Form ADV Part 2A

Disclosure Brochure

March 2021

This brochure provides information about the qualifications and business practices of American Portfolios Advisors, Inc. If you have any questions about the contents of this brochure, please contact Colin Moors, Chief Advisory Compliance Officer at (631) 439-4600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

American Portfolios Advisors, Inc. is an SEC Registered Investment Adviser. Registration as an investment adviser does not imply a certain level of skill or training. Additional information about American Portfolios Advisors, Inc. also is available on the SEC's Web site at www.adviserinfo.sec.gov.

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Item 2: Material Changes

This item discusses only material changes made to this brochure since our last update, dated March 2020.

Item 3: Table of Contents

Item 4: Advisory Business

Description of Advisory Firm

American Portfolio Advisors, Inc. (“APA” or the “Firm”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). APA was formed in 2001. The Firm offers personalized investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities. APA offers these services to clients through investment advisory representatives (“Advisors”). The principal owner of APA is American Portfolios Holdings, Inc. (“APH”), with Lon T. Dolber as principal and owner of APH.

As of December 31, 2020, we manage or advise $10.461 billion. This figure consists of:

- $6.048 billion is assets managed on a discretionary basis.
- $4.413 billion in assets managed on a non-discretionary basis.

Types of Advisory Services

APA financial advisors work with clients to assess their investment objectives based on the information initially provided, and periodically updated thereafter. Once this assessment is complete, one or more advisory services may be recommended. Clients have the ability to choose which advisory services to utilize and place restrictions on the types and classes of securities that may be purchased for their account(s).

American Portfolios Advisors, Inc. (APA) will allow its Investment Advisor Representatives (IAR) to co-brand using their own “doing business as” entity names on all APA documents, including client agreements and all APA Programs, after review and approval by APA compliance.

1) ***ADVISOR’S CHOICE:*** In all Advisor’s Choice programs, the Advisor is permitted utilize discretion with client authorization, which will be limited to transactions involving mutual funds, stocks, bonds, ETFs, individual bonds, call and put options (covered and long), and alternative investments that may or may not be registered. In order to grant this discretionary authority, clients must sign their approval for discretion within the appropriate application or agreement. Clients may restrict or prohibit purchases of certain securities or certain types of securities for their accounts. Where deemed appropriate, suitable and based on the client’s objectives, assets, risk tolerance and investment experience, as well as to obtain greater asset and style diversification, APA may recommend to clients participating in the Advisor’s Choice program that a portion of the client’s portfolio be invested in one or more alternative investments. Alternative investment choices used are registered or non-registered Regulation D offerings if the product has been approved by APA’s broker/dealer affiliate, American Portfolios Financial Services, Inc. (“APFS”).

   APA offers and is the sponsor of three distinct fee programs in Advisor’s Choice:

   a) *Advisor’s Choice 1:* Investment program in which the client pays a fee to obtain custodial services and asset allocation analysis for assets under management, as well as monitoring, portfolio supervision and consolidated reporting. The advisor pays for most transaction charges executed in this program and any additional custodial fees and/or charges are paid by the client. These fees are debited by the custodian directly from the client’s account. These fees include but are not limited to the following: postage and handling, statement charges, service charges, IRA annual charges and other custodial fees, all to be paid by the client. This is not a “wrap account”. Custody provided by Pershing, LLC (Pershing), TD Ameritrade (TD) and Schwab Intuitional (Schwab).

   b) *Advisor’s Choice 2:* Investment program in which the client pays a fee to obtain brokerage and asset allocation analysis for assets under management, as well as monitoring, portfolio supervision and consolidated reporting. The client pays for transaction charges executed in this program and any additional custodial fees and or charges are paid by the client. These fees are debited by the custodian directly from the client account(s). Any additional custodial fees and or charges are paid by the client. These fees are debited by the custodian directly from the client account(s). These fees include but are not limited to the following: postage and handling, statement charges, service charges, IRA annual charges and other custodial fees all to be paid by the client. This is not a “wrap account”. Custody provided by Pershing, TD and Schwab.

   c) *Advisor’s Choice 3:* Investment program in which a program fee is charged to the advisor, based on the advisor’s total AUM in the program, to cover the cost of most transactions. Some mutual fund transactions may incur additional charges and trades in equities may have additional SEC exchange fees applied. Additional custodial fees and or charges assessed by the custodian are paid by the client. These fees are debited by the custodian directly from the client account(s). These fees include but are not limited to the following: postage and handling, statement charges, service charges, IRA annual charges and other custodial fees all to be paid by the client. This is not a “wrap account”. Custody provided by Pershing.

2) ***THIRD-PARTY ASSET MANAGERS:*** Under the Third-Party Asset Managers program (TPAM), the Advisor helps clients complete a Portfolio Advisory Services Questionnaire, develop a basic plan to allocate their assets, and select one or more outside investment managers or Nine Points Investment Management (NPIM), a wholly owned division of APA whose fee revenue is entirely retained by APA, to manage designated assets. APA's supervisory function is limited to determining and monitoring suitability of the client, as described in the client agreement. The terms of the client's relationship with the investment manager and Advisor(s) will vary depending on which investment manager's program is chosen. Investment programs under Third-Party Asset Managers include programs offered by third-party managers at the request of Advisor(s) and approved by APA's Product Review Committee after a due diligence review. In some cases, APA acts as a solicitor for the third-party manager and is paid a solicitor fee out of the fee the third-party manager charges the client. In other cases, APA serves as Sponsor of the program and is compensated for its managing and operating the program.

   APA and third-party managers offer Employer/Employee Benefit Plan Advice and other similar programs. Advisors may also consult with employers concerning employee or executive compensation benefit plans, such as pension plans or deferred compensation programs. Such consultations will include advice on the relative advantages, disadvantages and feasibility of various funding vehicles such as variable insurance products, traditional insurance products, mutual fund products, ETFs, individual bonds and equities. After determining that a particular vehicle is suitable, Advisors may facilitate investment in such vehicle.

   Clients in Third-Party Asset Management programs will grant outside investment managers authority to purchase and sell assets (discretion) on their behalf as set forth in their account agreement with that investment manager. A description of the limitations on the authority of that manager may be found in the Third-Party Asset Manager's Brochure.

   Additionally: Since each TPAM is uniquely structured with different investment products, please ensure that you carefully review all documents provided to you on behalf of the TPAM. These include, but are not limited to: The TPAM's Form ADV Part 2A or Disclosure Brochure for specific program descriptions; the TPAM's Client Agreement as well as any other agreement entered into regarding a TPAM program, for specific contractual terms (including fees, billing methods, administrative and other fees, etc.); and any additional disclosure or offering documents provided by the TPAM in connection with investment products.

3) ***ADVISOR'S SOLUTIONS:*** a program where APA utilizes an advisory chassis to offer discretionary and non-discretionary investment advisory accounts to its Advisors and clients. This program is available by choosing Pershing as custodian.

