundVest program without prior notice. In the FundVest program, transaction costs are waived on purchases that would normally carry a transaction charge, which may provide your Advisor with an incentive to recommend a FundVest mutual fund. This incentive is increased if you have a Premier account due to the fact that your Advisor pays for the transaction costs.

Mutual funds that participate in Pershing's FundVest program will be assessed by Pershing a short-term redemption fee if sold within three months. Similar short term redemptions fees may be charged by mutual funds that are part of or outside of the FundVest program. Pershing's FundVest short-term redemption fees are covered by your advisory fee for Premier accounts. Any FundVest short-term redemption fees will not be charged to you, the client if you have a Premier account.

Trading Authorization

A Premier account can be managed either on a discretionary or non-discretionary basis.

Types of Securities

Your Advisor will purchase securities on your behalf based on your goals and objectives. In order to meet your needs, we provide a wide range of investment choices for you to consider. Some of the securities we may offer to you include, but are not limited to:

- General securities
- Covered call options and purchasing put options
- Fixed income securities
- Mutual funds
- Structured products
- Exchange traded funds
- Unit investment trusts

Borrowing Money (Margin Accounts)

A margin account is an account where you may borrow funds for the purpose of purchasing additional securities. You may also use a margin account to borrow money to pay for fees associated with your account or to withdraw funds. If you decide to open a margin account, please carefully consider the following:

- If you do not have available cash in your account and use margin, you are borrowing money to purchase securities, pay for fees associated with your account or withdraw funds.
- You are using the securities that you own as collateral.
- Money borrowed is charged an interest rate that is subject to change over time.
- Your Advisor has a conflict of interest when recommending that you purchase or sell securities using borrowed money. This conflict occurs because your advisory fee is based on the total market value of the securities in your account. If you have a margin debit balance (in other words you have borrowed and owe money to the Firm), your margin debit balance does not reduce the total market value. In fact, since you have borrowed money to purchase additional shares, the total market value of your account will be higher, which results in a higher advisory fee.

We reduce this conflict by requiring all margin accounts to be pre-approved by the home office. We also review accounts to determine whether or not the use of margin is appropriate and in line with your goals and objectives.

Please also carefully review the margin disclosure document for additional risks involved in opening a margin account.

Loan Advance Accounts

A Tri State Capital Bank (Tri State) pledged account is collateral for a loan held through Tri State. A customer may borrow money from Tri State by pledging securities held and custodied in their Pershing brokerage account. Unlike a margin account, these borrowed funds cannot be used to purchase additional securities.

If you decide to enter into loan arrangement with this banking entity, you should carefully consider the following:

- You are borrowing money that will have to be repaid to the Tri State.
- Pledge arrangement arrangements are only available for non-qualified accounts.
- You, as the borrower, are using the cash and securities that you own in the account as collateral.

- You will be charged an interest rate that is subject to change.
- Tri State can force the sale of securities or other assets in the pledged account at any time and without notice to cover any deficiency in the value of the securities pledged for the loan. Tri State can decide which securities to sell without consulting you.
- The Firm and our representatives have a conflict of interest when you obtain a loan from Tri State. This conflict occurs because the Firm and the representative will receive a portion of the interest charged on the loan. The Firm reduces this conflict by reviewing the borrower's accounts to determine whether or not the use of Tri State is appropriate and in line with the borrower's goals and objectives.
- Tri State is responsible for reviewing the loan application and any other documents that Tri State may require to obtain the loan. Tri State, in its sole discretion, will determine the credit worthiness of the applicant, including the amount of the loan.
- Prior to establishing a loan with Tri State, you should carefully review the loan agreement, loan application and any other forms required by the bank in order to process your loan.

Prior to establishing a loan with Tri State, you should carefully review the disclosure form provided by the Firm.

Mutual Fund/Exchange-Traded Funds Advisory Program

We offer a portfolio management service known as the Mutual Fund/Exchange-Traded Funds Advisory Program (MF/ETF Program). As of April 17, 2013, Tower Square Investment Management LLC (Model Provider), an investment adviser affiliated with us, is responsible for making a set of tactical model portfolios of securities (Strategic PLUS Portfolios) and a set of passive model portfolios of securities (Strategic Portfolios) (the Strategic PLUS Portfolios and the Strategic Portfolios collectively referred to as the "Portfolios") available to you through the Program. Model Provider may add or remove one or more Strategic PLUS Portfolios or Strategic Portfolios from the program from time to time. Once you have determined your preference for either Strategic PLUS Portfolios or Strategic Portfolios for the program, we will recommend a Portfolio that is consistent with your risk tolerance, choosing from the applicable set of Portfolios made available by Model Provider for the program. With respect to your Portfolio, Model Provider will independently select the mutual funds and/or exchange traded funds (ETFs) as a provider (Strategist) of model portfolio design services to the program or, in its sole discretion, it may authorize a third-party money manager to provide such services as a Strategist to the program. In either case, the program fee payable to us and/or our affiliates with respect to the applicable set of Portfolios will be the same and levelized, and the cost for any third-party money manager's services as a Strategist shall be incurred by and charged to us and/or its affiliates. Wilshire, Sage, and UBS currently serve as Strategists for the MF/ETF Program in addition to Model Provider.

We, and not Model Provider or any other Strategist, make the investment decisions for client accounts under the MF/ETF Program. Model Provider is a related entity and, in its discretion, may authorize non-affiliated Strategists to provide certain services to the program. Since the costs for any non-affiliated Strategist's services would be incurred by us and/or our affiliates, reducing our and/or our affiliates' net compensation, we and/or our affiliates may have a financial incentive to limit the use of non-affiliated Strategists. Depending on the Strategist used, the compensation to the Firm, its affiliates, and/or the IAR may change.

Clients who wish Tower Square Investment Management (TSIM) to act as Model Provider and/or Strategist for their accounts must sign advisory agreements that include TSIM's services.

MF/ETF Program Profile and Proposal Process

Your relationship begins with you completing an Investor Profile Questionnaire (IPQ). The purpose of the IPQ is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information. The information that we gather will also be used to propose an appropriate MF/ETF Program asset allocation strategy. Once you receive the proposal and meet with your Advisor, you will determine whether to adopt, modify or reject the recommended asset allocation strategy.

Clients that wish TSIM to act as Model Provider and/or Strategist for their accounts must execute a new advisory agreement if they signed agreements that did not include TSIM's services.

Investment Management Philosophy

Our Mutual Fund/Exchange-Traded Funds Advisory Program provides you with the opportunity to participate in an asset allocation program using a tactical model, a strategic model, or a combination of tactical and strategic models.

Strategic Asset Allocation

Strategic asset allocation is a portfolio strategy that involves the periodic rebalancing of your portfolio in order to maintain a long-term goal of a chosen asset allocation mix. The initial investments are chosen based on expected returns and within your risk tolerance. Because the value of the assets can change based on market conditions, the portfolio constantly needs to be re- adjusted to meet the policy. This is often called rebalancing and may be done at regular intervals.

The Strategist does not purposely deviate from the original determined asset allocation percentages. The emphasis is on preserving this initial chosen asset allocation mix because the mix ultimately relates to a larger performance objective based on historical data.

Tactical Asset Allocation

Tactical asset allocation is a portfolio strategy that involves the rebalancing of assets held in various categories in order to take advantage of market pricing anomalies or strong market sectors, as chosen by the portfolio managers. This strategy allows the Strategist the opportunity to try and create extra value by taking advantage of these potential situations in the markets. It is a moderately active strategy and may use short-term trading methods.

The investment philosophy is usually based on the belief that investor psychology and market forces can lead to periods of misevaluation. A tactical allocation process attempts to capture these misevaluations. It is not a fixed asset weight mix and the allocation and risk level of the portfolio may change quite dramatically.

Trading Authorization

Your Advisor will assist you in determining an appropriate investment strategy to follow. By completing the account opening documentation, you authorize us to execute transactions on a discretionary basis. We, in turn, are utilizing FDX Advisors, Inc. (Folio), an independent investment adviser, to execute the transactions on your behalf. Folio will use discretionary authority to execute securities transactions that are recommended by the models developed by TSIM, Sage, Wilshire and UBS.

Folio will rebalance your account whenever the account moves up or down 25% from the target allocation designed by the Strategists: TSIM, Sage, Wilshire and UBS.

Minimum Account Opening Balance

In general, the MF/ETF Program requires a minimum deposit of $25,000 for accounts consisting of mutual funds or $50,000 for accounts utilizing ETF securities.

If you establish a new account and deposit funds less than the minimum opening balance requirement, your funds will not be managed until the minimum dollar amount is met. Your cash will be placed into a money market fund until the minimum opening balance requirements are met.

Restrictions on the Management of your Account

By sending us a written request, you may impose reasonable restrictions on the management of your account. We may refuse to accept or manage your account if we determine such restrictions are unreasonable. In the event that we are unable to accept your restriction, we will give you the opportunity to modify or withdraw the restriction.

