



**Part 2A Appendix 1 of Form ADV: *Wrap Fee Program Brochure***

2200 Atlantic Street, 2nd Floor

Stamford, CT 06902

(855) 949-5855

[www.newedgewealth.com](http://www.newedgewealth.com)

*as of*

April 23, 2026

This wrap fee program brochure (“Brochure”) provides information about the qualifications and business practices of NewEdge Wealth, LLC (hereinafter “NewEdge” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Nicole Davis, the Firm’s Chief Compliance Officer, at the telephone number listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC does not imply a certain level of skill or training.

## **Item 2: Material Changes**

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

Since the last annual amendment, dated March 31, 2025, the following changes have been made:

- Item 10 – Other Financial Industry Activities and Affiliations – Updated the description of the Bank Deposit Program to provide clearer information about how the program works.
- Included disclosures and risks regarding NewEdge’s use of artificial intelligence.
- Included disclosures regarding the firm’s affiliate receiving revenue-sharing fees in connection with structured notes.
- Included discloses that it offers unified managed accounts (“UMAs”) utilizing third-party platforms, including SMArtX and Vise. Vise also employs algorithmic models to construct and manage portfolios based on client preferences and market data.

### **Item 3. Table of Contents**

Item 2: Material Changes.....	2
Item 3. Table of Contents .....	3
Item 4: Services, Fees and Compensation .....	4
Item 5: Account Requirements and Types of Clients .....	24
Item 6: Portfolio Manager Selection and Evaluation .....	24
Item 7: Client Information Provided to Portfolio Managers.....	41
Item 8: Contact with Portfolio Managers.....	41
Item 9: Additional Information.....	41

#### **Item 4: Services, Fees and Compensation**

NewEdge Wealth, LLC (“NewEdge”, “Firm”, “us” or “we”) provides ultra-high net worth individuals and families with a broad range of comprehensive investment advisory services. While our services depend on the specific arrangement with each client, our engagements generally include the provision of advisory services on a wrap fee basis. This means that clients pay a single asset-based fee to NewEdge, which covers our investment advisory services, performance reporting, custody of securities, trade execution with or through NewEdge Securities, Inc. (“NES” or “Securities”), our broker dealer affiliate, as well as compensation to our Private Wealth Advisors (“PWAs”).

The Firm filed for registration with the SEC as an investment adviser on March 1, 2020. As December 31, 2025, NewEdge had regulatory assets under management (“RAUM”) of \$19,926,358,802 of which \$18,220,388,983 was discretionary RAUM and \$1,705,969,818 was non-discretionary. In addition to our RAUM, NewEdge serviced \$10,371,385,315 of additional assets as of December 31, 2025, which do not meet the criteria of RAUM. In total, NewEdge advised or serviced a total of \$30,297,744,117 in client assets as of December 31, 2025. Assets “serviced by” the firm includes (i) client assets for which we provide investment advisory services, (ii) client assets for which we provide brokerage services through our affiliate, NewEdge Securities, LLC and (iii) client assets held at affiliated and unaffiliated broker dealers for which we provide supervisory oversight, support services and/or wealth strategy services. The value of certain serviced assets is based on information provided by clients and is not independently verified by the Firm.

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

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

For more information about the services, we provide outside of the wrap fee programs discussed in this brochure, please refer to our Form ADV Part 2A Firm Brochure.

## **Advisory Services**

---

### ***Portfolio Management***

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

- PWA Advised Portfolios;
- Model Strategies;
- Separately Managed Account ("SMA") Programs; and
- NewEdge Investment Solutions ("NEIS") strategies.

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

The terms of the advisory services that NewEdge provides for each client are set forth in one or more investment advisory agreements between NewEdge and such client ("Advisory Agreement"). Some third-party platforms and programs also require an agreement directly with a client in addition to the Advisory Agreement. Clients must rely on a third party to custody their securities and other assets and to execute securities transactions. Our client's assets are generally custodied at National Financial Services LLC ("NFS"), Fidelity Brokerage Services LLC (together with NFS, "Fidelity"), Folio Investment, Inc., d/b/a Goldman Sachs Custody Solutions ("Goldman Sachs"), Charles Schwab & Co ("Schwab") and Pershing Advisor Solutions LLC ("Pershing") (collectively, "Custodians"). Clients with assets custodied at Fidelity, Goldman Sachs, Schwab or Pershing must enter into a separate account agreement with the respective custodian.

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

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

### *Investment Restrictions*

You can place reasonable restrictions on the types of investments to be held in your portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to, for example, the level of difficulty this would entail in managing the account or an Independent Manager's ability to accommodate them. You should contact your PWA to determine what types of restrictions you can request for your account.

### ***PWA Advised Portfolios***

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

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

### ***Model Strategies***

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

### ***Separately Managed Accounts***

NewEdge can recommend or allocate a portion of a client's assets to certain Independent Managers to actively manage a portion of the assets in accordance with the client's designated investment objectives. In such situations, the Independent Manager shall have day-to-day responsibility for the active discretionary management of the allocated assets. NewEdge has no ability to affect the trading

decisions of the Independent Managers once they are chosen but can advise on the decision to engage or terminate a particular manager. NewEdge shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors that NewEdge shall consider in recommending Independent Managers include the client's designated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. Please note investment management fees charged by an Independent Manager are separate from, and in addition to, NewEdge's investment advisory fee ("Advisory Fee") (discussed in more detail in Item 5 below).

Depending on the Independent Manager, the specific terms and conditions under which a client engages an Independent Manager can be set forth in a separate written agreement with the Independent Manager. Alternatively, NewEdge can contract directly with the Independent Manager for the Independent Manager to advise on a sub-advisory basis. Clients can also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

*Envestnet Asset Management, Inc.*

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

### ***NewEdge Investment Solutions***

NewEdge can provide asset management services for specific investment strategies through NewEdge Investment Solutions ("NEIS"). NEIS is a division of NewEdge actively involved in managing certain equity, structured notes, and fixed income investment strategies primarily through separately managed accounts. These or other advisory affiliates can be expected to provide additional services in the future. Further, clients investing through NewEdge are from time to time offered access to private funds, and other securities offered and/or managed by NEIS or other advisory affiliates of NewEdge.

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

### ***Unified Managed Accounts***

NewEdge offers as unified managed accounts ("UMAs"), which are single portfolios with a mix of assets classes and investment positions using model portfolios, which may consist of Independent Managers, NEIS strategies and to a less extent, other investment options such as mutual funds and exchanged traded funds. NewEdge utilizes as SMArtX Advisory Solutions LLC ("SMArtX") and Vise AI

Advisors, LLC (“Vise”) as UMA platform providers. In addition to being a platform provider, Vise also employs automated computer algorithms to implement investment models, asset allocation, asset classes, and portfolios selected by NewEdge. Using this factor-based methodology, Vise evaluates financial metrics, market data, and other sources to generate scores indicating potential returns for each security. Portfolio exposures are adjusted based on clients' preferences. Portfolios primarily consist of individual US exchange-listed securities. Vise may also allocate cash and cash equivalents, including Money Market Funds.