   APA works with each manager to determine the most cost-effective way to offer the third-party management. Factors such as trading volume, custody and account minimum help determine how services are offered. There are three was for advisors and clients to utilize Advisor's Solutions:

   a) *Client Pays Transactions*

   b) *Bundled Pricing*

   c) *Model Delivery/Bundled Pricing*

4) ***MANAGER'S CHOICE:*** APA is the sponsor for the Managed Account Command program, also known as Manager's Choice Program, through Pershing Investments and Lockwood Advisors, an affiliate of Pershing, is the portfolio manager. Lockwood contracts with individual managers as a result of their proprietary research and makes them available to APA through the Manager's Choice Program sponsored by APA. APA receives compensation from the client by establishing an agreement with the client and a chosen third-party manager who has discretion to manage the client's account. APA negotiates the management fee with the third-party manager prior to approving that manager on the Manager's Choice Program. The client pays a fee based upon the asset value of the account billed quarterly in advance.

5) ***UNIFIED SOLUTIONS:*** Unified Solutions is an offering that allows for the consolidation of a wide range of investment products, including Separately Managed Accounts (SMA), mutual funds, ETFs and individual securities to be held in a single investment account. The account can include multiple third-party managed sleeves using model delivery along with an advisor-directed sleeve. This product is also known in the industry as a Unified Managed Account (UMA). This program is custodied at Pershing, LLC and most transaction charges are included in the fee.

6) ***FINANCIAL PLANNING, CONSULTATION AND ADVISORY SEMINARS***

   a) *Financial Planning:* APA offers financial planning services with the assistance of financial planning software. These financial plans may range from simple to complex depending upon the needs of the client. Financial planning advice will typically involve providing a variety of services, principally advisory in nature, to individuals, businesses or families regarding the management of their financial resources based upon an analysis of their individual needs.

All financial plans, unless indicated otherwise, are "one-time plans" and are not updated or reviewed on an ongoing basis unless an additional fee is paid to the Advisor by the client. The client's financial planning service will terminate upon receipt of the plan. Any implementation that may occur as a result of the plan will be considered separate from the plan. Fees charged for these plans by the advisor cost from $350.00 to $15,000.00.

b) *Consultations:* Advisors may contract with clients for advice on various topics, such as the Employer/Employee Benefit Advice Program pursuant to a Service Agreement that will define the relationship. Advisors may also consult with employers concerning compensation programs. Such consultations will include advice on the relative advantages, disadvantages and feasibility of various funding vehicles such as variable insurance products, traditional insurance products and mutual fund products among other investment options and programs. Fees can be assessed by using a Flat fee or an hourly charge. The type of fee will be determined by the client and advisor and a separate Service Agreement will be agreed to and signed by the client.

c) *Advisory Seminars:* Through APA's Advisors, seminars can be conducted for various audiences. These seminars are generic in nature and can cover several topics, including, but not limited to:

   i) Basics of Investing
   ii) Financial Planning Concepts
   iii) Asset Allocation
   iv) Estate Planning Concepts
   v) Benefits Planning
   vi) Retirement Planning

7) ***Plan Services:*** Retirement plans subject to the Employee Retirement Income Security Act of 1974 (ERISA) may retain an investment advisor representative of the Firm to provide advisory and consulting services to the plan. In providing these services, APA Advisors will provide fiduciary services and/or non-fiduciary services, as defined under by ERISA, and will adhere to the provisions outlined by ERISA to provide the highest standard of care to qualified retirement plans. Non-ERISA plans may also retain our advisors for services.

8) ***Investment Fiduciary Manager Program:*** APA offers investment fiduciary advisory services through Nine Points Investment Management (NPIM), a wholly owned division of APA whose fee revenue is entirely retained by APA, to select participant-directed employer-sponsored plans in which NPIM can be selected to create the core investment menu in accordance with Section 3(21) of ERISA as well as model creation and delivery in accordance with Section 3(38) of ERISA. The plan determines whether to choose a bundled solution with NPIM as Investment Fiduciary. NPIM does not act as an investment adviser to the Plan or any of its participants. One investment lineup will typically be provided per recordkeeper platform. Each Plan grants us the discretion to select the investment lineup at a particular recordkeeper for that Plan. Our ERISA Section 3(38) discretionary advice service is offered only at the Plan level and not at the individual participant or account level, as individual participants ultimately retain the responsibility of selecting their own investments from the designated investment lineup.

9) ***Advisory Annuities:*** No-load variable annuities can be purchased by Advisors for clients or the client and Advisor may employ the services of a Third-Party Manager for the no-load variable annuity product by having a client sign a Variable Annuity Management Contract; a fee can be charged by the Advisor and/or the Third-Party Manager to manage the sub-accounts.

10) ***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:
   a) General securities (stocks and bonds)
   b) Call and put options
   c) Fixed income securities
   d) Mutual funds
   e) Structured products
   f) Exchange traded funds
   g) Unit investment trusts

General rules for types of securities in accounts:
APA restricts the use of leveraged and inverse products in advisor-directed accounts to 1.25 max levered products.
APA prohibits margin and penny stocks in advisory accounts, unless APA's Compliance department grants an exception.

Item 5: Fees and Compensation

1) **ADVISOR'S CHOICE PROGRAMS:** All advisory management fees are deducted from the client's account in advance or arrears, either monthly or quarterly using the account value on the last day of the previous month or quarter. Fees can also be calculated by average daily balance and assessed and debited in arrears from client accounts. APA advisory fees charged to clients can be changed with 30 days' written notification to clients by its Advisors or APA using a negative consent Letter of Notification. All fees are negotiable. Under the Advisor's Choice programs, except for AP2 accounts, an administration fee based on the account's value each billing period is added to the advisory fee to calculate the total client fee. See the fee table below for more details.

   a) *Advisor's Choice 1 (0A1)*: Clients are charged a fee for assets under management. The maximum fee charged to the client in this program is 3% of assets under management. This is not a "wrap account" and from time to time there may be additional charges/fees assessed by the custodian that the client will pay from the account. In this program, the Advisor pays for most transaction charges, resulting in an asset-based fee that is typically higher than a program where the client pays for transaction charges. Please refer to the Administration Fee Chart below for the administration fee schedule.

   b) *Advisor's Choice 2 (0BL):* Clients are charged a fee for assets under management. The client also agrees to pay transaction charges and costs assessed by the custodian from the account. Please refer to the Administration Fee Chart below for the administration fee schedule. The maximum fee charged for this program is 3%. From time to time there may be additional charges/fees assessed by the custodian that the client will pay from the account.

   c) *Advisor's Choice 3 (JLP and AP2):* Clients are charged a fee for assets under management. The maximum fee charged for this program is 3%. An AUM-based Sponsor Program fee applies with a maximum fee of 25 bps. This is not a "wrap account" and from time to time there may be additional charges/fees assessed by the custodian that the client will pay from the account. Most transaction charges are included in Advisor's Choice 3 pricing, which means the asset-based fee will typically be higher than a program where the client pays all transaction charges.

   d) *Advisor's Choice 4 (TD Ameritrade and Schwab Institutional):* Advisors approved to use TD Ameritrade (TD) and Schwab Institutional (Schwab) prior to January 1, 2020 can continue to use TD and Schwab offerings. APA charges its administration fee in addition to the advisor's fee for these accounts. APA no longer allows these options for new advisors.