Trade Confirmations

You will receive trade confirmations from Pershing for each security transaction placed in your account. If you do not wish to receive trade confirmations, you may indicate this wish by contacting your Advisor and he/she will assist you with completing the paperwork required to suppress these confirmations.

Transaction Costs

The client fee that you are charged includes a fee for both the professional advice received as well as any transaction costs associated with purchasing or selling securities within your portfolio. Item 5 of this brochure discusses additional costs for which you may be responsible.

In-Kind Transfers

The MF/ETF Program allows for in-kind transfers to fund accounts. For in-kind transfers, your Advisor may be charged a nominal fee. This creates a conflict of interest for the Advisor as he or she bears the cost if this option is used.

xMA® Program

We offer a portfolio management service known as Next Generation Managed Account (xMA). xMA provides access to independent investment manager(s) to design models based on investment styles. The styles may consist of multiple types of securities but typically utilize some or all of the following: fixed income, open-end mutual funds, exchange-traded funds, and general securities.

xMA Proposal and Investment Policy Statement Process

Your xMA relationship begins with completing an Investor Profile Questionnaire (IPQ). The purpose of this questionnaire is to assist your Advisor in understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other pertinent information.

The information that we gather will also be used to recommend an appropriate xMA manager.

Based on the answers provided to the firm, an Investment Policy Statement (IPS) will be generated. The IPS will present to you one of several investment styles for consideration.

Trading Authorization and Discretionary Management

This program is a discretionary program. The type of discretionary authority exercised depends on the model portfolio that you invest in. Your Advisor will have discretion as it relates to the xMA manager being utilized.

By completing the account opening documentation, you authorize us, or as applicable, the manager of a fixed income model (Fixed Income Model), to act as your agent and attorney-in-fact to direct the investment and reinvestment of the assets in your account. For accounts that do not utilize a Fixed Income Model, we, in turn, authorize Folio, an independent investment adviser, to have full discretionary trading authority to place orders for the purchase and sale of securities recommended by the models developed by such xMA managers.

Use of Independent Investment Managers

Your Advisor may recommend models designed by one or more independent investment managers. The xMA manager will independently select the securities for the model selected. With the exception of Fixed Income Models, the securities that comprise the model will be sent to Folio for trading. Pershing is currently utilized for clearing and trade execution services.

Fixed Income Models

Your Advisor may recommend models designed by managers to invest in fixed income securities. If a Fixed Income Model is selected, the fixed income manager will have investment and trading discretion over the trades for that account.

Minimum Account Opening Balance

In general, we require a minimum deposit of:

1. $100,000 for a portfolio that consists of individual equities
2. $100,000 for a portfolio that consists of fixed income securities (ETFs)
3. $250,000 for a portfolio that consists of fixed income securities (individual bonds)

The minimum deposit may consist of both cash and securities. In the event that you deposit an amount less than the required minimum opening balance, the assets will not be managed until the minimum opening balance is met. Any cash deposited during this interim period will be deposited into a money market fund. Managers may have different account minimums, restrictions on the types of investments they manage, and other pertinent details. Please refer to the manager's Form ADV Part 2A for additional information.

Transaction Costs

The client fee that you are charged includes a fee for both the professional advice received as well as any transaction costs associated with purchasing or selling securities within your portfolio. Item 5 of this brochure will also discuss the standard fee schedule that may be applied to your account.

Trade Confirmation and Account Statements

You will not receive individual trade confirmation statements for each trade that either we or Folio or the manager of a fixed income manager place as part of your model portfolio, unless you have requested to receive trade confirmations. Pershing will send you a monthly statement indicating the trading activity that occurred in your account during the prior month. If no trading activity has occurred, you will receive a statement from Pershing on a quarterly basis. If you wish to receive a confirmation for any individual transaction, please contact your Advisor.

Third-Party Money Manager Programs

Our third-party money manager (TPMM) programs provide you with the opportunity to have your portfolio professionally managed by outside money managers. TPMM programs offer Advisors' clients access to a variety of model portfolios with varying levels of risk from which they may choose. TPMM program accounts are not managed by Cetera Advisors; rather, they are managed by one or more third-party portfolio managers on a discretionary basis, and they may consist of a variety of different securities types, including stocks, bonds, and mutual funds. Cetera Advisors is not the sponsor of these TPMM programs.

Cetera Advisors may act in either a "solicitor" or "subadviser" capacity when it offers TPAM programs to Advisors' clients, as described below:

Solicitor: When acting as a solicitor for the TPMM program, Cetera Advisors and your Advisor do not provide advisory services in relation to the TPMM program. Instead, your Advisor will assist you in selecting one or more TPMM programs believed to be suitable for you based on your stated financial situation, investment objectives, and financial goals. The TPMM will be responsible for assessing the suitability of their products against your risk profile. Cetera Advisors and your Advisor are compensated for referring you to the TPMM program. This compensation generally takes the form of the TPMM sharing a percentage of the advisory fee you pay to the TPMM with Cetera Advisors and your Advisor. When we act as a solicitor for a TPMM program, you will receive a written solicitor disclosure statement describing the nature of our relationship with the TPMM program, if any; the terms of our compensation arrangement with the TPMM program, including a description of the compensation that we will receive for referring you to the TPMM program; and the amount, if any, that you will be charged in addition to the advisory fee that you will pay to the TPMM as a result of our referral of you to the TPMM program.

Adviser or Subadviser: Under an adviser or subadviser relationship between Cetera Advisors and the sponsor of the TPMM program, we are jointly responsible for the ongoing management of the account. Your Advisor is responsible for assisting you with completing the investor profile questionnaire. While each TPMM may have a different name for their questionnaire, your responses will assist your Advisor with understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other personal information. Based on the answers that you provide to your Advisor, he or she will assist you in determining which TPMM model or portfolio strategy is appropriate for you. As part of establishing a new account, you will receive both our disclosure brochure as well as the TPMM's disclosure brochure.

Since each TPMM is uniquely structured with different investment products, please ensure that you carefully review all documents provided to you on behalf of the TPMM. These include, but are not limited to:

- The TPMM's Form ADV Part 2A or Disclosure Brochure for specific program descriptions.
- The TPMM's Client Agreement as well as any other agreement entered into regarding a TPMM program, for specific contractual terms (including fees, billing methods, administrative and other fees, etc.).
- Any additional disclosure or offering documents provided by the TPMM in connection with investment products.

Financial Plans

Financial planning typically involves providing a variety of services to individuals or entities regarding the management of their financial resources based upon an analysis of their individual needs. Generally, financial planning services involve preparing a financial program for a client based on the client's financial circumstances and objectives. The information provided as part of this service would normally cover present and anticipated assets and liabilities, including insurance, savings, investments, and anticipated retirement or other employee benefits.

The advice that is provided to you by your Advisor may include general recommendations for a course of activity, or specific actions, to be taken by you.

Traditional financial planning involves meeting with you to determine your financial goals and objectives. We then develop and deliver to you a written financial plan. At that point, our advisory relationship is typically concluded.

Initial Client Meeting

The purpose of this meeting is to discuss with you specific areas of concern and potential planning areas. During this meeting, your Advisor will work with you to determine whether or not a financial plan is appropriate for your specific circumstance.

As part of your initial meeting, or as a separate meeting, your Advisor will review all necessary documents for him/her to develop a financial plan for you. These documents may include, among other things, brokerage statements, income tax statements, a current will, other financial plans, business agreements, retirement information, etc.

Developing a Financial Plan

Based on the information that your Advisor gathers about your specific circumstance, a financial plan will be developed for you. Your Advisor may use various computer software tools to assist them in creating the financial plan. While our Advisors will not provide tax or legal advice, with written permission from you, they may speak with your attorney and/or tax professional.

Financial plans may consist of:

Financial Position – Financial position review encompasses a review of your current financial position, including a review of your current cash flow. This type of review typically involves reviewing your net worth, cash flow, budget, debt, and investment accounts.

Retirement Planning – Retirement planning typically consists of analyzing your current or expected future retirement needs. Based on your current level of retirement savings, additional retirement accounts (such as an IRA or Roth IRA) may be recommended, or additional contributions to your existing company retirement plan may be recommended.

If you have an account in a company retirement plan that falls under ERISA (such as a 401(k), defined benefit plan, etc.), your Advisor may provide education on your company retirement account but not specific investment advice. The education that they provide to you will be limited to:

- General principles for investing, overall asset allocation strategies, and general information about the options currently available in your plan.

- Your Advisor may consider the amount of assets you hold in your company retirement plan in order to determine and recommend an overall investment strategy for you.
- Your Advisor may not provide you with specific investment advice regarding investments held within your company retirement plan. This includes recommending that you invest a certain percentage into an investment option held within your company plan.

Insurance Analysis – Insurance analysis typically consists of analyzing your current or expected insurance needs. Based on your specific circumstances, such as, number of dependents and the age of the members in your household, your Advisor may suggest the need to increase or decrease the amount of insurance you currently have. Certain states do not allow us to charge you a separate management fee to review your insurance needs.