## **Cash Positions**

---

Cash and cash alternatives, such as institutional and “sweep” money market funds and bank deposit sweep programs (“Core Account Sweep Vehicles”) are included in the value of the assets being managed by NewEdge when calculating our Advisory Fees and NEIS Manager Fees. Clients should understand that the portion of the assets held in Core Account Sweep Vehicles or cash alternatives will experience negative performance if the applicable Advisory Fee or Manager Fee charged is higher than the return received on the free cash balance or cash alternative.

At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), NewEdge may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances.

Core Account Sweep Vehicles are offered by custodians as a service to facilitate the efficient management of cash in accounts while awaiting reinvestment. Core Account Sweep Vehicles are generally not used as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your PWA to discuss investment options that are available outside of the Core Account Sweep Vehicles that may be better suited to your goals.

## **Trade Execution, Confirmations, Account Statements and Performance Reviews**

---

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

alternative trading services. Clients are encouraged to consider the possible costs and disadvantages of such directed brokerage arrangements.

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

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

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

### ***Retirement Rollovers-Potential for Conflict of Interest***

A client or prospective client leaving an employer typically has four options, or a combination thereof, regarding an existing retirement plan:

1. Leave the money in the former employer's plan, if permitted.
2. Roll over the assets to a new employer's plan, if available and rollovers are allowed.
3. Roll over to an Individual Retirement Account ("IRA").
4. Cash out the account, which may result in adverse tax consequences depending on the client's age.

If NewEdge recommends rolling over retirement plan assets into an account it manages, a conflict of interest arises if NewEdge earns new or increased compensation from the rollover. When NewEdge provides a recommendation on whether to roll over assets—whether from an employer's plan or an existing IRA—it acts as a fiduciary under Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable. **Clients are under no obligation to roll over retirement assets to an account managed by NewEdge.**

### ***Structured Notes***

In certain investment strategies, NewEdge purchases structured notes for client accounts. A structured note is a financial instrument that combines a debt security, and exposure to an underlying asset or assets, such as the S&P 500 Index or commodities. It is essentially a note, carrying counter party risk of the issuer. The return on a structured note is linked to the performance of the underlying

asset(s), making these products unique. They can offer principal protection, leveraged returns (typically capped), and can be tailored to specific market or economic views. Additionally, if certain conditions are met and the note is held for more than one year, investors may qualify for long-term capital gains tax treatment. Structured notes also have liquidity constraints, meaning early sales before maturity may be limited. See Risks associated with Structured Notes in Item 8 below.

### ***Portfolio Activity***

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

### ***Tradeaway/Prime Broker Fees***

If, in the reasonable determination of NewEdge, it would be beneficial for the client, individual equity and/or fixed income transactions can be affected through broker-dealers other than the account custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate "tradeaway" and/or prime broker fee charged by the account custodian.

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

## **Cross Transactions**

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

## **Use of Technology Tools, including Artificial Intelligence**

---

The Firm and its PWAs may use technology tools, including artificial intelligence ("AI") applications, to assist in certain aspects of the advisory services provided to clients. These tools may be used to support research and analysis of investment options, preparation and review of financial planning materials, drafting of client communications and reports, and other administrative and operational functions related to the delivery of advisory services.

AI tools used by NewEdge are employed as supplements to, and not replacements for, the professional judgment of the Firm's PWAs. All AI-assisted output that is incorporated into investment recommendations, financial plans, or client-facing communications is reviewed and approved by a qualified supervised person before being provided to or relied upon by clients. The Firm does not use AI tools to autonomously make investment decisions, execute trades, or manage client portfolios without human oversight.

The Firm has adopted policies and procedures governing the use of AI tools by Supervised Persons. These policies address, among other things, permissible use cases, data handling and client confidentiality requirements, human review and approval obligations, and supervisory oversight of AI-assisted work product. Supervised Persons are prohibited from inputting client personally identifiable information into AI tools except through firm-approved platforms that meet NewEdge's data security requirements.

## **Fees and Compensation**

---

### ***Wrap vs Non-Wrap Fees***

Clients have the choice to pay NewEdge an "unbundled" fee, whereby they pay a separate fee for (1) our investment advice, (2) third-party brokerage services (including commissions) charged by broker dealers and (3) management fees charged by Independent Managers or NEIS.

However, many of our clients choose to be charged a single "wrap" fee. This "wrap" fee is a single fee that includes (1) our Advisory Fees, (2) third party brokerage and trading costs, commissions, custody

fees, and fees for platform administration, and reporting services, and (2) investment management fees charged by Independent Managers and/or NEIS (“Manager Fees”).

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

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

### ***NEW Advisory Fee***

Advisory Fees may be charged in one of the following ways, as described in the client’s Investment Advisory Services Agreement and/or applicable Service Summary. Clients may also be subject to a minimum annual fee, as outlined in their Service Summary.

1. **Fixed Annual Fee.** In certain cases, NewEdge charges a fixed annual fee for advisory services. This fee is negotiated based on the scope and complexity of the engagement and does not vary with the amount of assets under management unless otherwise stated in the applicable agreement.
2. **Flat Asset-Based Fee.** If the Advisory Fee is charged using a flat asset-based fee schedule, NewEdge applies a single fee rate to all assets in the account. This fee is negotiated based on the scope and complexity of the engagement
3. **Tiered Rate Fee Schedule.** If the Advisory Fee is charged using a tiered rate schedule, NewEdge applies different fee rates to portions of the portfolio based on the stated breakpoints. Assets in each tier are billed at the rate for that tier, resulting in a blended fee across the entire portfolio. For purposes of applying the tiered schedule, NewEdge Wealth may, at its discretion, aggregate accounts for members of the same household or apply another methodology determined by the PWA. Aggregation does not automatically apply to related accounts held under separate entities, trusts, or custodians, and assets subject to ERISA may not be aggregated for tiered rate fee schedules.

NewEdge prices its advisory services based on a combination of objective and subjective factors. Fees vary depending on the type, amount and market value of assets under management, the complexity of the engagement, and the scope of the investment advisory and consulting services provided. Other factors influencing pricing include related accounts, employee accounts, competition, and negotiations. As a result of these factors, similarly, situated clients pay different fees, and comparable

services may be available from other advisers at lower costs. Clients and prospective clients should consider this when evaluating NewEdge’s services.