ADMINISTRATION FEE (ADVISOR'S CHOICE 1 AND 2): The total fee is based on each account's asset value as of the last business day of the prior quarterly or monthly period, per the billing cycle chosen by the Advisor and agreed to by the client. The administration fee schedule on an annual basis is as follows:

Account Value	Administration Fee
$0–$25,000	25 bps
$25,001–$100,000	20 bps
$100,001–$500,000	12 bps
$500,001–$1,000,000	10 bps
$1,000,001 and above	5 bps

TRANSACTION COSTS: Transaction costs are the costs associated with purchasing or selling securities. The Advisor's Choice 1 and Advisor's Choice 2 Programs are materially the same with one important exception. In the Advisor's Choice 1 Program, your Advisor pays for any transaction costs associated with your account. In the Advisor's Choice 2 Program, any transaction charges are paid by you. Because your Advisor pays for transaction costs in the Advisor's Choice 1 Program, the management fees that you pay will likely be higher. Your Advisor has a conflict of interest in recommending that you open an Advisor's Choice 1 or Advisor's Choice 2 account because in the Advisor's Choice 1 program, your advisor pays for most transaction costs, which vary depending on the type of security being purchased or sold. For example, if it is anticipated that you will trade more frequently, your Advisor would receive less investment advisory compensation if you were to open an Advisor's Choice 1 account because in that program, your Advisor pays most transaction costs. Additionally, in an Advisor's Choice 1 account, you should understand that the transaction costs present a conflict of interest to your Advisor when deciding which securities to select and how frequently to place transactions, as the Advisor has a financial incentive to recommend transactions in certain securities that carry no or low transaction costs and to limit the overall number of transactions it recommends. Clients should carefully consider which program to choose using factors including but not limited to account size and trading frequency

HOUSEHOLDING OF ACCOUNTS: For accounts with an aggregate value above $500,000, each account in the household, as defined as a group of people with the same last name living at the same address, will be charged the administration fee associated with the total aggregated value, not on each account's value. Accounts less than $5,000 net worth are charged 25 basis points per year regardless of household size.

GENERAL: Under the Advisor's Choice programs, the client will establish a brokerage account through APFS or one of APA's approved custodians, and may direct the Advisor to execute transactions for the account on a discretionary basis. All transactions in advisory accounts where the IAR is acting with discretion are solicited transactions. In opening a Pershing client account or account with APFS, APFS will be the executing broker for all transactions. This may create a conflict of interest because APFS and APA are affiliated firms and APFS will be compensated for those transactions and shares in other custodial fees and or charges as it provides services to the client. This creates a conflict of interest because APA recommends the services of APFS to clients. Clients are advised, in accordance with the program chosen, that there may be transaction charges involved when purchasing or selling securities. APA may or may not share in any portion of the brokerage fees/transaction charges or other income earned by APFS. A disparity may exist between these charges and the charges that would be borne if the client did not direct brokerage to APFS. Generally, the transaction charge payable by a client is non-negotiable between the client and APFS, except as specifically provided in the client's account agreement. Any such transactions will be executed by APFS only to the extent permitted by and in compliance with applicable laws and regulations. For accounts held at APFS's custodian, Pershing, client agrees that transactions for the Account will be executed through APFS. APFS participates in transaction revenue, FDIC sweep revenue and other fees received or charged by Pershing. APFS's participation in such revenue and fees may create a conflict of interest between APFS and the Client.

The APA approved custodians, TD, Schwab and Pershing will determine the amount of transaction charges to be paid for each transaction or service, including custodial fees, provided. Some custodians offer lower charges, at their discretion, than others. As a result, depending on the client's custodian, the client may pay higher charges for certain transactions than clients with another custodian pay for the same transactions. This disparity in charges from one Broker Dealer to the other creates a conflict of interest because APA's IAR is recommending certain custodians over others that may have lower costs/fees/charges to their clients. The advisor is an independent advisor and he or she can and will choose the custodian for their client accounts based upon the services the custodian provides and the level of service they provide. APA does not direct or influence in any way which custodian their advisors select.

In many cases, where applicable, Portfolio Managers and Advisors are authorized to outsource and use an APA contracted technology service provider and their agents to process trade executions.

From time to time, when a new Advisor transfers accounts to APA from another RIA relationship, APA will allow the inclusion of registered and non-registered alternative investment products into an account(s); however, they will not be billed as part of the advisory fee. If these products are not approved or valued per the rules governing these non-traded products, the position will be removed from the billing of the account or transferred to an APFS brokerage account.

For alternative investments purchased and held in the account, a commission may be paid to the registered representative; however, such investments will not be included in assets under management for purposes of calculating the advisory fee and billing.

APA will allow a fee to be charged on an Alternative Investment (Regulation D product) position in an advisory account if the position is liquid – or offers to be liquid – at least quarterly and the position is valued by the offering entity at least on a quarterly basis. These Alternative Entities must be pre-approved by the Product Review Committee before being placed into the account. The position cannot be one that a commission and a fee is charged. The position can only pay one Fee to be billed.

Mutual Fund suggestions, purchases and mutual funds added to the client portfolio may distribute 12b 1 fees through the Broker Dealer APFS, per the Mutual Fund prospectus. As of January 1, 2018, APFS does not pass 12b-1 fees to the advisor. All 12b-1 fees are rebated back to the advisory client's account.

2) ***THIRD-PARTY ASSET MANAGERS:*** Advisors may receive an advisory fee or solicitation fee for such services from the third-party manager pursuant to an agreement between APA and the third-party manager, and the third-party manager will also receive a fee for management services provided. For assets under management, the Advisor will receive a fee based upon the amount invested in the account or receive a flat fee for consulting and/or advice. As a wholly owned entity of APA, when NPIM is chosen as the third-party manager, APA will retain the fee for management. This is a conflict of interest because when an APA Investment Professional recommends NPIM, APA benefits, however the Investment Professional is not compensated any differently by recommending NPIM.

3) ***ADVISOR'S SOLUTIONS:*** All fees are debited from the client's account in advance or arrears either monthly or quarterly. The calculation is valued from the assets in the account on the last day of the previous month or quarter. Fees may also be debited in arrears and based upon the average daily balance within the account, paid monthly or quarterly. In these programs the fees will vary and the individual managers set fees and minimums. Model delivery is offered in our XPN office range using Pershing as custodian with breakpoint pricing (schedule available upon request). There may be a difference in cost to client at the different custodians. The differences are attributed to the services provided to clients and the charges by each custodian and the value put on the services offered by that custodian. This difference creates a conflict of interest in that the advisor of APA, because of their affiliation with a specific custodian, may be charging the client a higher overall cost for the program than if they were to use another custodian. The advisor is an independent advisor, not an

employee of APA, and has chosen the custodian based upon the services they provide the client and feel that chosen custodian will service their client in an appropriate manner and not because APA has directed the advisor to that custodian. For further disclosure clarification please see Item 4 #3 above.

a) *Client Pays Transactions:* The managers in this program have fees ranging from 0 to 100 basis points, plus an APA consulting fee which will be added to the manager's fee. Fees may also be debited in arrears and based upon the average daily balance within the account paid monthly or quarterly. APA charges a platform fee.

b) *Bundled Pricing:* The fee may or may not include custody, clearing and execution for trades in the account(s) depending on the program chosen and includes an additional add-on fee for the APA Advisor. Fees will range from .35% to 3% on an annual basis debited monthly or quarterly in advance. Value for billing will be determined by the account value on the last day of the preceding quarter. Fees may also be debited in arrears and based upon the average daily balance within the account paid monthly or quarterly.

c) *Model Delivery/Bundled Pricing:* This program has been introduced by APA and is managed internally by APA for client use. There are multiple asset allocation portfolios and separately managed accounts available on the Advisor's Solutions platform. These portfolios use equity, fixed income, and alternative ETFs in many strategic allocations ranging in risk from Income to Aggressive Growth. Total fees including advisor fee range from 0.35% to 3% on an annual basis debited monthly or quarterly in advance. Value for billing will be determined by the account value on the last day of the preceding month or quarter. Please see Item 4 #3 above for further clarification of the conflict of interest and the full disclosure.