Education Planning – Your Advisor may review your current or future needs as it relates to paying for education expenses for you or your dependents. This type of review typically analyzes the amount of money you are saving for education expenses.

Tax Efficient Investing Strategies – As part of the consulting services, your Advisor may not provide you with tax advice. However, your Advisor may assist you in designing an investment strategy to maximize the tax efficiency of your portfolio.

Advice Provided

The financial plan will provide you with recommendations and advice tailored to your specific financial goals, objectives, and situation. You are under no obligation to act on the advice that is given to you. If you choose to act on any of the advice given to you, you are under no obligation to open any accounts with us, and you may, in fact, open accounts with firms that are not affiliated with us.

Delivering the Plan

Your Advisor will deliver and explain the financial plan or a letter recapping the advice that is being provided to you.

Consulting Services

Consulting services, while similar to traditional financial planning, provide you with several distinct services. These include the ability for your Advisor to provide a broader range of financial advice and services, including the ability to provide specific security recommendations. The services are offered to you over a longer period of time (up to three years).

Consulting Services Term

Consulting services allow our Advisors to provide continuous advice to you for the duration of the consulting service contract. The contract is in effect for three years from the time you initially sign the contract. The contract may be terminated earlier at the request of you or us. If you wish to continue the consulting arrangement after the contract expires, you will need to execute a new contract with another three year term.

Initial Client Meeting

The purpose of this meeting is to discuss your current and future goals and objectives. During this meeting, your Advisor will explain the consulting process, set reasonable expectations with you, and discuss any initial concerns that you may have.

As part of your initial meeting, or as a separate meeting, your Advisor will review all necessary documents for him/her to develop a course of action for you. These documents may include, among others, brokerage statements, income tax statements, current will, other financial plans, businesses agreements, retirement information, etc.

Subsequent Review Meetings

Based on the services provided to you, your Advisor will schedule subsequent meetings to discuss the status of recommended actions. These meetings may occur in a number of ways, including over the telephone, in person, or via email.

Advice Provided

The consulting services your Advisor provides will include recommendations and advice tailored to your specific financial goals, objectives and situation. You are under no obligation to act on the advice that is given to you. If you choose to act on any of the advice given to you, you are under no obligation to open any accounts with us, and you may, in fact, open accounts with firms that are not affiliated with us.

Fee Invoice

On a quarterly, semi-annual or annual basis, you receive an invoice from your advisor describing the services provided to you and the cost of the services or advice. Your consulting fee is paid for in arrears. This means that your fees pay for advisory services that you received in the prior quarter, six months or 12 months.

Retirement Plan Services

Retirement Plan Services (RPS) is a fee-based investment program for tax-qualified retirement plans, particularly larger 401(k), and other defined contribution plans with assets of at least $1,000,000. (The Firm may consider managing retirement plans with balances between $500,000 and $1,000,000 on a case-by-case basis, depending on average account balances and the amounts of ongoing deposits.) The Firm launched RPS because clients of PAS wanted to offer services similar to those offered with PAS to retirement plan participants. RPS offers asset allocations (RPS Portfolios) for retirement plans that are similar, but not identical, to those offered through the Portfolio Advisory Services accounts. RPS Portfolios available to plan participants include capital preservation, income, income & growth, growth & income, growth, and aggressive growth.

At the request of plan sponsors, financial advisors can assist in educating plan participants about available plan investment choices including the RPS Portfolios. They can also educate plan participants on how to gauge their risk tolerance and investment objectives and how to enroll in the plan. Financial advisors do not provide individualized investment advice to any plan participant and do not act as a plan fiduciary. The Firm will require that retirement plans establish relationships with recordkeepers and custodians because the Firm does not provide recordkeeping and custodial services.

The Firm recommends certain recordkeepers and custodians that are not affiliated with the Firm. The Firm may base its recommendations of these recordkeepers and custodians in part on certain services or benefits available to retirement plans and to the Firm. These services may include, but are not limited to, collecting plan establishment documents, providing regular reports to the Firm and providing plan participants with a website to access information about their RPS Portfolios. The availability of services to the Firm may create a conflict of interest since the Firm is not basing its recommendations exclusively on the quality of services these companies provide to retirement plans. We mitigate this conflict by reviewing the suitability of each new account. The services provided by recordkeepers and custodians are not contingent on plan sponsors conducting a specific amount of business with them.

Plan Advice and Consulting Services

Retirement plans subject to the Employee Retirement Income Security Act of 1974 may retain a qualified Advisor of the Firm to provide advisory and consulting services to your retirement plan. In providing these services, the Firm may act as a fiduciary as defined under Section 3(21)(A)(ii) of ERISA, but will serve in such capacity only with respect to the provision ERISA-defined investment advice.

Plan Participant Advice Program

The Plan Participant Advice Program allows qualified investment adviser representatives (IARs) to provide fee-based advisory services to ERISA accounts (e.g., employer-sponsored 401(k) plan) that are held away from the Cetera broker-dealer. When providing advisory services under this program, the IAR acts as a 3(21) ERISA fiduciary. By making this acknowledgement, your IAR is required to be prudent and act in your best interest when making recommendations and providing advice. For more information, refer to the Plan Participant Advisory Agreement for ERISA Assets Held Away from Cetera.

Advisory services may consist of:

- Non-discretionary investment advice
- Asset allocation model
- Strategic investment allocations
- Investment performance reporting

The decision to implement any recommendation rests exclusively with the plan participant and there is no obligation to implement any such recommendations through the Firm or Advisor.

Excluded services not offered as part of the plan Participant Advice Program:

- Providing investment advice with respect to those assets in your plan that are invested in a particular investment option or security as a result of an investment restriction imposed by the plan, the company sponsoring the plan, or you
- Providing advice with respect those assets in your plan held in any self-directed brokerage account or window available under your plan, unless you expressly engaged the Firm to provide advice with respect to such brokerage account as indicated in your agreement
- Providing advice regarding the prudence of company stock in the participant's account.
- Exercising any discretionary authority or control over the management or disposition of any investments in the participant's account.
- Providing legal or tax advice or any advice on the voting of proxies solicited on behalf of any securities in the participant's account

Plan Advice and Consulting Program

Consulting services may consist of:

- Charter for fiduciary committee
- Education services to fiduciary committee
- Performance reports

- Fee monitoring
- Participant education services
- Service provider recommendations

In performing consulting services, Advisor and the Firm are acting solely as an agent and at plan's direction and not as a fiduciary of the plan.

Excluded services not offered as part of the Plan Advice and Consulting Services:

- Custody, Trade Execution – Taking custody or possession of any plan assets, ensuring that contributions by the plan or from participants are timely deposited with the trustee or custodian for the plan, or executing orders for trades or securities transactions with respect to the plan's assets.
- Employer Stock Fund, Brokerage Window – Providing advice regarding the prudence of plan investments in any employer stock, or providing guidance to participants concerning investments through any brokerage account window under the plan.
- Proxies – Rendering advice on, or taking action with respect to, the voting of proxies solicited on behalf of securities held in trust by the plan, or the exercise of similar shareholder rights regarding such securities.
- Discretionary Plan Administration – Interpreting the plan, determining eligibility under the plan, distributing plan assets to pay benefits or expenses, determining benefit claim, or making any other discretionary decisions with respect to the administration of the plan.
- Legal or Tax Advice – Reviewing or amending plan documents for compliance with changes in tax qualification requirements, or providing legal or tax advice on matters relating to the plan, including advising on whether plan investments will result in unrelated business taxable income.
- Participant Advice – Furnishing any fiduciary "investment advice" within the meaning of ERISA to participants relating to any participant-directed investments under the plan. Any personal investment-related services provided by the Firm to individuals, including but not limited to individuals who are plan participants, will be unrelated to the services.
- Regulatory Notices, Reports – Distributing summary plan descriptions, elections, and any other notices required by law to participants, or filing any governmental reports for the plan or client.

ITEM 5 – FEES AND COMPENSATION

The Firm and/or your Advisor are compensated in several ways. We want to ensure that you understand how we as a Firm and our Advisors are compensated, as well as the other costs associated with your account. Here are a few important facts about the fees and costs associated with your account:

Assets Under Management (AUM)

Your Advisor will earn compensation for managing these accounts by charging you an advisory fee. This fee is called an assets under management (AUM) fee. Essentially, this means that on a quarterly basis, we will charge you a fee that is calculated as a percentage of the market value of the assets held within your advisory account.

Consolidated Billing

If you have multiple accounts in the same program, your program may offer the option to have a consolidated management fee deducted from each account in proportion to market value (default), instead of having all management fees deducted from one primary account, provided this primary account is not a retirement account and that the accounts have the same fee schedules and Advisors. Consolidated billing is available in the following programs: Managed Wealth ADVANTAGE, Premier Portfolio Management and Portfolio Advisory Services. The primary account's performance returns will be lower than the returns for other householded accounts if all management fees are deducted from the primary account, instead of deducting fees from each account in proportion to market value.