### **Legacy Advisory Fees**

Certain of our PWAs were affiliated with NewEdge Advisors (and its predecessor) prior to becoming affiliated with NewEdge Wealth. When the PWAs affiliated with NewEdge, we assumed the existing advisory agreements and fee schedule for these accounts (“Legacy Accounts”). Fees for Legacy Accounts are generally calculated quarterly in advance, based on the market value of the account at the prior month-end. The fee is calculated for a three-month period and deducted at the start of the quarter. Accounts are divided into three billing cycles: Cycle 1 bills in January, April, July, and October; Cycle 2 bills in February, May, August, and November; and Cycle 3 bills in March, June, September, and December. While some Legacy Accounts may be grouped for internal tracking, none of these Legacy Accounts are householded for fee breakpoints.

### **Investment Manager Fees**

To the extent a client invests with an Independent Manager through our SMA Program, the Client will also pay a Manager Fee. Manager Fees generally range from 0.10% to 1.50% of AUM. These fees are separate and distinct from NewEdge’s advisory fees. NewEdge is not responsible for and does not receive any of these fees or charges.

### **NewEdge Investment Solutions Manager Fees**

Manager Fees are fees charged by NEIS for its management of certain investment strategies.

<b>NewEdge Investment Solution Portfolio Strategy</b>	<b>Manager Fee (%)</b>
<b>Equity Strategies</b>	0.25
<b>Fixed Income Strategies</b>	0.10
<b>Municipal Bond Strategies</b>	0.10
<b>Structure Notes Strategies</b>	0.50
<b>OCIO Multi-Asset Strategies</b>	0.15

NewEdge can, in its sole discretion, negotiate lower fees based upon factors, such as anticipated future earning capacity, asset amount, related accounts, account composition, legacy relationship, retention and pro bono activities, client needs, service complexity, and asset types.

Recommending proprietary investment portfolios creates a conflict of interest, as NewEdge earns more when assets are allocated to NEIS portfolios versus third-party managers. We mitigate this by (1) removing any direct financial incentive for your PWA to recommend proprietary portfolios and (2) ensuring recommendations align with your best interests. Clients are not obligated to use NEIS portfolios.

### ***UMA Manager Fees***

In a UMA account, if a client account has more than one Investment Manager or NEIS Portfolio Strategy, the effective Manager Fee will be a blend of all Investment Manager and/or NEIS Manager fees weighted by the dollar amount invested in each model portfolio. The initial fees are listed on the UMA Supplemental Service Fee Schedule for Manager Fees on the applicable Service Summary.

### ***Wealth Strategy Fees***

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

### ***Fee Discretion***

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

Clients are able to obtain some, or all, the services offered through the Firm separately from our broker dealer affiliate or from other firms, and the costs of obtaining the services separately may be more or less than the fees set forth herein.

### ***Payment of Advisory Fees***

---

The Advisory Fee is prorated and charged monthly or quarterly, in advance, based upon the market value of the assets in your Accounts ("Assets") on the last day of the previous billing period.

For the initial period of an engagement, the fee is calculated in arrears on a pro rata basis based on the value of the assets when the Account is funded. In the event an Advisory Agreement is terminated, the Advisory Fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the Advisory Fee is charged or refunded to the client, as appropriate. The Custodian will determine fair market value for Advisory Fee calculation purposes.

To the extent NewEdge receives a rebate or revenue share from an investment manager of an alternative investment, NewEdge shall pass the value of such discount to its clients invested in that alternative investment.

In certain circumstances, NewEdge is authorized to use margin in the management of the client's investment portfolio. In these cases, the Advisory Fee will be assessed gross of margin such that the market value of the client's account and corresponding fee payable by the client to NewEdge will be increased. This results in a conflict of interest for the Firm to recommend the use of margin. PWAs must have an independent, objective investment rationale for recommending margin, ensuring alignment with the client's financial goals and best interests.

### **Cash Balances**

Cash and cash alternatives, such as institutional and "sweep" money market funds and bank deposit sweep programs ("Core Account Sweep Vehicles") are included in the value of the assets being managed by NewEdge when calculating our Advisory Fees and NEIS Manager Fees. Clients should understand that the portion of the assets held in Core Account Sweep Vehicles or cash alternatives will experience negative performance if the applicable Advisory Fee or Manager Fee charged is higher than the return received on the free cash balance or cash alternative.

At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), NewEdge may maintain cash positions for defensive purposes. In addition, while assets are maintained in cash, such amounts could miss market advances.

Core Account Sweep Vehicles are offered by custodians as a service to facilitate the efficient management of cash in accounts while awaiting reinvestment. Core Account Sweep Vehicles are generally not used as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your PWA to discuss investment options that are available outside of the Core Account Sweep Vehicles that may be better suited to your goals.

### **Valuation**

---

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

Fixed income securities, including brokerage certificates of deposit, are generally priced by custodians using valuations, which may be matrix- or model based, and do not necessarily reflect actual trades.

These price valuations suggest current estimated market values, which may be significantly higher or lower than the amount a client would pay (or receive) in an actual purchase (sale) of the security. These prices, which custodians obtain from various sources, assume normal market conditions, and are based on large volume transactions.

If NewEdge references private investment funds owned by the client on any supplemental account reports, the values will generally reflect either the initial purchase, the most recent valuation provided by the fund or its administrator, and adjustments for contributions and distributions since the most recent valuation. In some cases, the most recent valuations may not be available for several months after quarter-end and are typically unaudited. If the valuation reflects the initial purchase price or an outdated value, the current value, if ascertainable, could differ significantly. Unless otherwise indicated, NewEdge shall calculate its fee based upon the latest value provided by the fund sponsor or administrator, as applicable.

Custodians may be unable to price certain securities or may assign prices that do not reflect current market conditions. In the normal course of providing investment advisory services to clients, NewEdge will assess the prices assigned by custodians and other sources.

### ***Excluded Securities***

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

### **Program Costs**

---

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

In as much as the execution costs for transactions affected in the client’s accounts will be borne by NES, a conflict of interest arises in that the NewEdge has an indirect disincentive to trade securities in client accounts. When managing client’s accounts on a wrap fee basis, the Firm shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs (including account transaction fees) incorporated into the wrap fee have been deducted. Accordingly,

the Firm has a conflict of interest because it could have an economic incentive to maximize its compensation by seeking to minimize the number of transactions/total costs in the client accounts.