4) ***MANAGER'S CHOICE:*** APA is the sponsor for the Managed Account Command program, also known as Manager's Choice Program, through Pershing Investments and Lockwood Advisors, an affiliate of Pershing, is the portfolio manager. Lockwood contracts with individual managers as a result of their proprietary research and makes them available to APA through the Manager's Choice Program sponsored by APA. APA receives compensation from the client by establishing an agreement with the client and a chosen third-party manager who has discretion to manage the client's account. APA negotiates the management fee with the third-party manager prior to approving that manager on the Manager's Choice Program. The client pays a fee based upon the asset value of the account billed quarterly in advance.

5) ***UNIFIED SOLUTIONS:*** Unified Solutions is an offering that allows for the consolidation of a wide range of investment products, including Separately Managed Accounts (SMA), mutual funds, ETFs and individual securities to be held in a single investment account. The account can include multiple third-party managed sleeves using model delivery along with an advisor-directed sleeve. This product is also known in the industry as a Unified Managed Account (UMA). This program is custodied at Pershing and most transaction charges are included in the fee. The manager cost varies by manager starting at 35 bps up to 100 bps. APA charges a platform fee of 20 bps on the advisor-directed sleeve and the APA advisor will charge an additional investment advisory fee. Total fee including APA advisor fee will not exceed 3% on an annual basis and are debited monthly in advance based on the previous month's closing value. APA offers a breakpoint schedule based on total assets at the account level.

6) ***FINANCIAL PLANNING, CONSULTATIONS AND ADVISORY SEMINARS***

a) *Financial Planning:* Fixed and/or hourly charges or a flat fee are charged for this service and are negotiable. These fees may be waived in full or in part by the IAR after client chooses to implement all or part of the financial plan. The fee will 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.

b) *Consultations:* Fees can vary per hour depending upon the needs of the client and the complexity of the consultation, and are negotiable. A flat fee can be charged for this service and is negotiable. Fees may be waived in full or in part at the discretion of APA. The client may be required to pay a deposit on this contract before services are rendered. The amount of that deposit will be determined by the client and the APA Advisor and paid at time of signing the agreement. We do not take prepayment of more than $1,200 in fees, six months or more in advance

c) *Advisory Seminars:* A fee for the seminar can be charged at the discretion of the IAR.

7) ***PLAN SERVICES:*** We do not have a standard fee schedule for the Plan Advice and Consulting Program. In meetings with your Advisor, an appropriate fee for the advisory and/or consulting services to be provided to the Plan will be discussed. Some of the factors used to determine the appropriate fee are the nature of the services being provided, the time related to providing such services, and the complexity of the Plan. Your fee may be either a one-time project fee; an hourly rate fee; an annual flat fee paid monthly or quarterly; or

an annual asset-based fee paid monthly or quarterly. We do not take prepayment of more than $1,200 in fees, six months or more in advance

8) ***ADVISORY ANNUITIES:*** No-load variable annuities can be purchased by Advisors for clients or the client and Advisor may employ the services of a Third-Party Manager for the no-load variable annuity product by having a client sign a Variable Annuity Management Contract; a fee can be charged by the Advisor and/or the Third-Party Manager to manage the sub-accounts. If a Commissionable Variable Annuity Contract is sold by a registered representative, and the registered representative is paid a commission, the advisor can (after a 36-month waiting period) employ a Third-Party Manager to manage the sub accounts or the advisor could self-direct the sub accounts. The Advisor can then charge a fee to manage the sub-accounts. If an advisor chooses a Third Party Manager to manage the sub accounts that manager can charge a management fee in addition to the fee charged by the advisor of APA. The advisor will execute with the client a Variable Annuity sub account management agreement. After the 36-month period has passed, APA will consider and, on an approval basis only, allow advisory fees to be charged to manage these products. Generally, APA will permit a maximum 3% fee including M&E charges with a cap of 1% to the advisor, however with the addition of riders and benefits to the client, the total fees may exceed 3%. The maximum fee charged to the client is a total fee that includes all fee components that are associated with the product and the Advisor/APA management fee.

9) ***FEES AND EXPENSES RELATED TO TRADING AWAY:*** In cases where a client's account or a portion thereof are managed by third party investment managers or Sub-Managers, the third party investment manager or Sub-Manager, in its sole discretion, may place a client's trade orders with a broker-dealer firm other than the custodian's designated broker-dealer (also known as "trading away" from that broker-dealer) if the manager determines that it must do so to comply with its best execution obligations. This means that clients who invest with third party investment managers or Sub-Managers may incur execution costs (whether in the form of commissions or markup/markdowns that are built into the net price of the security) in addition to, and which will not reduce the advisory account fees. Clients should therefore take these costs into consideration when selecting and/or determining whether to remain invested in accounts managed by third party investment managers or Sub-Managers. Managers that specialize in fixed income, international, small-cap, or ETP disciplines may be more likely to trade away from APA due to market conditions, liquidity, exchange availability, or other factors they consider relevant in satisfying their best-execution obligations to clients. Clients should understand that APA does not evaluate whether a Manager is meeting its best-execution obligations to clients when trading away, as it is not a party to such transactions and is not in a position to negotiate the price or transaction-related charge(s) between the Manager and the executing broker or dealer. APA does not discourage or restrict a Manager's ability to trade away. Clients participating in a program using a Managers, should review the Manager's Form ADV Disclosure Brochure carefully prior to deciding to do business with any particular Manager. Among other things, the Manager's Brochure must disclose the Manager's conflicts and various sources of compensation, as well as those costs incurred by clients that may result from engaging in step-out trades, among other things. Clients should also discuss the use or intended use of any particular Manager with their APA advisor, including the Manager's trading practices and the costs that may be borne by the client.

10) ***TRANSACTION FEE AND NO TRANSACTION FEE (NTF) MUTUAL FUNDS AVAILABLE ON PERSHING PLATFORM:*** In Advisor's Choice, the transaction costs are determined by selecting Advisor's Choice 1, 2, 3 or 4. Pershing, TD and Schwab offer certain funds with a transaction fee and certain funds with no transaction fees (NTF). A potential conflict of interest exists for IARs in Advisor Choice Programs to select an NTF fund since the IAR would incur less expense and generate more revenue than if the IAR selected a transaction fee fund. In all options of Advisor's Choice assessed by Pershing, TD and Schwab for transactions in what the custodian deems "surcharge funds", APA does not share in any of the surcharge revenue. APA advisors will strive to obtain the lowest net expense share class available for that same fund, or a reasonable differential from the lowest expense share class netting the refunded 12b-1 fee out of the expense ratio of any share class that offers a 12b-1 fee, regardless of whether it is a Transaction Fee fund or NTF fund.