Negotiable Fees

While we have a maximum fee that can be charged to manage your account, you and your Advisor may negotiate a lower fee. Because our fees are negotiated between you and your Advisor, individual clients will pay different fees for receiving the same or similar advisory services.

You Pay Your Advisory Fees in Advance

Unless specifically stated below, our AUM fees are assessed on a quarterly basis in advance. This means that you are charged for the following calendar quarter's advice and not for past advice. Fees are generally automatically deducted from your advisory account. If you terminate your account prior to the end of a quarter, we will refund any advisory fees owed to you on a prorated basis. The prorated fee is based on the number of days remaining in the quarter.

In the Portfolio Advisory Services program, the AUM fees are assessed on a quarterly basis in arrears.

Advisory Programs May Be More Expensive

The advisory fees you pay to us are for the investment advisory services that we provide to assist you with selecting the right mix of investments. Because most advisory programs purchase investments that have their own internal or management fees (such as mutual funds), the total cost of the program may be more than if you were to buy the securities individually.

You may purchase investment products that we recommend through other brokers or agents that are not affiliated with Cetera.

Additional Compensation

These programs may invest in companies, such as our Strategic Partners, that also provide us with additional revenue. Regardless of this additional compensation, these products do not cost you more by purchasing them from us versus another firm. Our Strategic Partner program is described in more detail on page 18.

Accounts may invest in load and no-load mutual funds that may pay the Firm annual distribution charges, sometimes referred to as 12(b)-1 fees. The Firm will credit retirement accounts (i.e., ERISA and IRA accounts) for any 12(b)-1 fees received because of mutual fund investments by these accounts. When 12(b)-1 fees are paid to us for investments made in non-retirement accounts, a portion may be passed to your Advisor. Because of the additional compensation that these payments represent, there is a financial incentive for your Advisor to recommend funds that pay 12(b)-1 fees over funds that have no fees or lower fees.

Fee Schedules May Change

In general, we may change our standard fee schedules at any time by providing you with 30 days advance notice.

Quarterly Performance Reports

As we mentioned in Item 4 of this brochure, you may be sent a quarterly report listing the performance of your account as well as any advisory fee that was deducted from your account for the quarter.

Fee Schedules – Tiered and Linear Fee Schedules

In general, and unless specifically stated below, we charge fees on a tiered fee structure. This means that your advisory account can be charged multiple percentages depending on the amount of assets held within the account. For example, if you have a Premier account with $750,000, and assuming you were being charged the maximum fee schedule, your annual fee would be calculated as follows:

- First $249,999.99 would be charged at 2.75%
- From $250,000 – $499,999.99 would be charged at 2.50%
- From $500,000 – $750,000 would be charged at 2.00%

Additional Fees and/or Expenses

Products such as certain mutual funds and variable annuities are required to be held by you for a period of time. If you sell a security prior to the required holding period, the issuer will assess a fee. These fees commonly referred to as contingent deferred sales charges (CDSCs) or surrender charges are described in detail within the product's prospectus. Please read the prospectus or statement of additional information carefully so that you fully understand any fees you may incur when selling a security.

In addition to your advisory fee, your accounts may include additional costs. These costs may include, but are not limited to, account maintenance fees, transaction costs, wire transfer fees, costs associated with exchanging currencies, and return check fees.

Additions and Withdrawals

Client may make additions to or withdrawals from an account in any of the Firm's sponsored programs at any time, subject to the Firm's right to terminate the account if it falls below the minimum account value as determined by the Firm from time to time or as otherwise provided in the client's advisory agreement. Additions may be in cash or securities, provided that the Firm reserves the right to decline to accept particular securities into the account or to impose a waiting period before certain securities may be deposited. If cash or securities are accepted for management in the account during the quarter, a prorated asset-based fee based on the value of the assets will be charged upon deposit. Client may request periodic withdrawals; and alternatively, may withdraw account assets subject to the usual and customary securities settlement procedures. Client acknowledges that account is responsible for any charges, including contingent deferred sales charges, surrender charges, or redemption fees, that apply to redemptions or liquidations of securities held in the account. No asset-based fee adjustment will be made during any quarter for appreciation or depreciation in account asset value during that period, nor shall any adjustment or refund be made with respect to partial additions or withdrawals which when aggregated, total less than $10,000 per day.

Advisory Fee Schedules

Portfolio Advisory Services Fee Schedule

The Firm charges clients in the PAS Program an annual client fee. The client fee includes two parts: an advisory fee, which clients negotiate with their financial advisor to pay for his/her services, and a program fee to cover administrative costs. (The program fee does not cover Schwab's trade execution costs, which is one reason why the PAS Program is not a wrap fee program.) One-fourth of the client fee is collected at the end of every calendar quarter based on the value of managed assets on the last business day of the just-ended quarter. The client fee charged is a "blended-rate" fee because it decreases as assets managed for the client increase. Clients pay a lower fee on assets added at higher tiers, but the reduced fee does not apply to assets in lower tiers. For example, the Firm charges a maximum client fee of 1.80% on the first $249,999 of assets managed, and a maximum fee of 1.75% on assets from $250,000 to $499,999.

PORTFOLIO VALUE		CLIENT FEE FOR GLOBAL AND STANDARD CORE PORTFOLIOS	
Tier Min	Tier Max	Annual Program Fee	Standard Annual Advisory Fee
$50,000	$249,999	.45%	1.35%
$250,000	$499,999	.40%	1.35%
$500,000	$999,999	.35%	1.35%
$1,000,000	$1,999,999	.30%	1.20%
$2,000,000	$4,999,999	.20%	1.00%
$5,000,000 over	$5,000,000	.20%	.75%

	CLIENT FEE FOR OTHER PORTFOLIOS	
	Annual Program Fee	Standard Annual Advisory Fee
75% - 85% Fixed Income Allocation Portfolios ($50,000 and up)	.20%	.65%
Capital Preservation Portfolios ($50,000 and up)	.15%	.45%

The Firm charges clients who open a DFA Global advisory account a PAS Program client fee. Clients must indicate at account opening if they wish to group their DFA Global advisory account with any existing PAS Program accounts for fee calculation purposes. Clients who had accounts before January 1, 2011 may have a different fee schedule for such accounts, and should refer to their Financial Advisory Agreement for the fees applicable to their accounts. The Firm may change the client fee Schedule with 60 days' notice to clients. Clients are mailed quarterly fee statements before client fees are deducted. Statements from the custodian also note deductions of client fees. Clients may request that the Firm aggregate their accounts to reach fee breakpoints, subject to Firm approval. Clients pay client fees only after trading begins. Trading begins after a PAS Portfolio's current fair market value of managed assets reaches $50,000. The Firm may assess client fees up to 30 days after it receives notice of termination. The Firm will prorate client fees on a daily basis when it does not manage a client's assets for the entire quarter. Some financial advisors are CPAs and perform audit services for a client's business. In these situations, at client request, the Firm allows quotes of PAS Program fees on a fixed-fee basis.

Managed Wealth ADVANTAGE Fee Schedule	
$0 - $250,000	2.75%
$250,001 - $500,000	2.50%
$500,001 - $750,000	2.00%
$750,001 - $1,000,000	1.75%
$1,000,001 - $2,000,000	1.50%
$2,000,001 - Over	1.25%

In addition to the annual fee, if you close a MWA account within the first year, you will pay a separate administration fee of $200.

Premier Fee Schedule	
Account Size	Maximum Annual Fee
$0 - $250,000	2.75%
$250,001 - $500,000	2.50%
$500,001 - $1,000,000	2.00%
$1,000,001 - $2,500,000	1.75%
$2,500,00 - $5,000,000	1.50%
$5,000,001 - Over	1.25%

In addition to the AUM fee, if you close a Premier account within the first year, you will pay a separate administration fee of $200.

MF/ETF Fee Schedule	
Account Size	Maximum Annual Fee
$0 - $250,000	2.75%
$250,001 - $500,000	2.50%
$500,001 - $750,000	2.00%
$750,001 - $1,000,000	1.75%
$1,000,001 +	1.50%

In addition to the AUM fee, if you close a MF/ETF account within the first year, you will pay a separate administration fee of $200.

xMA Fee Schedule	
Account Size	Maximum Annual Fee
$0 - $250,000	2.90%
$250,001 - $500,000	2.90%
$500,001 - $1,000,000	2.70%
$1,000,001 - $2,000,000	2.00%
$2,000,001 +	1.50%

In addition to the AUM fee, if you close an xMA account within the first year, you will pay a separate administration fee of $200.

Financial Planning Fees

Because financial planning can range in complexity, we do not have a fee schedule for financial planning services. During your initial or subsequent meetings with your Advisor, you will discuss an appropriate fee for the services provided to you. Some of the factors used to determine the appropriate fee are the time needed to create a customized plan as well as the complexity of the plan. Your Advisor will charge you either a flat fee or an hourly fee for financial planning work done on your behalf. A flat fee is a specific dollar amount that you will pay for financial planning services. An hourly fee is a fee that is based on an hourly rate (as negotiated between you and your Advisor) multiplied by the number of hours that your Advisor needs to create your plan.