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

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

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

### **Additional Fees and Expenses**

---

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

However, the wrap fee does not cover:

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

transaction fees, regulatory fees, paper statement or confirm fees, and other fees or taxes that may be imposed pursuant to law);

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

In addition to the wrap fee paid to NewEdge and Independent Managers, as applicable, clients will also incur certain charges imposed by NES and other third parties, such as broker-dealers, custodians, trust companies, banks, and other financial institutions (collectively “Financial Institutions”). These additional charges may include securities brokerage commissions (to the extent they are not included in a wrap fee relationship), transaction fees, custodial fees, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm’s brokerage practices are described at length in Item 12 – “Brokerage Practices.” In addition to the Advisory Fee, clients will bear a proportionate share of any fees and expenses associated with ADRs, GDRs, and REITs, if applicable, in which account assets are invested, and may also bear any fees and expense associated with converting non-U.S. securities into ADRs or GDRs, if applicable.

#### Investment Manager Fees and Trading Expenses

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

### ***Mutual Funds and ETFs***

NewEdge recommends that certain clients invest in open-end mutual funds, including money market funds, closed-end funds, exchange traded funds (ETFs), and other registered collective investment vehicles, all of which have various internal fees and expenses borne by the client. Our Advisory Fee does not include the internal management, operating or distribution fees or expenses imposed or incurred by these investment vehicles. Clients investing in mutual funds, ETFs or other pooled vehicles will incur additional costs, including internal management and operating fees, investment management and/or performance-based fees, redemption/early termination fees on liquidations .Other expenses may include fees charged by the investment vehicle's sponsor, custodian, transfer agent, adviser, shareholder service provider or other service providers covering administration, distribution, transfer agent, custodial, legal, audit and other fees and expenses. Further details on these charges and fees assessed can be found in the relevant prospectus, offering memorandum, annual report and/or custodial agreement applicable.

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

### ***Shareholder Service Fees in Advisory Accounts***

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

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

In limited instances, certain mutual funds purchased in Fidelity's no transaction fee program ("NTF Program") pay revenue share to NES. To mitigate this conflict, the Firm does not share these payments with its PWAs and has policies and procedures in place to ensure that clients purchasing

funds in the NTF Program that pay revenue share to NES only purchase such shares when they have the lowest expense ratio of the fund's share classes offered through NES.

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

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

### ***Use of Margin***

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

For accounts custodied at NFS, NewEdge's affiliate, NES, receives from NFS a percentage of the margin rate charged to clients on borrowed funds, and PWAs shares a portion of this compensation attributable to their clients' margin accounts. The receipt of this compensation creates an incentive for NewEdge and its PWAs to recommend use of the Margin Program to clients. NewEdge seeks to address this conflict of interest by disclosing to clients the payment of compensation to NES and its PWAs under the Margin Program, and by imposing suitability requirements on clients seeking to utilize the NFS Margin Program. In addition, clients must meet the credit and suitability requirements determined by NFS. Clients should carefully review the terms and conditions of the Margin Program as

described in the Margin Agreement. Margin costs and expenses are separate client charges and not part of the overall Advisory Fee.

### ***Pledged Asset Loans (Non-Purpose Securities Backed Loans)***

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

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

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

- by taking the loan rather than liquidating assets in the client's account, NewEdge continues to earn a fee on such Account assets; and,
- if the client invests any portion of the loan proceeds in an account to be managed by NewEdge, NewEdge will receive an advisory fee on the invested amount;
- if NewEdge or one of its representatives will be compensated by the Lender for making the introduction; and,
- as NewEdge's advisory fee is based upon the higher margined account value (see margin disclosure at Item 5 below), NewEdge will earn a correspondingly higher advisory fee. This could provide NewEdge with a disincentive to encourage the client to discontinue the use of margin

### ***Affiliated Investment Products and Services***

NewEdge makes available to clients certain affiliated investment products. The use of affiliated investment products by clients raises a conflict of interest because it results in increased revenue, in the aggregate, to NewEdge and its affiliates that provide the affiliated investment products. These offerings can be limited in size and, to the extent they cannot be offered to all clients, NewEdge and its affiliates have policies in place to determine the allocation of investment opportunities and generally allocate such investments among interested clients pro rata based on the size of each clients' requested participation or as otherwise permitted by its policies. PWAs are incentivized financially or otherwise to introduce clients to deal opportunities sourced by NewEdge's PWAs and made available through NewEdge or NES. Mid Atlantic Trust Company ("MATC"), NewEdge's affiliated trust company,

also provide services to our clients, including after we recommend those services. Clients are under no obligation to use affiliated investment products or affiliated service providers. A conflict of interest exists in retaining affiliated service providers because we have an incentive to favor the retention of affiliates even if a better price and/or quality of service could be obtained from another person. We will not generally reduce our fees because of any compensation by clients with respect to affiliated investment products.

When a NEIS strategy or Private Fund advised by the Firm charges Manager Fees, the Firm and/or its affiliates will benefit from the compensation they receive for providing investment advisory, administrative or other services related to the strategy or Private Fund.

In addition, an affiliate, from time to time, may invest in the same securities that we, or our affiliates, recommend to clients. When an affiliate currently holds for their own benefit the same securities as a client, we could be viewed as having a conflict of interest.

We address these conflicts by disclosing them in this Brochure, and maintaining policies, procedures, and oversight designed to ensure PWA recommendations are in clients' best interests.

### ***Alternative Investments***

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

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

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

- *Management fees:* The manager for any particular investment will often charge a management fee that is based on the total value of your investment. As the value of your investment increases, the total management fees that a manager receives increase. As the value of your investment decreases, the total management fees that a manager receives will likely decrease. These fees are similarly structured but are often higher than management fees associated with other, more traditional, investments such as mutual funds.

- *Incentive-based compensation:* Many alternative investment managers receive incentive-based compensation in addition to management fees. Incentive-based fees typically involve the manager, and in some cases NewEdge or its PWAs, retaining a percentage of profits generated for clients. Fees related to incentive compensation are often referred to as incentive/performance-based fees or carried interest. It is important to note that these fees are in addition to management fees that are charged by the manager and that the exact calculation of incentive fees or carried interest differs by product and manager.
- *Redemption fees:* Some investments have direct or indirect costs related to liquidating your position, particularly if an investment is liquidated shortly after being purchased or if an investment is specifically designed to provide limited or no liquidity to investors.

### **Account Additions and Withdrawals**

---

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

Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. After transfer into an advisory account, clients should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, clients should consider and speak to us about whether:

- a commission was previously paid on the security;
- client wishes for the security to be managed as part of the account and be subject to an advisory fee; or
- client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

### **Compensation of PWAs**

---

PWAs are compensated, on an ongoing basis, based on a portion of the total NewEdge Advisory Fee and other revenue earned by the Firm. The amount of compensation received by a PWA may be more or less than what the PWA would receive if you participated in other investment programs or paid separately for investment advice, brokerage and other services through our firm or another firm. Experienced PWAs moving their practices to NewEdge and its affiliates may have received loans or other financial incentives based on reaching certain asset levels or revenues generated. The Firm mitigates this potential conflict of interest by imposing suitability requirements and maintaining a

supervisory system that includes conducting periodic supervisory reviews. This conflict of interest is further mitigated by fiduciary obligations and regulatory and compliance rules and procedures to which the Firm and the PWAs are subject.