11) ***TERMINATING AN ACCOUNT:*** The agreement for investment management services shall continue in effect until terminated by either party by giving to the other party written notice. Any prepaid, unearned fees will be refunded upon written request, determined on a pro-rata basis. Accounts may be subject to a modest cost of reimbursement of fees related to unused portion of fees for the remainder of the quarter. In addition, there may be fees charged by the custodian for transferring the account away from APA -- these fees and or charges are the responsibility of the client.

12) ***TERMINATION OF ADVISORY AND ADMINISTRATIVE FEE:*** The client will be entitled to a pro-rated refund of any prepaid fee based upon the number of days remaining in the billing period after the termination date. If a terminating account is assessed administrative costs, they will vary depending on the portfolio manager selected and the investment style of the account. Comparable services may be available from other sources for fees lower or higher than those charged by APA. Fees may be discounted or negotiated at APA's discretion.

13) ***APFS:*** American Portfolios Financial Services, (APFS) our Broker Dealer affiliate will be compensated and/or share fees and charges debited by the custodian(s) from the client account. This presents a conflict of interest because of the additional compensation paid to APFS for services provided to the client as the Broker-Dealer however our advisor puts the client's interest before their own. The advisors of American Portfolios Advisors, Inc. are Registered Representatives of APFS and therefore are providing these services to their clients in an effort to create an efficient trading process and provide necessary services of the custodian to service the client accounts.

14) ***PERSHING:*** Pershing provides APFS with clearing and custody services. Pershing offers APFS the ability to share in fees paid by mutual funds and in transaction, custodial and other fees charged by Pershing. APFS remits a portion of such fees to APA. Mutual funds have varying share classes, sales charges and expenses, and thus the performance of a client's account will be affected by the selected mutual fund and share class. APA's selection of mutual funds, including funds in the NTF program described below, creates a conflict of interest with advisory clients because APA has a financial incentive to generate fees, instead of acting solely based on clients' needs.

Pershing offers APFS the ability to participate in a program that offers mutual funds that are often referred to as no transaction fee ("NTF") funds. For mutual funds in Pershing's NTF program, Pershing waives transaction fees that it would otherwise charge advisory clients. NTF mutual funds pay Pershing a portion of the fund's internal expenses. NTF mutual funds will likely have higher internal expenses than non-NTF mutual funds or other share classes of the same mutual funds. Mutual fund shares offered through the NTF program may have at least one lower-cost share class available for which APFS would receive less or no shared revenue.

Clients are urged to inquire into whether lower-cost share classes are available and/or appropriate for their account, considering their expected investment holding periods, amount invested and anticipated trading frequency. Further information regarding mutual fund charges and expenses is available in the applicable mutual fund prospectus.

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

APA does not permit performance-based pricing without an exception. An exception would require the client to be a qualified client. Certain clients may pay Advisors of APA a performance-based management fee through TPAMs only. This fee is charged to the client per the agreement with the third-party manager based upon the annual performance of the portfolio. APA may only accept a performance-based fee if the client meets the standards of a "Qualified Client" under the Investment Advisers Act of 1940. Fees charged under this program may or may not exceed the maximum rate as detailed in the "Fees and Compensation" (Item 5) section above. These types of fees are generally charged in arrears. The fee is calculated based upon the performance of the previous year's actual returns, as provided in the client agreement and disclosure document signed by the client and paid to APA in the first or second quarter of the following year. The fee may vary because of different services provided by a particular Advisor.

Investment advisers face conflicts of interest in recommending accounts that are charged a performance-based fee and accounts that are charged asset-based fees at the same time, because there may be an incentive to favor accounts which pay a performance-based fee, which is typically higher than an asset-based fee. For instance, an investment adviser who has trading authority over both types of accounts may have an incentive to allocate more profitable investments to the performance-based fee accounts to increase the investment adviser's own profits. However, APA believes such conflicts are mitigated since it does not have trading discretion with respect to accounts that are charged performance-based fees. Moreover, clients charged performance-based fees will receive separate disclosure from the TPAMs regarding side-by-side management and performance-based and asset-based fee accounts.

Item 7: Types of Clients

APA primarily provides investment advice and financial planning services to the following types of clients:

- Individuals
- Joint accounts
- Retirement
- Custodial
- Pension and profit-sharing plans
- Trusts, estates and charitable organizations
- Corporations and other business entities

Minimum Account Size

The minimum account size for an Advisor's Choice 3 account is $10,000. APA reserves the right to grant exceptions after a review of a request by an advisor. These participants will pay all charged custodial fees and or charges assessed and debited from the account. Accounts that are registered as IRA accounts will pay the required annual IRA account fee and no activity fees (if no transactions occur in an account within the calendar year) as charged by custodians – debited from the account.

In the advisor choice program, with the exception of the AP2 office range, the client will pay the annual IRA fee for accounts with values less than $100,000. APA or the third-party manager may require the client to deposit additional money or securities to bring the account value up to the required minimum or close the account or charge the client a minimum billing fee as provided in each client agreement and managers brochure. All above values and conditions apply to all custodians approved by APA and the advisors of APA's corporate RIA.

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

Methods of Analysis

APA advisors are all independent advisors and as such the advisors utilize various methods of analysis in providing advisory services to clients. The main sources of information used by APA are research materials prepared by others, financial newspapers and magazines, annual reports, prospectuses, filings with the SEC, and company press releases.

Investment Strategies

The investment strategies used to implement any investment advice given to clients may include long-term purchases (securities held at least a year); short-term purchases (securities sold within a year); trading (securities sold within 30 days); and covered call option writing. Frequent trading strategies are not encouraged however they are permitted by APA.

Although APA through your IAR manages accounts in a way that APA believes is consistent with your specific investment objectives and risk tolerance, there can be no guarantee that our efforts will be successful. General economic conditions, current interest rates, the performance of a particular industry or company, and any number of other factors can affect investment performance. Clients should be prepared to bear the risk of loss. All investments are subject to loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions) and the loss of future earnings.

Risk of Loss

Equities: Investing in equity instruments such as stocks, mutual funds and ETFs involve risks which may include:

- Financial Risk—Risk that the companies APA recommends may perform poorly, which will affect the price of your investment.
- Market Risk—Risk that the stock market will decline, decreasing the values of the securities that APA has recommended to you.
- Inflation Risk—Risk that the rate of price increases in the economy deteriorates the returns associated with stock.
- Political and Governmental Risk—Risk that the value of your investments may change with the introduction of new laws or regulations.
- Pandemic Risk

Bonds and Debt Instruments: Investing in bonds and debt instruments also involves the assumption of risks, including:

- Interest Rate Risk—Risk that the value of your bond investments will fall if interest rates increase.
- Call Risk—Risk that your bond investments will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.
- Default Risk—Risk that the bond issuer may not be able to pay you the contractual interest or principal on the bond in a timely manner or at all.
- Inflation Risk—Risk that the rate of price increases in the economy deteriorates the returns associated with the bond.
- Liquidity Risk—Risk that a given financial asset, security or commodity cannot be traded quickly enough in the market without impacting the market price.