The fee may be collected by your Advisor either at the time that the financial planning contract is signed or when he or she delivers the final plan to you. In either case, all checks should be made payable to the Firm and not your Advisor. You pay your financial planning fee when you sign the financial planning agreement either 100 percent of the total fee up-front, or half of the fee at the time the financial planning agreement is signed, and then pay the remaining half of the total fee when your financial plan is provided to you by your Advisor.

We do not take prepayment of more than $1,200 in fees, six months or more in advance.

Consulting Service Fees

As with financial planning, we do not have a standard fee schedule for consulting services. During your initial or subsequent meetings with your Advisor, you will discuss an appropriate fee for the service. Some of the factors used to determine the appropriate fee are the time needed to review your situation as well as the complexity of your situation. Your fee may be either a flat amount or based on an hourly rate. A flat fee is a specific dollar amount that you will pay for consulting services. An hourly fee is a fee that is based on an hourly rate (as negotiated between you and your Advisor) multiplied by the number of hours that your Advisor needs to spend on your situation.

We do not take prepayment of more than $1,200 in fees, six months or more in advance.

Plan Participant Advice Program

IARs may charge either an hourly rate payable quarterly in arrears; annual flat dollar fee payable quarterly in arrears; or an annual asset-based fee payable quarterly in arrears.

You may elect an asset-based fee according to the following tiered schedule.

Plan Participant Advice Program Fees	
Plan Account Assets	Maximum Annual Fee
$0-$250,000	2.25%
$250,001 - $500,000	2.00%
$500,000 - Over	1.50%

This means that your fees pay for advisory services that you received in the prior quarter. The method for remitting payment may include:

- Invoice
- ACH debit payment
- Journal from another account

Refer to your client agreement for details.

The consulting fee may be paid for you by check, or in limited circumstances, by deducting the fee from your bank account by completing an ACH Request Form. In either case, the fee should be made payable to the Firm and not your Advisor.

Strategic Partners

Although we offer thousands of mutual funds from more than 250 mutual fund companies, and hundreds of variable life and annuity contracts from more than 100 insurance companies, we concentrate our marketing and training efforts on those investments offered by a much smaller number of select and well-known companies (Strategic Partners). Strategic Partners are selected, in part, based on the competitiveness of their products, their technology, their customer service and their training capabilities. Strategic Partners have more opportunities than other companies to market and educate our representatives on investments and the products they offer. For a current list of our Strategic Partners, please see Strategic Partners.

Our Strategic Partners pay extra compensation to us and/or our affiliates in addition to the usual product compensation described in the prospectus. The additional amounts Strategic Partners pay us vary from one Strategic Partner to another and from year to year. Some Strategic Partners pay up to 45 basis points (0.45%), of your total purchase amount of a mutual fund or variable insurance product. So, for example, if you invest $10,000 in a mutual fund, we could be paid up to $45. Additionally, some Strategic Partners make a quarterly payment or additional quarterly payment based on the assets you hold in the fund or variable insurance product over a period of time of up to 15 basis points (0.15%) per year. For example, on a holding of $10,000, we could receive up to $15. Alternatively, we may receive compensation from the mutual fund or insurance company as: (1) a flat fee regardless of the amount of new sales or assets held in client accounts; or (2) the greater of such flat fee or amount based on assets and/or new sales as referenced above and any ticket charge payments referenced below. These payments are designed to compensate us for ongoing marketing and administration and education of its employees and representatives. You do not make these payments. They are paid by the mutual fund and insurance companies and/or their affiliates out of the assets or earnings of the funds or insurance companies or their affiliates.

It is important to note that you do not pay more to purchase Strategic Partner mutual funds or insurance products through us than you would pay to purchase those products through another broker-dealer, and your representative does not receive additional compensation for selling a Strategic Partner product.

“Basis point” is a common term used to describe compensation and other costs relating to securities. A basis point is one one-hundredth of a percentage point.

We also may receive revenue sharing payments from companies that are not Strategic Partners.

Potential Conflicts of Interest in Receiving Revenue Sharing from Strategic Partners

A potential conflict of interest exists in that we are paid more revenue-sharing fees if you purchase one type of product instead of another and/or you purchase a product from one particular sponsor instead of another. Your representative also indirectly benefits from Strategic Partner payments when the money is used to support costs relating to product review, marketing or training, or for waiver of ticket charges, as described below. Our financial advisors do not receive any compensation associated with the payments noted above.

Training and Education Compensation

We and our representatives also receive additional compensation from mutual fund and insurance companies, including Strategic Partners that is not related to individual transactions or assets held in accounts. This money is paid, in accordance with regulatory rules, to offset up to 100% of the costs of training and education of our representatives and employees. In some instances, mutual fund and insurance companies may pay a flat fee in order to participate in our training and educational meeting. These meetings or events provide our representatives with comprehensive information on products, sales materials, customer support services, industry trends, practice management education, and sales ideas.

It is important to note that due to the number of mutual fund and variable insurance products we offer, not all product sponsors have the opportunity to participate in these training and educational events. In general, our Strategic Partners have greater access to participation in these events and therefore greater access to, and opportunity to build relationships with, our representatives.

Some of the training and educational meetings for which we or our representatives receive reimbursement of costs may include client attendance. If you attend a training or educational meeting with your registered representative and a product sponsor is present, you should assume that the product sponsor has paid for all or a portion of the costs of the meeting or event.

Other Cash and Non-Cash Compensation

In addition to reimbursement of training and educational meeting costs, we and our representatives may receive promotional items, meals or entertainment or other non-cash compensation from representatives of mutual fund companies, insurance companies, and direct participation sponsors, as permitted by regulatory rules. Additionally, sales of mutual funds, variable insurance products and other products, whether of our Strategic Partners or not, may qualify our representatives for additional business support and for attendance at seminars, conferences and entertainment events. Further, some of our home-office management and certain other employees may receive a portion of their employment compensation based on sales of products of Strategic Partners.

Retirement Strategic Partners Program

The Firm may also receive certain revenue sharing payments from third-party firms, including plan recordkeeping platforms as well as investment managers of mutual funds and the issuers of annuities (each a "Retirement Partner"). Retirement Partners participate in activities that are designed to help facilitate the distribution of their products and services, such as marketing activities and educational programs, including attendance at conferences and presentations to the Firm's financial advisors. These revenue sharing payments are in the form of a fixed dollar amount that does not depend on the amount of the Plan's investment in any product or utilization of any Retirement Partner's services. Retirement Partners may also pay the Firm's expenses, or provide non-cash items and services, to facilitate training and educational meetings for the Firm's financial advisors, which similarly do not depend on the amount of the Plan's investment in any product or utilization of any Retirement Partners' services. Our representatives do not receive any portion of these payments.

Retirement Partners currently include:

- Lincoln Financial Group
- Nationwide
- Principal Financial Group

It is important to note that you do not pay more to purchase Retirement Partner products or services through the Firm, than you would pay to purchase those products or services through another broker-dealer, and your representative does not receive additional compensation for selling or recommending a Retirement Partner product or service.

529 Plans

In addition to commission-based compensation for sales of 529 plans, 529 plan assets are included in the amount of total mutual fund or variable annuity assets for which revenue sharing is paid as described above. We do not separately account for these payments and does not have any 529 Plan Strategic Partners.

Direct Participation Programs and Other Alternative Investments

We, through our representatives, offer our clients a wide variety of direct participation programs and alternative products including: non-listed real estate investment trusts; limited partnerships; 1031 exchange programs; business development companies; and oil and gas programs. In addition to commissions we receive from the sale of these products, we receive due diligence and/or marketing allowance payments from certain sponsors. While the additional compensation we receive as well as the arrangements we have varies with each sponsor, some product sponsors may pay a due diligence or marketing allowance fee of (i) up to 20 basis points (0.20%) annually on assets held at the sponsor, (ii) up to 150 basis points (1.50%) on the gross amount of each sale, depending on the product, or (iii) a flat fee from certain sponsors regardless of the amount of new sales or assets held in client accounts. These payments are designed to compensate us for ongoing marketing and administration as well as education of our employees and representatives regarding these types of products. You do not make these payments. They are paid by the product sponsor out of the assets or earnings of the product sponsor.

It is important to note that you do not pay more to purchase products through us than you would pay to purchase those products through another broker-dealer, and your representative does not receive additional compensation for selling products from sponsors that pay us such additional compensation.

A potential conflict of interest exists in that we are paid more revenue-sharing fees if you purchase one type of product instead of another and/or you purchase a product from one particular sponsor instead of another. Your representative also indirectly benefits from these sponsor payments when the money is used to support costs relating to product review, marketing or training. If you have any questions about any portion of this document, please feel free to discuss them with your registered representative or call 800.879.8100.

The following is the list of revenue sharing partners in alphabetical order.