## **Item 5: Account Requirements and Types of Clients**

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

### **Minimum Account Value**

---

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

## **Item 6: Portfolio Manager Selection and Evaluation**

### **Manager Selection**

---

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

### ***Investment Managers and Private Funds***

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

- Initial Manager Evaluation
- Quantitative Analysis
- Ongoing Monitoring

For Independent Managers, clients have access to the investment management services of Independent Managers and their different investment portfolios, including equity, balanced and fixed income. As discussed above, your PWA will assist you in selecting an asset allocation and one or more Independent Managers and investment portfolios. Those investment portfolios and the methods of analysis utilized by their Independent Managers are described in more detail in each Independent Manager's Form ADV Part 2A. Information about a fund's investment objective and policies is contained in its prospectus and statement of additional information.

## **PWA Strategies**

---

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

NewEdge will implement its investment strategies by recommending the following types of investments:

- Equities
- Fixed Income
- Mutual Funds
- Exchange Traded Funds & Trusts
- Master Limited Partnerships
- REITs
- Options Strategies
- Structured Products
- Hedge Funds
- Private Equity Funds
- Private Credit Funds
- Trading (short and long-term purchases); and
- Margin transactions.

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

PWA managed portfolios are not subject to the same review and approval process as Independent Managers, or Private Funds.

## **NewEdge Investment Solutions (NEIS)**

---

### ***US and International Equity Strategies***

NEIS screens stocks within defined characteristics and factors using a scoring system across multiple factors that ranks the appropriate universe of securities for each strategy. Those rankings are used to select the highest scoring securities across each sector to build a concentrated portfolio of approximately 30 securities. The core factor we seek to identify is quality. Core quality metrics include

companies that demonstrate (1) positive return on invested capital (“ROIC”): (2) free cash flow, (3) earnings variability and (4) valuation: The quality factor is complemented with other factors for specific strategies including:

- Quality Income which adds companies with growing dividends to the screening process; and
- Environmental, Social and Governance (“ESG”) which screens for companies which demonstrate strong ESG components.

### ***Fixed Income Strategies***

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

Core Fixed Income strategies include:

- Core Fixed Income
- Core Plus
- Enhanced Cash

We consider the following key metrics in managing the strategies:

- Tracking Error: measures how much the excess risk of the portfolio vs. the index.
- Risk Factors: measures the factors that comprise the total risk of the portfolio such as duration, credit spread, yield curve, volatility, and liquidity.
- Model Portfolio: measures and alternative benchmark that is based on risk targets.
- Liquidity and Valuation: measures the “liquidity test” of the portfolio. Valuation is based on a framework of research, relative value, and quantitative risk factors.

### ***Multi-Asset Portfolios***

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

### **Structured Notes**

The Structured Note Advisory Portfolio (“SNAP”) is a separately managed account consisting of a curated selection of individual structured notes, implemented across several market selloffs. Strategy objectives are to provide some downside protection against equity market declines and produce positive absolute investment returns over a market cycle, ultimately seeking to achieve a balance of

risk and return, which is difficult to replicate in other asset classes. The portfolio consists of two “types” of notes:

- Fixed Return Structured Notes which are designed to provide opportunities to generate enhanced income or a defined income to a portfolio. These structure types are defined by their potential to achieve positive returns, even when underlying indices have negative performance over the life of the note.
- Growth Focused Structured Notes which are designed to provide opportunities to enhance returns, reduce risk – or both – in your portfolio. These structure types are defined by their potential to keep up or outperform underlying equity indices, while maintaining some component of downside principal protection.

The Structured Note Income Portfolio (“SNIP”) is a separately managed account consisting of a curated selection of individual structured notes, implemented across several market selloffs. Strategy objectives are to provide some downside protection against equity market declines and produce positive absolute investment returns over a market cycle, ultimately seeking to achieve a balance of risk and return, which is difficult to replicate in other asset classes. The SNIP portfolio utilizes structured notes that are intended to generate yield to achieve strategy objectives. These yield notes are designed to provide income in a portfolio and are defined by their potential to achieve positive returns, even when underlying equity indices have flat to negative performance over the life of the note.

### **Other Advisory Services**

---

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

- Wealth Strategy and Financial Planning
- Asset Allocation
- Portfolio Construction and Asset Management
- Institutional Consulting
- Comprehensive Performance Evaluation and Reports

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

### **Performance-Based Fees and Side-by-Side Management**

---

NewEdge and certain of its PWAs accept performance-based (i.e., a fee based on a share of capital gains or capital appreciation of a client’s assets) fees in limited circumstances, including for select direct investments. These arrangements are typically negotiated with qualified clients, as defined under Rule 205-3 of the Investment Advisers Act of 1940, and are more common in connection with

private funds, co-investment opportunities, or other alternative investments managed or advised by the Firm.

In addition to accounts subject to performance-based compensation, the Firm also manages accounts that are charged other types of fees, such as asset-based fees or fixed fees. The concurrent management of accounts with different fee structures presents certain conflicts of interest. Specifically, the Firm and its PWAs may have an incentive to favor accounts that pay performance-based fees, as these accounts may generate higher compensation if they perform well.

A key factor in mitigating is that performance-based fees are only applied to certain alternative investment offerings that are managed separately from traditional client portfolios. These investments typically follow distinct investment mandates and are subject to separate oversight, further reducing the potential for favoritism or inequitable treatment across accounts.

Additional controls implemented to address these conflicts of interest include:

- **Trade Allocation Procedures:** Ensuring that investment opportunities are allocated fairly and equitably across clients with similar investment objectives, in accordance with the Firm's trade allocation policies.
- **Supervisory Oversight:** Review and monitoring of investment activity, and allocation decisions by the Firm's compliance and investment personnel.
- **Disclosure:** Providing clients with clear and complete information about fees, conflicts of interest, and how such conflicts are addressed.
- **Code of Ethics:** All supervised persons are subject to the Firm's Code of Ethics, which requires adherence to fiduciary standards and prohibits favoring one client over another.

Clients with questions regarding fee structures, conflicts, or how NewEdge mitigates such risks are encouraged to contact the Firm's Chief Compliance Officer.

## **Risk of Loss**

---

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

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risks:** The profitability of a significant portion of NewEdge's recommendations and/or investment decisions may depend largely upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that NewEdge will be able to predict those price movements accurately or capitalize on any such assumptions.