Alternative Investments: Investing in alternative investments, such as private placements or real estate, involve specific risks that may be greater than those associated with traditional investments, including:

- Alternatives may have limited liquidity due to lock-up periods and lack of markets.
- Many alternatives have high cost of entry, requiring hefty minimum purchases.
- Such products employ potentially speculative investment strategies.
- Changes in tax laws may impact the performance.
- Many alternatives have different regulatory and reporting requirements.

APA allows these positions to be held in an advisory account but not billed an advisory fee. These holdings will affect performance and client reports may be inaccurate because the values of the positions are generally not priced on a regular basis.

Margin: The use of margin involves the assumption of certain risks, including but not limited to:

- You may lose more than the principal you invest, as your risk includes the amount you invest plus the amount that has been loaned to you.
- The custodian may force the sale of securities in your account if the equity in your account falls below the margin requirements.
- You may not be entitled to select which securities will be sold to meet margin requirements. Margin requirements may be changed by the custodian without notice.

- Money borrowed in a margin account is charged an interest rate that is subject to change over time. This interest rate is in addition to other fees associated with your account. The Firm retains a portion of the margin interest charged, which is a source of revenue. This compensation represents a conflict of interest as the Firm has a financial benefit when you maintain a margin debt balance. However, this compensation is retained by the Firm and is not shared with your Advisor, so your Advisor does not have a financial incentive to recommend that you maintain a margin balance.
- APA permits the use of margin in advisory accounts on an exception basis only.

SELLING SHORT: Short selling is not permitted in advisory accounts.

Options: Options are considered speculative. Utilizing options in an account involves the assumption of certain risks, included but not limited to:

- Options can be highly volatile in price.
- Writing options on uncovered positions may expose you to unlimited loss.
- Options have an expiration date. It may not be possible to determine the opportune time to exercise an option, which impacts the amount of potential profit or loss.

You should be aware that transactions in the account, including account reallocations and rebalancing, may trigger a taxable event, unless your account is a qualified retirement or other tax deferred account.

Item 9: Disciplinary Information

American Portfolios Advisors, Inc. (APA) submitted an offer of settlement, which the Securities and Exchange Commission accepted on December 20, 2018, to fully resolve administrative proceedings. APA consented to the settlement without admitting or denying the findings in the settlement order. In addition, the findings are not binding on any other person or entity in this or any other proceeding. The settlement order relates to APA's selection of mutual fund share classes and receipt of 12b-1 fees during the period July 2012 to March 2016. The order finds that APA did not adequately disclose a conflict of interest presented by its share class selection practices, that the practices were inconsistent with APA's duty to seek best execution, and that APA did not implement its written policies and procedures. As a result, the order finds that APA willfully violated Sections 206(2), 206(4) and 207 of the Investment Advisers Act of 1940 and Rule 206(4)-7 thereunder. As part of the settlement, APA agreed to compensate affected advisory clients with payments of $850,000 in disgorgement, plus interest, and a civil monetary penalty of $250,000. The settlement brings resolution and finality to this matter.

Item 10: Other Financial Industry Activities and Affiliations

Certain Advisors of APFS who are separately registered as investment advisers (or who are advisory representatives of separately registered investment advisers) may provide investment advice to clients through programs described within their individual disclosure documents. APFS may execute trades on behalf of clients' accounts in these programs in its capacity as a broker/dealer. Client account agreements will set forth whether APA or a third-party manager is providing the investment advice to clients.

Some Advisors may also be licensed as registered representatives of APFS, a broker/dealer. APA and APFS are affiliated companies held by common ownership. Certain Advisors may also represent one or more general life insurance agencies. Such Advisors may recommend the purchase of insurance products to their clients and may receive commissions in connection with such purchases. Independent contractors, who are not Advisors of APA, may also sell life insurance. Certain APFS/APA representatives may also be employed as independent insurance brokers and sell fixed insurance products through their own agencies. APFS may share a portion of the commission generated by the sale of insurance products.

You are under no obligation to utilize the services of any Advisor of APA in the purchase or sale of securities or insurance products and services through his/her association with APFS, an insurance company or APA. However, any transactions you may effect through him/her in conjunction with those relationships may result in the receipt of commissions and other compensation in addition to any advisory fee that APA charges, and the additional compensation may present a conflict of interest to recommend products and services based on the amount of compensation that may be received, rather than on your needs. Advisors of APA seek to address this conflict by explaining the costs associated with any recommendations they make and always putting the client interests first.

APA selects third-party managers based on due diligence review for its various programs, and APA receives compensation as a percentage of the overall manager/program fee that is set by APA. APA is compensated to monitor the investments and performance of the third-party managers and the third-party managers are compensated to execute and trade the assets within the account. APA does not believe these arrangements present a material conflict of interest for APA and APA limits total advisory fee to a maximum of 3%.

APA's Advisors may act as solicitors for third-party managers, pursuant to which they receive compensation from such managers for recommending advisory clients to them.

In certain instances, APFS extends forgivable loans to registered representatives who are also investment adviser representatives of APA. Because the loans require investment adviser representatives to remain registered with APFS and in active production as registered representatives, they create a conflict of interest with advisory clients and a financial incentive for investment adviser representatives to use APFS for execution and other services.

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

APA has a code of ethics and procedures dealing with insider trading, employee-related accounts, front running and other issues that may present potential conflicts when employees engage in personal trading. In general, these policies and procedures are intended to eliminate, to the extent possible, the adverse effect of any such potential conflicts of interest.

APA has established the following policies in order to ensure its fiduciary responsibilities:

1) APA emphasizes the unrestricted right of the client to specify investment objectives, guidelines and/or conditions on the overall management of their account.

2) Associated persons or their immediate family members shall not buy or sell securities for their personal portfolio(s) where their decision is derived in whole or in part, by reason of the associated person's employment, unless the information is also available to the investing public on reasonable inquiry.

3) APA or individuals associated with APA may buy or sell for their personal account(s) investment products identical to those recommended to clients. They may also recommend to clients that they buy or sell securities or investment products in which they, or a related person, have some fundamental interest. None of APA, its associated persons and their immediate family shall prefer their own interest to that of the advisory client. Investment opportunities must be offered first to clients before APA or associated persons may participate in such transactions.

4) APA requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

5) Records are maintained of all securities bought or sold by APA, associated persons of APA and related entities. A qualified representative of APA's affiliate, the broker/dealer APFS, reviews these records on a regular basis.

6) Any individual not in observance of the above may be subject to termination.

This investment policy has been established recognizing that some securities being considered for purchase and/or sale on behalf of APA's clients trade in sufficiently broad markets to permit transactions by Advisors to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above.

The restrictions above do not apply to certain types of securities, such as obligations of the U.S. Government and shares in open-end mutual funds.

Clients may obtain a copy of APA's code of ethics from APA upon request.