Mutual Fund Companies:

- Allianz Global Investors
- American Funds
- BlackRock Investments
- BMO
- Columbia Management Investment Services
- Deutsche Asset Management
- Eaton Vance
- Federated
- Fidelity Investments
- Franklin Templeton
- Goldman Sachs Asset Management
- Invesco
- Ivy
- John Hancock
- JPMorgan Investment Management
- Lord Abbett
- Mainstay Investments
- Natixis
- Neuberger Berman
- Oppenheimer Funds
- Pacific Life
- PIMCO
- Pioneer Investments
- Principal Financial Group
- Prudential Mutual Fund Services
- Putnam Investments
- Transamerica Capital,
- Virtus Investment Partners
- Voya Investment Management

Annuity Carriers:

- AIG Annuities
- Allianz Life Financial Services
- AXA Distributors
- Forethought Life Insurance Company
- Hartford Life
- Jackson National Life
- Lincoln Financial Distributors
- MetLife
- Nationwide Financial
- Pacific Life Insurance Company
- Prudential Annuities Distributors
- Sammons Financial Group and Midland National Life Insurance Company
- Securian Financial Group
- Transamerica Capital
- Voya

Compensation from Third-Party Money Managers

We also receive compensation from certain third-party money managers (TPMM) that are not Strategic Partners. These TPMMs compensate us in the same manner as described above. Similar to our Strategic Partner program, our Advisors do not receive additional compensation for recommending a TPMM that provides us with this additional payment. Nevertheless, this additional compensation creates a possible conflict of interest because it creates an incentive for us to promote these TPMMs over other TPMMs. Your representative also indirectly benefits from these payments when the money is used to support costs relating to product review, marketing or training.

AssetMark
Curian
SEI

You do not pay more to purchase these products through us than you would pay to purchase those products through firm, and your representative does not receive additional compensation for selling products from TPMMs that pay us such additional compensation. They are paid by the TPPM out of the assets or earnings of the TPPM. Your advisor does not receive additional compensation for recommending a TPPM's product.

A potential conflict of interest exists in that the Firm is paid more revenue-sharing fees if you purchase one type of product instead of another and/or you purchase a product from one TPMM instead of another. Your representative also indirectly benefits from these payments when the money is used to support costs relating to product review, marketing or training.

The Firm's advisors may receive reimbursements from third-party asset manager program sponsors for the costs of marketing expenses and costs incurred by the advisor. Such reimbursements will be paid to the advisor from the program sponsor's own resources and not from client funds or assets. Such arrangements will have no impact on the fees being charged to clients by the Firm, the advisor, or the program sponsor.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not participate in any programs that charge performance-based fees.

ITEM 7 – TYPES OF CLIENTS

The Firm generally provides advisory services to individuals, tax-qualified retirement plans, and other institutions.

Our advisory accounts all require a minimum opening deposit. Depending on the specific program, the opening deposit may vary between $25,000 – $250,000. The minimum account opening balance required for each program is described in more detail in Item 4 of this brochure.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Most of the advisory services we provide involve the purchase (or liquidation) of securities. All investing involves some level of risk. In many cases, the risk may include the potential to lose your entire principal value. All securities sold have disclosure documents that discuss these risks. This disclosure document is commonly referred to as a prospectus, but may be called something else depending on the type of security you have purchased. In any case, it is extremely important that you read these documents in their entirety. If you have any additional questions regarding your investments, please speak with your Advisor immediately.

Our Advisors may use various methods to determine an appropriate investment strategy for your portfolio. During your initial and subsequent meetings with your Advisor, they will discuss the methods they used. The analysis performed may include the following:

Technical Analysis

This type of analysis utilizes statistics to determine trends in security prices. Technical analysis tends to focus on factors such as trading volume, demand, and security price fluctuations. This type of analysis is also commonly referred to as chart analysis due to the fact that this analysis tends to review various historical charts and graphs.

Fundamental Analysis

This type of analysis concentrates on earnings, a company's financial statements, and the quality of a company's management. These quantitative factors are then used to attempt to determine the financial strength of a company.

Asset Allocation

Asset allocation investment strategies attempt to optimize the risk and reward of your portfolio by investing among several asset classes.

Timing Service

While not a standard analysis method used by our Advisors, some Advisors may offer advisory services that attempt to time mutual funds and variable annuities. This essentially means they try to purchase or sell immediately preceding an increase or decrease in the securities price. This type of investing can substantially increase the amount of your brokerage transaction costs due to the frequency that transactions are occurring. Also, many mutual funds or variable annuities specifically prohibit excessive buying and selling within their fund in a short period of time. We monitor our accounts for excessive trading activity to ensure that you are aware and comfortable with the level of trading as well as to ensure that the investments are appropriate for you.

Concentrated Investment Strategies

Certain investment strategies may be concentrated in a specific sector or industry. If you invest in a portfolio or strategy that is made up of a concentrated position, sector or industry, your portfolio will be more likely to sharply increase or decrease in value with changes in the markets. Concentrated strategies are more volatile because the risk associated with each company represents a large percentage of your overall portfolio value.

Portfolio Advisory Services

The Firm invests Portfolio Advisory Services clients' balances in institutional mutual funds, U.S. government securities, and municipal bonds. Institutional mutual funds generally are available only to very large investors and have lower expenses than mutual funds available to retail mutual fund purchasers. If a client instructs transfers of individual stocks or bonds into a PAS account, traders will liquidate the securities or request that the client open an unmanaged brokerage account at Schwab to hold these investments.

The Firm analyzes mutual funds by reviewing their historical performance and standard deviation, their performance relative to other mutual funds, their investment objectives as explained by their prospectuses, and as other factors. The Firm uses an internally developed process to design Portfolios with broad exposure to the domestic and international markets. Clients may select a Standard Core portfolio or a Global Core portfolio for their investment objectives. Global Core portfolios offer increased exposure to international markets.

The Firm's Investment Committee regularly reviews the asset classes and mutual funds it includes in its Model Portfolios. From time to time, the Committee may add or delete mutual funds. If this occurs, the Committee may decide to apply the changes to current client accounts, where applicable. Addition or deletion of a mutual fund will not typically materially change the target asset allocation and the stock/bond ratio of affect Portfolios.

Dollar cost averaging is available to clients with account balances of $250,000 or more under management, except for the Capital Preservation PAS Portfolio. With dollar cost averaging, traders invest approximately equal portions of a client's accounts over a period of months to the client's asset allocation. Traders seek to have clients' accounts fully invested after three months.

Traders review PAS Portfolios monthly and rebalance them when the actual allocation to an asset class drifts from its target allocation by more than a certain specific percentage. The Investment Committee determines the percentage of "drift" that will trigger rebalancing.

Retirement Plan Services

The Firm uses the same investment strategies for RPS Portfolios as it uses for PAS Program Portfolios.

Alternative Investments

Non-traded REITS, non-traded business development companies (BDCs), limited partnerships, and direct alternatives (Alternative Investments) are subject to various risks such as limitations on liquidity, pricing mechanisms, and specific risk factors associated with the particular product, which for products associated with real estate, would include, but not be limited to, and property devaluation based on adverse economic and real estate market conditions. Alternative Investments may not be suitable for all investors. A prospectus that discloses all risks, fees and expenses, and risk factors associated with a particular Alternative Investment may be obtained from your Advisor. Read the prospectus carefully before investing. This is not a solicitation or offering which can only be made in conjunction with a copy of the prospectus.

Investors considering an investment strategy utilizing Alternative Investments should understand that Alternative Investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few Alternative Investments or within a particular industry. The risks associated with Alternative Investments are potentially greater and substantially different than those associated with traditional equity or fixed income investments.

ITEM 9 – DISCIPLINARY INFORMATION

The Firm does not have any legal or disciplinary events to report.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Corporate Structure

Cetera Financial Specialists is part of Cetera Financial Group, Inc., a network of financial service firms. Cetera Financial Group owns Tower Square Investment Management (a registered investment adviser) and four broker-dealers including Cetera Financial Specialists and Cetera Investment Services LLC. Some of the Firm's Advisors may be affiliated with either Cetera Financial Specialists or Cetera Investment Services. Information about these related firms appears on our Form ADV Part 1A, Schedule D, which is available on the SEC's website at www.adviserinfo.sec.gov. Some of our affiliated companies are also general insurance agencies.

On or about October 31, 2012, Genworth Financial Advisers Corporation merged into a newly-formed Delaware corporation named GFAC Acquisition Vehicle, Inc. Immediately thereafter, GFAC Acquisition Vehicle, Inc. converted into a Delaware Limited Liability Company named Cetera Investment Advisers, and will continue under the name of Cetera Investment Advisers. The reorganization did not result in a change of actual control or management of the investment adviser.

Cetera Investment Advisers is indirectly wholly owned by Cetera Financial Group, Inc. which is wholly owned by Cetera Financial Holdings, Inc. Cetera Financial Holdings, Inc. is principally owned by RCS Capital Corporation (RCAP). For a more detailed description of RCS Capital, please visit www.rcscapital.com.