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

### ***Exchange Traded Funds***

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually

20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

An investment in an ETF involves risk, including the loss of principal. ETF shareholders are necessarily subject to the risks stemming from the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

### ***Use of Independent Managers***

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

### ***Use of Private Collective Investment Vehicles and Other Alternative or Private Investments***

NewEdge recommends that certain clients invest in alternative investments, including privately placed debt or equity of companies or investments in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). These investments are less liquid than publicly traded securities with some having significant holding requirements. The managers of the collective vehicles have broad discretion in selecting the investments.

Often, the investments are not registered or subject to less registration. There are numerous other risks in investing in these securities. Clients should consult each investment's prospectus or private placement memorandum and/or other documents explaining such risks prior to investing.

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

investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

### ***Margin***

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

### ***Derivatives***

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

### ***Alternatives***

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

### ***Risk Relating to REITs***

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

which the UBTI was recognized. Therefore, charitable remainder trusts should consult with a tax adviser before investing in real estate investment disciplines.

### ***Risks Relating to Money Market Funds***

You could lose money in money market funds. Although money market funds classified as government funds (i.e., money market funds that invest 99.5% of total assets in cash and/or securities backed by the U.S government) and retail funds (i.e., money market funds open to natural person investors only) seek to preserve value at \$1.00 per share, they cannot guarantee they will do so. The price of money market funds will fluctuate and when you sell shares, they may be worth more or less than originally paid. Money market funds may impose a fee upon sale or temporarily suspend sales if liquidity falls below required minimums. During suspensions, shares would not be available for purchases, withdrawals, check writing or ATM debits.

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

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

### ***SIPC INSURANCE***

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

## **FDIC Insurance**

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

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

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

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

If your Deposit Accounts or other deposits at the Bank are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquiror until (i) the maturity date of the certificates of deposit or other time deposits which were assumed, or (ii) with respect to deposits

which are not time deposits, the expiration of a six month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquiror held in the same capacity for purposes of federal deposit insurance. Any deposit opened at the acquiror after the acquisition will be aggregated with deposits established with the acquiror for purposes of federal deposit insurance.

### ***Risks Relating to Differing Classes of Securities***

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

### ***Tax and Legal Considerations***

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

### ***Cybersecurity Risks***

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

### ***Risks Relating to Structured Products***

Investments in structured products (generally senior unsecured debt obligations linked to the performance of an underlying market measure) (all such products, "Structured Products") are subject to a number of risks, including credit risk, market risk, and liquidity risk. Structured Products typically

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

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

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

If the client seeks to prohibit or limit the purchase of structured notes for the client's account, the client can do so, in writing, addressed to NewEdge' Chief Compliance Officer.

### ***Coronavirus Outbreak Risks***

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

### ***Risks Related to Socially Responsible Investing Limitations***

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

### ***Risks Related to Cryptocurrency***

For clients who want exposure to cryptocurrencies, including Bitcoin, NewEdge will consider investments in corresponding exchange traded securities, and/or an allocation to separate account managers and/or private funds that provide cryptocurrency exposure. Crypto is a digital currency that can be used to buy goods and services but uses an online ledger with strong cryptography (i.e., a method of protecting information and communications with codes) to secure online transactions. Unlike conventional currencies issued by a monetary authority, cryptocurrencies are generally not controlled or regulated, and their price is determined by the supply and demand of their market. Cryptocurrency is currently considered to be a speculative investment. The speculative nature of

cryptocurrencies notwithstanding, NewEdge may (but is not obligated to) utilize crypto exposure in one or more of its asset allocation strategies for diversification purposes. **Please Note:** Investment in cryptocurrencies is subject to the potential for liquidity constraints, extreme price volatility and complete loss of principal.

#### *Notice to Opt Out*

Clients can notify the NewEdge, in writing, to exclude cryptocurrency exposure from their accounts. Absent NewEdge's receipt of such written notice from the client, NewEdge may (but is not obligated to) utilize cryptocurrency as part of its asset allocation strategies for client accounts.

#### ***Risks Related to Options Strategies***

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

#### ***Covered Call Writing***

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

### ***Long Put Option Purchases***

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

### ***Risks Related to Tax Aware Strategies.***

The benefit of tax-aware investing to an investor is dependent upon the various tax considerations of each investor. A tax aware strategy is intended to take into account the U.S. tax consequences to U.S. taxable investors and does not necessarily contemplate the consequences to U.S. tax exempt or non-U.S. investors. Accordingly, the strategy may not maximize the value of the assets for U.S. tax exempt or non-U.S. investors. For example, in seeking to achieve longer holding periods for U.S. taxable investors for potential profits to qualify as long-term capital gains, the Independent Manager may advise holding positions for longer than it otherwise would in the absence of such tax advantages, notwithstanding the fact that such potential tax advantages are only relevant to U.S. taxable investors. Such actions may result in losses that it would not have incurred if positions were held for shorter periods. The tax treatment of investments may be adversely affected by future tax legislation, U.S. Treasury regulations, and/or other guidance issued by the Internal Revenue Service that could affect the character, timing, and/or amount of taxable income or gains attributable to an account. Market conditions may limit the ability to realize tax losses or dividend income taxed at favorable tax rates. Over time, an investor in a tax-aware strategy may accumulate more built-in gains in a securities portfolio. With respect to certain Clients pursuing tax aware strategies, the Independent Manager may take positions with respect to certain tax issues that depend on legal conclusions not yet addressed by the courts or the IRS. Should any such positions be successfully challenged by the IRS, such Clients might be found to have a different tax liability for that year than that reported on its U.S. federal income tax return. There may also be instances in which the Investment Manager is not able to dispose of positions held in a Client account in a tax-efficient manner due to the nature of the positions (e.g., any gains on the closure of a short position would be considered short-term capital gains) or other circumstances beyond the Investment Manager’s control.

### ***Investment in Investments and Private Funds Managed by Clients***

Certain of the investments and Private Funds (“Investment Funds”) in which NewEdge recommends an investment are managed by investment management firms owned in whole or in part by NewEdge or its affiliates’ clients or hold notes or other securities issued by NewEdge’s or its affiliates’ clients, and NewEdge is aware of such investments. The fact that certain of the Investment Funds are

managed by investment management firms owned in whole or in part by NewEdge's or its affiliates' clients, or hold notes or other securities issued by NewEdge's or its affiliates' clients, can, under certain facts and circumstances, potentially alter NewEdge's objectivity in determining whether to recommend an investment in such Investment Funds and/or whether to recommend a withdrawal or redemption from such Investment Funds. NewEdge does not expect, however, that it would ever make portfolio management decisions that would be different from the decisions it would make if such potential conflict did not exist.