Item 12: Brokerage Practices

As discussed under Item 5 above, clients establish brokerage accounts through APFS or one of APA's chosen custodians, which include Pershing LLC, Schwab Institutional or TD Ameritrade Investor Services, Inc. APA has approved custodians based on execution capabilities, availability of securities to be purchased, financial strength, responsibility and responsiveness to the client. Not all investment advisers require clients to direct brokerage to a particular firm.

The independent and unaffiliated custodians APA recommends offer programs to independent investment advisers pursuant to which they provide custody of securities, trade execution, clearance and settlement of transactions to the clients of such advisers, such as APA. Concessions provided to APA are not shared by APA with its Advisors. APA participates in the TD Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent (and unaffiliated) SEC-Registered registered broker dealer. TD Ameritrade offers independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions.

APFS and APA prohibit agency cross transactions on equities, and bond cross transactions (i.e., transactions in which APFS or an affiliate acts as broker for the parties on both sides of the transaction) are generally prohibited without an exception.

APFS and its associated persons may recommend to clients the purchase or sale of investment products through Pershing, APFS's clearing broker/dealer. APFS and APA may receive certain compensation from Pershing based from brokerage accounts, which may present a conflict of interest. APFS and APA will put the interest and concern of the client first, and in spite of the conflict of interest will serve the client needs and interests above their own. 12b1 fees paid at Pershing, LLC are rebated to the client. 12b1 fees paid at TD Ameritrade and Schwab are retained by TD Ameritrade and Schwab as they are the broker/dealer.

Frequently, Advisors are in a position of buying or selling the same security for a number of clients. In an effort to reduce market impact and to obtain best execution, securities may be purchased or sold in bulk (or aggregated) on the same day for the Advisor's clients to the extent permitted by applicable law and regulations. In such cases, the transactions, as well as the expenses incurred in the transactions, will be allocated according to a policy designed to ensure that such allocation is equitable and consistent with the Advisor's fiduciary duty to its clients. Pursuant to this policy, aggregated orders are averaged as to price and, except in the case of small orders, are allocated pro rata as to amount according to each account's daily purchase or sale orders.

Certain mutual funds (and/or their related persons) and certain unit investment trusts in which a client may invest, make payments to broker/dealers. Such payments may be pursuant to a 12b1 distribution plan or pursuant to another arrangement as compensation for distribution or administrative services and may be paid out of the fund's or the trust's assets. APA through APFS rebates these fees to the client while TD Ameritrade and Schwab do not. No matter what fund is chosen the advisor will assess the fee he or she charges for management of the account to be charged to the client regardless of 12b1 fees is paid to the advisor or not. In addition, APFS participates in transaction revenue and other fees received or charged by Pershing. APFS's participation in such revenue and fees may create a conflict of interest between APFS and Client. APA and APFS do not share in revenue with TD and Schwab.

As a result of an Advisor selecting certain mutual funds, including money market funds, in which clients are invested, APFS may also receive a portion of other custodial concessions including custodial fees and or commissions. These fees paid to APFS and commissions are all used to continue to service the client as their Broker Dealer. In choosing any mutual fund share class one may cost more than the other thus the performance of the account will be influenced by the share class chosen.

When an error occurs while trading a client account, APA will process the correction using an error account.

Alternative Regulation D products in advisory accounts - APA will allow a fee to be charged on an Alternative Investment (Regulation D product) position in an advisory account if the position is liquid – or offers to be liquid – at least quarterly and the position is valued by the offering entity at least on a quarterly basis. These Alternative Entities must be pre-approved by the Product Review Committee before being placed into the advisory account. The position cannot be one that pays a commission and a fee to the same client in an account. The position can only pay a Fee to be billed in the advisory account to the advisor of record using the proper no load share class offered.

Item 13: Review of Accounts

Generally, the Advisor is responsible for reviewing client accounts at least annually and is encouraged to submit an annual client review form to APA. APA supervising principals review for suitability for all new accounts to determine if a client's portfolio is suitable and contains the correct investment options for the client's needs, risk tolerance and requirements. AP managing principals review all new account forms where it provides brokerage services through all custodians for adequate disclosure of the client's financial goals and financial means. In these cases, trade surveillance is monitored on at least a weekly basis by an AP supervising principal and other AP departments that have access to commissions/fees paid, as well as by the operations area of AP.

For each month in which there is activity in an account, clients receive a summary of transactions from the custodian. If there is no activity in an account, clients will receive a brokerage statement on a quarterly basis which provides the current market value of the combined holdings as of quarter-end. Clients also receive a confirmation after each transaction executed in their account by the custodian. These confirmations may be distributed in hard copy form or by electronic notification or be available on the custodian's on-line system for client review.

Item 14: Client Referrals and Other Compensation

CUSTODIAL RELATIONSHIPS

As discussed above under Item 12, APA provides independent and unaffiliated custodians to its clients who provide custody of securities, trade execution, clearance and settlement of transactions, and reporting to APA's clients. These custodians currently include Pershing LLC, TD Ameritrade Investors Services, Inc. (TD) and Schwab Institutional. APA also utilizes National Financial Services, SEI and Assetmark for custodial services for third-party managed programs.

Clients should be aware, however, that the receipt of economic benefits by APA from its recommended custodians in and of itself creates a potential conflict of interest and may indirectly influence APA's recommendation of a particular custodian for custody and brokerage services, particularly if the custodian requires a minimum amount of client assets to be included with it in order to provide services to APA or if the custodian considers the amount and profitability to it of the assets in, and trades placed for, APA's client accounts maintained with it in determining whether to provide certain additional services to APA. APA's receipt of economic benefit does not diminish its duty to act in the best interests of its clients, including to seek best execution of trades for client accounts and determining the best possible solution for their risk tolerance.

Other services provided by custodians to APA include (but may not represent the complete list):

RESEARCH AND BROKERAGE PRODUCTS AND SERVICES

Research products and services APA may receive from custodians may include economic surveys, data and analyses; financial publications; recommendations or other information about particular companies and industries (through research reports and otherwise); and other products or services (e.g., computer services, software and databases) that provide lawful and appropriate assistance to the firm in the performance of its investment decision-making responsibilities. Consistent with Section 28(e) of the Securities Exchange Act of 1934, brokerage products and services (beyond traditional execution services) consist primarily of computer services and research software that permit APA to effect securities transactions and perform functions incidental to transaction execution. APA and its Advisors generally use such products and services in the conduct of its overall investment decision making, not just for those accounts whose commissions may be considered to have been used to pay for the products or services. APA receives these research applications through a flat dollar amount agreement and not through any commissionable business conducted.

PERSHING

Advisors may recommend loan programs (fully paid securities lending or loan advances) to clients through Pershing. Advisors that recommend these programs and APFS are compensated for their referral to Pershing, which is disclosed in the client agreement. Fully paid securities lending enables the client to lend their fully paid securities in their APA-managed accounts to Pershing in exchange for additional income. Pershing uses the securities to satisfy both internal and external borrowing needs. Clients receive monthly income while maintaining complete control of the securities. Clients will not receive actual dividend payments; however, Pershing will process cash payments as if they are actual dividends to the client account. Clients may be advanced a line of credit at a competitive interest rate which can be used for personal, consumer or business needs. The client will pledge the securities of their APA-managed account as collateral.