On January 16, 2014, RCAP announced that it entered into an agreement to acquire Cetera Financial Group, Inc., the parent company of Cetera Investment Advisers. The transaction closed on April 29, 2014 and resulted in a change of ownership. Under the Investment Advisers Act, the change of ownership may have been considered an assignment of the firm's advisory agreements. As a result, clients were asked to consent to the assignment of their advisory agreement from the change of ownership. The transaction did not affect the services provided by the Firm's investment adviser representatives.

Pursuant to an internal reorganization, effective on or about January 21, 2014 (the "Effective Date"), all of Cetera Investment Services' investment advisory services transferred to the Firm. On the Effective Date, Cetera Investment Services investment adviser representatives became investment adviser representatives of the Firm, but will continue to be registered representatives of Cetera Investment Services.

We may use, suggest or recommend our own services or those of affiliated entities. We may manage advisory accounts on behalf of such affiliated entities, which may create potential conflicts of interest related to our determination to use, suggest or recommend the services of such entities. The particular services involved will depend on the types of services offered by the affiliate. The arrangements may involve sharing or joint compensation, or separate compensation, subject to the requirements of applicable law. Particular relationships may include, but are not limited to, those discussed below. Our affiliates will retain any compensation when providing investment services to, or in connection with investment activities of, advisory accounts. Compensation may take the form of commissions, markups, markdowns, service fees or other commission equivalents. Advisory accounts will not be entitled to any such compensation retained by our affiliates.

Your Advisor may also be associated with us or a related broker-dealer as registered representatives. Your Advisor may recommend the purchase of securities offered by us or a related broker-dealer. If you purchase these products through them, they will receive normal commissions which may be in addition to customary advisory fees. As such, your Advisor may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, they may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if they deem that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between their interests and your interests. While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented. Please be aware that you are under no obligation to purchase products or services recommended by us, members of our firm, or a related entity in connection with providing you with any advisory services.

Affiliated Products

If assets in a firm-sponsored program are invested in shares of one or more mutual funds or variable contract products or similar pooled products (Affiliated Products) for which an affiliate of Firm serves as investment adviser or other service provider (Affiliated Service Provider), then the Affiliated Service Provider will generally receive a management fee from the Affiliated Product as set forth in the Affiliated Product's prospectus or other offering documents, and it or its affiliates may receive other compensation in connection with the operation and/or sale of the Affiliated Product, to the extent permitted by applicable law. Assets invested in Affiliated Products may be included in the advisory fee assessed by the Firm. If an Affiliated Product is used in a firm-sponsored program, and the assets invested in the Affiliated Product are subject to Title I of ERISA or is an IRA, Firm will waive the advisory fees for the assets invested in the Affiliated Product. A potential conflict of interest exists in that the Firm and its Affiliated Service Provider may be paid more compensation if you invest in an Affiliated Product instead of a non-Affiliated Product.

Broker-Dealer Affiliation

Most of our Advisors are also registered with a related broker-dealer as registered representatives, which allows them to perform brokerage services for you by executing specific security transactions. Our Advisors may also be licensed insurance agents appointed with various insurance companies. In their capacity as registered representatives and/or licensed insurance agents, they may offer securities and insurance products and receive normal and customary commissions as a result of such transactions, which presents a conflict of interest because they have an interest in making commissions on sales that may be adverse to your interests.

Due to the fact that your Advisor has the ability to offer advisory and brokerage services, your Advisor may be conflicted as to the investment options they recommend. In a brokerage account, your Advisor is paid based on a transactional basis. In an advisory account, your Advisor is compensated based on an advisory fee that may be flat, fixed, or a percentage of the assets under management. Your investment needs should influence your decision whether to open an advisory or a brokerage account. An advisory account is likely more suitable if you are looking for a long-term investment strategy, quarterly performance reporting, and an ongoing relationship with your Advisor.

Other Affiliations

We have an agreement with Advisors Asset Management, Inc. whereby we receive a payment based on the number of fixed income trades placed through them. These payments may pose a conflict of interest for Cetera Advisors to have fixed income trades placed with Advisors Asset Management, Inc. We mitigate this conflict of interest by allowing our Advisors to place fixed income trades through several vendors.

We may also enter into certain arrangements to offer brokerage and advisory services to the clients of independent unaffiliated financial institutions (credit unions, credit union service organizations, banks and savings banks). A portion of the client advisory fee will be paid by us to the financial institution pursuant to a fee sharing arrangement as long as the client agreement is in effect. The financial institution does not provide any advisory services to the client.

Our Advisors may operate their own independent companies outside of Cetera Investment Advisers. These unaffiliated companies may include other investment advisory firms, accounting/tax practices, insurance services and legal services, among others.

ITEM 11 – CODE OF ETHICS

We are committed to providing brokerage services and/or investment advice with the utmost professionalism and integrity.

To help us avoid potential conflicts we have developed a Code of Ethics designed to protect our professional reputation and comply with federal or other applicable securities laws. This Code of Ethics sets forth guidelines and restrictions for personal securities trading, including an absolute prohibition of trading on the basis of "inside" (i.e., material, non-public) information. Adherence to our code of ethics is a condition of employment or affiliation with the Firm. Our Code of Ethics may be summarized as follows:

Personal Investing by Your Advisor

Your Advisor may purchase or sell the same security as you. This type of trading activity creates a conflict between your Advisor and you because your Advisor's transaction may receive a better price than your transaction. Our Code of Ethics places restrictions on your Advisor's personal trading activities. These restrictions include a prohibition on trading based on non-public information, pre-clearance requirements for certain personnel transactions with advance knowledge of model transactions and a requirement that any personal securities transactions do not disadvantage clients or otherwise raise fiduciary or antifraud issues.

Also, your Advisor may not purchase securities in an initial public offering or participate in a private placement without our written approval.

Personal Holdings and Transaction Reporting

We receive information of the security transactions purchased and/or sold by your Advisor in their personal accounts. We also receive information listing all securities that they currently own in their personal securities accounts. Certain investments are not required to be reported to us by your Advisor, such as mutual funds holdings and securities issued by the Government of the United States.

You may request a copy of our Code of Ethics at any time by contacting your Advisor.

ITEM 12 – BROKERAGE PRACTICES

Selection of Brokers

Charles Schwab & Co. provides brokerage and custodial services for Portfolio Advisory Services. Clients who open a PAS account also enter into a separate custodial account agreement with Schwab. The Firm does not open the account for clients, although the Firm may assist clients in doing so. If a client does not wish to place assets with Schwab, then the Firm cannot manage the account as a PAS Program account. Financial advisors inform clients of Schwab's fees at account opening. Schwab charges commissions on trades it executes or that settle into client accounts, or charges a percentage of the dollar amount of assets in client accounts in lieu of commissions. Schwab does not charge separately for custody services. The Firm does not receive any portion of the fees paid to Schwab and does not offset its fees to compensate clients for fees paid to Schwab. For Information on Schwab's charges, clients should refer to their signed "Asset-Based Pricing Addendum to Account Applications and Agreements," which is a Schwab form. Alternatively, if clients opted for transaction-based pricing, clients should refer to the "Charles Schwab Pricing Guide." The Firm believes that executions obtained on transactions for clients are competitive and the commissions are reasonable in relation to the value of brokerage services offered by Schwab. Services provided by Schwab include, but are not limited to, discounted fees for institutional trading software, Schwab employees dedicated to servicing client accounts, and support of training and conference events. Services are not contingent on any specific amount of custody or trading business. Schwab's services may influence the Firm's decision to direct clients to open accounts.

Cetera Financial Specialists, an affiliate of the firm, provides brokerage services for accounts in the Premier, MWA, MF/ETF, and xMA. During the account opening process, you authorize Cetera Financial Specialists to open a custodial account with Pershing, a subsidiary of The Bank of New York Mellon Corporation, One Pershing Plaza, 4th Flr., Jersey City, NJ 07399, and to transfer your account to such other clearing firm as Cetera Financial Specialists may determine, including a clearing broker affiliated with the firm and Cetera Financial Specialists.

We have negotiated competitive pricing and services with Pershing and Schwab for the benefit of our clients. Pershing and Schwab offer their broker-dealer clients substantial financial strength and stability, economies of scale, and reliable, state-of-the-art technology.

We do not receive research or other products or services other than execution from Pershing or Schwab in connection with client securities transactions ("soft dollar benefits"). We do not consider, in selecting or recommending broker-dealers, whether we or a related person receives client referrals from a broker-dealer or third party.

In addition, clients do not generally have the option to direct securities brokerage transactions to other broker-dealers or other account custodians. If, however, a client should request, and we approve, the use of a broker-dealer other than Pershing or Schwab for securities transaction execution, the client should be aware that we will generally be unable to negotiate commissions or other fees and charges for the client's account, and we would not be able to combine the client's transactions with those of other clients purchasing or selling the same securities. As a result, we would be unable to ensure that the client receives "best execution" with respect to such directed trades. By directing brokerage to a broker, clients may be unable to achieve the most favorable execution of client transactions and may pay more in transaction charges than other broker-dealer firms. Therefore, directed brokerage may cost clients more money. For more information about the brokerage practices of a third-party money manager program, clients should refer to the disclosure brochure for the applicable third-party money manager program.