### ***Risks Related to Artificial Intelligence and Machine Learning Technology***

Recent developments in artificial intelligence, generative artificial intelligence, and machine learning technology (collectively, "AI Technology") may present risks to the Firm, its PWAs, and its Clients. AI Technology is rapidly evolving, and its applications in financial services, including portfolio analysis, risk modeling, trade execution, and client communications, continue to develop. These developments may introduce new risks that cannot be fully anticipated at this time.

The Firm may use AI Technology tools to assist in certain aspects of its advisory operations, as described in this Brochure. While NewEdge is adopting policies and procedures designed to govern the use of such tools and to ensure that all AI-assisted output is subject to human review before being acted upon or communicated to clients, AI Technology has inherent limitations. AI tools may produce output that is inaccurate, incomplete, or based on flawed assumptions. AI tools are generally reliant on the data to which they have access, and it is not possible or practicable to incorporate all relevant data or to verify the accuracy of all data used by a given AI tool. AI-generated content may also reflect biases present in the data or models on which the tool was trained.

In addition, third-party service providers, custodians, sub-advisers, third-party money managers, and other counterparties with which the Firm or its Clients interact may use AI Technology in their own operations. The Firm is not in a position to control the manner in which third parties develop, deploy, or maintain AI tools, the data those tools rely upon, or the degree of human oversight applied to AI-generated output by third parties. Clients should be aware that the use of AI Technology by the Firm or by third parties involved in the management, custody, or servicing of client accounts may affect the services provided to clients in ways that are not fully transparent or predictable.

The Firm seeks to mitigate the risks associated with AI Technology through its developing of AI governance policies and procedures, which will include restrictions on permissible use cases, mandatory human review requirements, data security controls, and ongoing monitoring of AI tool usage by supervised persons. The Firm does not use AI Technology to autonomously make investment decisions, execute trades, or manage client accounts without human oversight and approval.

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

## **Voting Client Securities**

---

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

### ***Third Party Service***

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

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

### ***Class Actions***

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

NewEdge has identified an unaffiliated service provider to assist the client, for a fee (generally based on an agreed percentage % of the recovery, subject to a minimum fee), with class-action matters. NewEdge shall not receive any compensation from the service provider. The client is under no obligation to engage the service provider. NewEdge does not participate in class action proceedings

on behalf of its clients. Thus, if the client chooses not to engage such service provider, the client will be exclusively responsible to monitor and pursue all class action claims.

### **Item 7: Client Information Provided to Portfolio Managers**

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

### **Item 8: Contact with Portfolio Managers**

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

### **Item 9: Additional Information**

#### **Disciplinary Information**

---

NewEdge has not been involved in any legal or disciplinary events that are material to a client’s evaluation of its advisory business or the integrity of its management.

#### **Other Financial Industry Activities and Affiliations**

---

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

### ***Conflict of Interest***

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

Management personnel of our firm are also officers of NES, as well as NewEdge Capital Group, LLC ("NECG"). In their capacity as supervisory principals of NES and NECG, they also devote time to the oversight of the operations of the broker/dealer and the parent company.

### ***NewEdge Securities, Inc.***

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

The Firm's Supervised Persons, in their individual capacities as registered representatives of NES, can provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons will be entitled to a portion of the brokerage commissions paid to NES, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds, if any. In certain cases, they may also receive trailing compensation from investments in designated private funds.

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

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

### ***NES's Bank Deposit Program***

All free cash balances in eligible retirement accounts, including individual retirement accounts (IRAs) and accounts in plans covered by the Employment Retirement Income Securities Act of 1974, as

amended (with the exception of Keogh plans and 403(b) plans) held at National Financial Services sweep into the Bank Deposit Retirement Sweep Program (“RSP”). RSP is the sole sweep investment option for free cash balances in eligible retirement accounts held at National Financial Services.

All free cash balances in eligible non-retirement accounts held at National Financial Services sweep into the Bank Deposit Sweep Program (“BDSP”, and together with RSP, the “Program”), which is the only sweep option available for settling transactions and holding free cash balances in eligible non-retirement accounts. Credits created by deposits, sales, interest, and dividends are swept into the Bank Deposit Sweep Program.

In the Program, cash balances in eligible accounts are deposited or “swept” into interest-bearing FDIC-insurance eligible Program deposit accounts (“Deposit Accounts”) at one or more FDIC insured depository institutions that participate in the Program (collectively, “Program Banks”). The Deposit Accounts are eligible for Federal Deposit Insurance Corporation (“FDIC”) insurance [in the manner](#) described in the Disclosure Document, which you should read carefully. The Disclosure Document, the Program Bank List and current interest rates can be accessed at <https://www.newedgecapitalgroup.com/brokerage-sweep/> or obtained from your PWA. **The maximum amount of FDIC Insurance coverage for your deposits in the Program is up to \$2.5 million (for an individual account) or up to \$5 million (for a joint account), subject to the total amount on deposit in an account, applicable FDIC rules, and Bank availability.**

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

#### *INTEREST RATES*

The interest rate you will receive is based upon your Program Deposits in accordance with interest rate tiers or, in the case of retirement accounts, monthly account fees determined by NES. Deposits in the Program are placed at Program Banks that are part of the deposit network of IntraFi Network LLC (the “Program Administrator”). Over any given period, the interest rates on the Program Deposits may be lower than the rate of return on other core account investment sweep vehicles that are non-FDIC-insured bank account deposits offered outside the Program or on other investment options outside of the Program.

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

There are two methods by which interest is calculated and earned through the Program.

- For most account types, interest rates on each Deposit Account are tiered (“Tiered Structure”) and will vary based upon prevailing economic and business conditions. The interest rate applied to each of your Deposit Accounts will be based on its assigned tier, as determined by NES, based upon the value of the Program Deposit in each individual Deposit Account. Different interest rates can apply to different Eligible Accounts depending on the free cash balance in each such account.
- For eligible retirement accounts, interest earned is not based on the Tiered Structure. Instead, interest on all eligible retirement accounts will be calculated and paid based on a level fee structure as further described below.

The interest rate you receive on non-retirement Deposit Accounts is based on the amounts paid by the Program Banks to NES, less fees retained by NES and NFS. The combined maximum revenue that NewEdge and NFS can earn is limited to the Federal Funds Target Rate (as can be found online at <https://fred.stlouisfed.org/series/DFEDTARU>) plus 0.25% (net of third-party fees) as determined by the total deposit balances at all of the Program Banks over a 12 month rolling period (including brokerage accounts introduced by NES). In NES’ discretion, they may reduce its fee and may vary the amount of the reductions among clients. The fee NES receives may vary from bank to bank. NES may share a portion of its fee with your PWA. The amount of fee received will affect the interest rate paid to customers by NFS. In addition to NES’ fee, other service providers with respect to the Program will receive fees from each Bank.