Uninvested cash balances in Pershing advisory accounts will automatically sweep to the American Portfolios Financial Services, Inc. FDIC Insured Bank Deposit Sweep Program ("Bank Deposit Sweep Program"). If client does not wish to use the Bank Deposit Sweep Program as his or her sweep option, client may elect to leave his or her uninvested cash balances as a free credit balance awaiting investment in client's account ("Free Credit Balance"). Client may elect to opt out of the Bank Deposit Sweet Program at any time by sending a letter to American Portfolios Financial Services, Inc., attention Chief Operating Officer, containing his or her request to opt out. Our investment adviser representatives' compensation is unaffected by the client's choice. The sweep deposits will be custodied at Pershing, LLC ("Pershing"), which provides clearing and custody services to APFS. The Bank Deposit Sweep Program creates financial benefits for APA and APFS, and APA and APFS will earn higher fees on the sweep deposits custodied at Pershing than on sweep deposits not custodied at Pershing. Revenues generated through the Bank Deposit Sweep Program may be greater than revenues generated by sweep programs custodied at other brokerage firms and may be greater than other cash deposit investment vehicles available to clients. The program may also be more profitable to APA and APFS than other available sweep options. Please refer to https://www.americanportfolios.com for the most current information on the Bank Deposit Sweep Program Disclosure linked at the bottom of the page.

NORTHERN CAPITAL SECURITIES CORPORATION

For certain managed fixed income portfolios, APA will direct APFS to process fixed income securities trades with Northern Capital Securities Corporation ("Northern Capital"), member FINRA/SIPC. Northern Capital is not affiliated with APA, APFS or its representatives.

APA receives research and other services and products from Northern Capital used by NPIM to assist in managing fixed income portfolios. These services and products would include financial publications, pricing information and other products or services. Such research and execution-related services are offered to all investment advisors who utilize these portfolios. The fees charged by Northern Capital may be higher than those charged by a firm who does not provide the research and services.

Because APA is receiving such services for no additional cost, we have an incentive to continue to use or expand the use of Northern Capital's services. We examined this potential conflict of interest when we chose to enter the relationship with Northern Capital and have determined that the relationship is in the best interests of our clients and satisfies our client obligations. A client may pay a fee that is higher than another service-provider might charge to locate the same security where we determine in good faith that the fee is reasonable in relation to the value of the services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of services, including the value of research provided, expertise, fees, responsiveness and access to liquidity. Accordingly, although we will seek competitive rates to the benefit of all clients, we may not necessarily obtain the lowest possible fee for specific client account transactions.

SOLICITORS

APA may pay fees to financial intermediaries, advisers, planners, accountants and individuals—as solicitors—who refer their clients to APA through its advisors, but only in accordance with all of the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940. The terms of these agreements generally provide for compensation to the solicitor equal to a specified percentage of the fees received by APA for clients referred, or for fixed compensation. The client will be asked to sign a disclosure document that will provide specific information about the relationship between the Solicitor, APA and the IAR. All Solicitor agreements are executed by the interested parties that refer business to APA. These solicitors are compensated as a part of the advisors' fees. APA has a process of background checks and approval of qualified persons. When an account is opened where a solicitor is involved the client will sign a document of disclosure.

GENERAL

On occasion, APA may receive benefits from companies that are currently doing business with APA, or that APA is considering doing business with. Benefits from these companies may include, but are not limited to, expenses paid for due diligence trips, conferences, and seminars for Advisors and clients.

Item 15: Custody

Currently, APA utilizes Pershing LLC, Schwab Institutional and TD Ameritrade Investor Services, Inc. as custodians for client accounts for both Advisor's Choice and Third-Party Asset Manager programs, and also National Financial Services, SEI and Assetmark for Third-Party Asset Manager programs. APA is deemed to have custody of your assets when you authorize APA to debit fees from your account. However, APA does not maintain physical custody of your assets. As previously noted, you will receive statements from your account custodian on at least a quarterly basis. You should carefully review these statements.

Item 16: The Use of Investment Discretion

Advisors may utilize discretion in the Advisor's Choice program and Unified Solutions (UMA) program. The Advisor may utilize limited discretion for trading purposes only. Pursuant to this discretionary authority, the Advisor may determine which securities to buy or sell for the account and the total amount of the purchases and sales. Clients may place limits on this authority, including restricting or prohibiting purchases of certain types of securities. In order to grant this discretionary authority, clients must sign the appropriate application or agreement.

Clients in TPAM will grant third-party managers authority to only purchase and sell assets on their behalf as set forth in their account agreement with that investment manager.

Item 17: Voting Client Securities

Neither APA nor its Advisors have authority to vote proxies on behalf of their clients and do not advise clients regarding how they should vote. The custodian forwards proxies to clients. Third-party managers may vote proxies as disclosed in their brochures.

Item 18: Financial Information

American Portfolios Holdings, Inc (APH), parent company of American Portfolios Advisors, Inc. (APA), received a loan under the Paycheck Protection Program (PPP) on May 19, 2020. Part of the loan proceeds were used to pay the salaries of employees who are responsible for performing advisory and other support functions at APA. PPP loans are unsecured and do not require a personal guarantee, and do not require showing that credit elsewhere is otherwise unavailable. PPP loans are federally guaranteed and potentially entirely forgivable. Failure to meet the requirements and conditions for loan forgiveness would result in APH being obligated to repay the loan, potentially causing adverse financial conditions for the company. To mitigate this risk, APH used the loan exactly as intended - to meet payroll demand – in order to support its claim for loan forgiveness, which APH expects to occur Q1 of 2021.

Item 19: ERISA Guide to Services and Compensation

In accordance with Rule 408(b)-2 of the Employee Retirement Income Security Act of 1974, the following is a guide to important information that ERISA Plans should consider in connection with the services provided by American Portfolios Advisors. Should you have any questions concerning this guide or the information provided to you concerning our services or compensation, please do not hesitate to contact American Portfolios Advisors' compliance department at (631) 439-4600.

Required Information	Location(s)
Description of the services that APA will provide to your plan	These services are described in your Investment Advisory Agreement.
A statement concerning the services that APA will provide as an ERISA fiduciary and a registered investment adviser	These can be found in your Investment Advisory Agreement under Representations or in APA's Form ADV, Part 2a under Advisory Business.
Direct Compensation APA will receive from your Plan	Information regarding compensation APA will receive from your plan can be found in your Investment Advisory Agreement's fee schedule. It can also be found in APA's Form ADV part 2a under Fees and Compensation.
Indirect Compensation APA will receive from other parties that are not related to APA	Indirect compensation information can be found in your Investment Advisory Agreement and in Form ADV, Part 2a under Brokerage Practices.
Compensation APA will receive if you terminate this service agreement	Information regarding compensation paid upon termination of your account can be found in your Investment Advisory Agreement. It can also be found in Form ADV, Part 2a under Fees and Compensation
The manner in which the Plan is billed.	Information regarding the manner in which your Plan is billed can be found in your Investment Advisory Agreement. It can also be found in APA's Form ADV, Part 2a under Fees and Compensation.
The cost to your Plan or recordkeeping services.	Not Applicable. APA is not a record-keeper or administrator to your Plan.