Most of our Advisors are also registered with an affiliated broker-dealer as registered representatives, which allows them to perform brokerage services for you by executing specific security transactions. Our Advisors may also be licensed insurance agents appointed with various insurance companies. In their capacity as licensed insurance agents, they may offer securities and insurance products and receive normal and customary commissions as a result of such transactions, which presents a conflict of interest because they have an interest in making commissions on sales that may be adverse to your interests.

We offer an Advisory Asset Achievement incentive program for our Advisors, which rewards Advisors a rebate of 3 – 10 basis points based on the amount of new assets they bring into our firm-sponsored advisory programs. This presents a conflict of interest because they have an interest in receiving a basis point rebate based upon sales that may be adverse to your interests. To mitigate this conflict of interest, we routinely review our advisory accounts to ensure that the advisory services and products being recommended are consistent with your stated goals and objectives.

Due to the fact that your Advisor has the ability to offer advisory and brokerage services, your Advisor may be conflicted as to the investment options they recommend. In a brokerage account, your Advisor is paid based on a transactional basis. In an advisory account, your Advisor is compensated based on an advisory fee that may be flat, fixed, or a percentage of the assets under management. Your investment needs should influence your decision whether to open an advisory or a brokerage account. An advisory account is likely more suitable if you are looking for a long term investment strategy, quarterly performance reporting, and an ongoing relationship with your Advisor.

Agency Cross or Principal Trades

The Firm generally prohibits agency cross and/or principal transactions. If an exception is provided to execute an agency cross or principal transaction, the Firm will receive consent from the client prior to executing the transaction and the agency cross and/or principal transactions will be consistent with SEC guidelines. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlling, controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Principal transactions arise when the firm acts as a registered investment adviser and broker in a transaction between an advisory client and the firm on the other side of the transaction. This includes buying securities from or selling any security to an advisory client from the firm's own account. The firm reviews every agency cross and principal transaction for suitability. Some of the items that the firm reviews include, but are not limited to, security pricing and trade volume in order to determine if an agency cross or principal is in the client's best interest.

Block Trading

Block trading refers to the aggregation of multiple orders from different clients, for the same securities for submission as a single order for execution. When the purchase or sale of a particular security is appropriate for more than one client account, trades for advisory clients may be aggregated. This is done principally to ensure that clients are treated fairly and that one client is not advantaged at the expense of another client. Trades with advisory clients may be aggregated with those of other clients of your Advisor, the personal trades of supervised persons and trades in proprietary accounts.

Aggregate orders may be filled through multiple executions at different prices during the course of a trading day. If your order is aggregated with other orders, you will receive an average price. Aggregate orders will not reduce your transaction costs.

When an aggregated order is not fully filled (i.e., when an aggregated order is only partially filled), the firm's trading system will allocate to each account participating in the order the pro-rata amount of shares to each account in accordance with the account's proportion of the overall order.

Block trading in an adviser-directed advisory account is only available if the account is being managed on a discretionary basis. For accounts where Folio is the overlay manager, Folio will generally block trades when a transaction is appropriate for several client accounts. For accounts managed by your financial advisor (IAR-managed accounts), your Advisor may aggregate all, none or some of his or her client trades in the Premier program based on, among other things, a client's investment guidelines and restrictions (including those on the use of discretion by the Advisor), the type of securities and the size of the order.

It is the firm's policy that the order allocation between participating clients may not be changed after the order has been executed.

The firm's policies do not require your IAR to block trade client orders. When an Advisor chooses not to aggregate client orders for the same security a conflict of interest exists. In such instances, the adviser must decide which client order to place first which may result in one client receiving a better execution price over another client and could lead to certain client accounts receiving more favorable order executions over time. The firm does not monitor Advisors choosing not to aggregate orders to determine whether any one client or group of clients is systematically disadvantaged over time.

Clients that are not included in block trading of other client accounts may receive a higher or lower price than clients that have been included in a block trading order. In order to ensure that no client or group of clients is favored over another, the firm monitors the block trading activity with respect to clients that are not included in block trades with other clients of an Advisor.

Trading Errors

Occasionally, a trading error may occur where either we, or our Advisors, are at fault. If this occurs in your account, the error will be corrected and your account will be restored to where it would have been had the error never occurred. However, in the process of restoring your account, we may realize a profit or suffer a loss in connection with correcting this error. Neither losses nor gains will be passed on to you.

Best Execution

We have an obligation to ensure our equity, option and fixed income orders are efficiently sent to the markets. We, along with contracted independent auditors, regularly review the quality of our order executions and, where appropriate, employ execution process changes to assure we maintain this obligation.

ITEM 13 – REVIEW OF ACCOUNTS

We review your account in several ways. Our account reviews include:

Annual Client Contact – On at least an annual basis, your Advisor will contact you to arrange a review of your advisory accounts with you. In general, this review includes any firm-sponsored programs and certain third-party money manager programs.

Supervision – Your Advisor's designated supervisor periodically reviews client accounts of any Advisor who he or she supervises. If this review raises any issues associated with your account, they will investigate the issue to determine if any further action is needed or warranted.

Home Office Oversight – Cetera Advisors utilizes a series of surveillance, exception, trade, and other transaction reports that are designed to help facilitate the ongoing review of Cetera Advisors managed accounts.

Quarterly Performance Reports – We may send you a written quarterly performance report, which among other things, lists your account holdings and performance.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

We may have individuals who are not affiliated with us introduce prospective clients to us. The individuals (called Solicitors or Referring Partners) are paid a fee that is based on the advisory fee that you pay. If you are introduced to us through a Solicitor or Referring Partners, we will provide you with a separate written disclosure statement indicating that a referral fee is being paid to an individual who is unaffiliated with our Firm. Please refer to Item 5 of this brochure for additional information on our sources of revenue.

ITEM 15 – CUSTODY

For certain types of client accounts, we are considered to have custody of your funds, and, in certain instances, your securities, even though Charles Schwab & Co. and Pershing maintain those assets as the qualified custodian. You retain ownership of all cash, securities, and other instruments in your account.

Schwab or Pershing will send you account statements, which you should carefully review. In addition to the account statements Schwab or Pershing sends you, we may send you a quarterly performance report, which among other things, lists your account holdings and performance. You should compare our report to the account statements you receive from Schwab or Pershing. In the event of any discrepancy between our report and any statement you receive from Pershing regarding the same investment, you should rely on the statement from Schwab or Pershing. Clients should use only the cost basis information provided on your custodial account statements for tax reporting purposes.

Pershing's mailing address is: Pershing LLC
One Pershing Plaza Jersey City, NJ 07399

Schwab's mailing address is: Charles Schwab & Co., Inc Attn IST East Team 1
P.O. Box 628290 Orlando, FL 32862

For IRA and other retirement accounts, Pershing may charge termination fees pursuant to an adoption agreement you enter into with Pershing which authorizes Pershing to act as the IRA custodian for Internal Revenue Service's purposes. Pershing may resign at any time as the IRA custodian and then you have the right to appoint a successor IRA custodian (Successor). We may recommend that you appoint an affiliate of ours as the Successor. We will notify you in writing of any change of the IRA custodian, which will not require any action on your part to choose our affiliate as the Successor. Any successor may charge you IRA maintenance or termination fees, and the Successor or its agent may distribute those fees to Broker.

ITEM 16 – INVESTMENT DISCRETION

As discussed in more detail in Item 4 of this brochure, in certain programs you may authorize your Advisor to have investment discretion over your account. An Advisor must receive written approval from us prior to offering investment discretion services to you. If we approve an Advisor to offer investment discretion to clients, they must also obtain written authorization from you prior to exercising such discretionary authority over your account. As discussed in more detail in Item 4, you may place reasonable restrictions on the management of your account, whether it is discretionary or non-discretionary, including restrictions on the type of securities that can be purchased in your account.

Our Advisors are prohibited from having the ability to withdraw funds and/or securities from your account without your express permission.

ITEM 17 – VOTING CLIENT SECURITIES (I.E., PROXY VOTING)

For all the advisory services and programs offered through our Firm, neither we, nor our Advisors, have any authority to vote proxies on your behalf. You are solely responsible for receiving and voting proxies for the securities that you maintain within your account. You will receive proxies or other solicitations directly from the custodian and/or transfer agent.

For TPMM Accounts – Depending on the TPMM's proxy voting policies and procedures, the TPMM may require that you appoint them as your agent and attorney-in-fact with discretion to vote proxies on your behalf. Please carefully review the TPMM's disclosure brochure to understand their proxy voting policies and procedures.

ITEM 18 – FINANCIAL INFORMATION

We do not take prepayment of more than $1,200 in fees, six months or more in advance or have a financial condition that could impair our ability to meet our contractual obligations. Therefore, we are not required to provide our audited balance sheets.