With respect to eligible retirement accounts, NES receives a level monthly fee for each such account that participates in RSP. The amount of this fee is determined based on a fee schedule indexed to the Federal Fund Target Rate published by the Federal Reserve System. NES’ per account monthly fee, as explained in the Disclosure Document, will be no less than \$0.10 and no more than \$41.25. It is generally anticipated that the fee NES charges will be offset by the total amounts paid to it by the Program Banks. If NES do not receive sufficient payments each month from the Program Banks, NES reserves the right to debit your advisory retirement account for the amount of any shortfall.

#### CONFLICTS OF INTEREST

NES, NFS and the Program Administrator receive fees for providing the Program to clients. These fees reduce the amount of interest you receive on your Program Deposits. The Program is designed so that, based on economic circumstances, clients receive interest on Program Deposits, and NES, NFS, and the Program Administrator receive a portion of the interest paid by the participating Program Banks as fees. In addition to the fees paid to NES by the participating Banks, cash balances you maintain in the Program are included in the value of account assets used to calculate the management fees and other asset-based fees we charge to investment advisory accounts.

The revenue generated by NES through the Program may be greater than revenues generated by other sweep options available to clients at other brokerage firms and may be greater than other core

account investment vehicles currently available to you or possible core account investment vehicles that we have used in the past or may consider using in the future. As a result of the fees and benefits described above, the Program may be significantly more profitable to NES than other available sweep options, if any.

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

Program Banks do not have a duty to offer the highest rates available or rates that are comparable to money market mutual funds. By comparison, money market mutual funds generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses. In addition, fees that are paid to NES, NFS, and the Program Administrator will affect the interest rate paid on the Deposit Accounts and may have a greater impact on the interest rate you receive than the amount of interest paid by each bank. The Program is the core account investment vehicles for eligible accounts offered by NES as a service to facilitate the efficient management of cash in the account while awaiting reinvestment. The Program should not be viewed as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your PWA to discuss investment options that are available outside of the Programs that may be better suited to your goals. The Program is intended to operate on a nondiscretionary allocation methodology. Neither the NewEdge, its representatives, its affiliates nor its advisors provide investment advice or recommendations regarding your use of the Program, its operation or the Program Banks.

NewEdge and NES seek to address the foregoing conflicts by disclosing them to clients, such as in this Brochure, adopting objective methodologies for determining interest rates and fees, and limiting compensation earned by PWAs from revenue generated by the Program. Clients should refer to the “Fees and Compensation – Other Firm Compensation” section above for further information on such compensation and any conflicts of interests that may arise as a result thereof and steps NewEdge takes to mitigate such conflicts.

Should you have any questions regarding the Program, Program Banks, current interest rates or NES’ compensation, please refer to [www.newedgecapitalgroup.com](http://www.newedgecapitalgroup.com) or direct any questions you may have to your PWA.

### ***Mid Atlantic Trust Company***

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

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

### ***NewEdge Advisors, LLC***

NewEdge Advisors, LLC is an investment adviser registered with the SEC that provides investment advisory services to retail investors. Investment adviser representatives of NewEdge Advisors can recommend NEIS investment strategies and act as a solicitor for NewEdge.

### ***NewEdge Capital Group Insurance Services and LPA Insurance Agency***

NewEdge is under common control with NewEdge Capital Group Insurance Services and LPA Insurance Agency; both are licensed insurance agencies. Because of this common ownership, insurance products offered by NewEdge Capital Group Insurance Services and LPA Insurance Agency may be recommended to our advisory clients.

This arrangement creates a potential conflict of interest, as NewEdge and its PWAs may directly or indirectly receive additional compensation from the sale of insurance products in addition to the advisory fees paid to our firm. Clients are under no obligation to purchase insurance products through NewEdge Capital Group Insurance Services or LPA Insurance Agency and may choose any insurance provider they wish.

We address this conflict by disclosing it to you in advance, ensuring that any recommendations are based on your needs and objectives, and adhering to our fiduciary duty to place your interests ahead of our own.

### ***Licensed Insurance Agents***

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

### ***Relationship with Fidelity***

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

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

### ***Software and Support Provided by Fidelity***

NewEdge and its affiliates receive without cost from Fidelity computer software and related systems support, which allows NewEdge to better monitor client accounts maintained at Fidelity. NewEdge receives software and related support without cost because the Firm renders investment management services to clients that maintain assets at Fidelity. The software and support are not provided in connection with securities transactions of clients (i.e., not "soft dollars"). The software and related systems support benefit NewEdge, but not its clients directly. In fulfilling its duties to its clients, NewEdge always endeavors to put the interests of its clients first. Clients should be aware, however, that NewEdge's receipt of benefits from a broker/dealer creates a conflict of interest since these benefits could influence the Firm's choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, NewEdge and its affiliates receive the following benefits from Fidelity:

- receipt of duplicate client confirmations and bundled duplicate statements;
- access to a trading desk that exclusively services its institutional traders;
- access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- access to an electronic communication network for client order entry and account information.

### ***Research and Benefits:***

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, NewEdge can receive from NES and/or the Custodian (or another broker-dealer/custodian, investment manager, platform sponsor, mutual fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist NewEdge to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by NewEdge can be investment-related

research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services (including those provided by unaffiliated vendors and professionals), discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support (including client events), computer hardware and/or software and/or other products used by NewEdge in furtherance of its investment advisory business operations. Certain of the benefits that could be received can also assist NewEdge to manage and further develop its business enterprise and/or benefit NewEdge's representatives.

There is no corresponding commitment made by NewEdge to NES and/or the Custodians, or any other any entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as result of the above arrangement.

#### Structured Notes – Affiliate Compensation Arrangement and Associated Conflicts of Interest

NewEdge Securities, LLC (“NES”), a registered broker-dealer affiliate of NewEdge, has entered into marketing support agreements (the “Marketing Support Agreements”) with several distributors of Structured Notes (each, a “SN Distributor”). Under the Marketing Support Agreements, NES undertakes marketing and educational support activities intended to promote and support the sale of the Structured Notes offered by the SN Distributors. In consideration of these services, each SN Distributor pays NES a revenue share fee (the “Marketing Support Fee”) equal to up to 25 basis points of the notional amount (at par value) of the Structured Notes sold by the SN Distributor to NES. The opportunity to receive the Marketing Support Fee creates an increased incentive for NES to promote the sale of Structured Notes.

Certain of the Firm's private wealth advisers (“PWAs”), officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other associated persons who provide investment advice on NewEdge's behalf and are subject to the Firm's supervision or control (“Supervised Persons”), are also registered representatives of the affiliated broker-dealer, NES (such persons, “Dual Capacity NewEdge Personnel”). In their capacity as registered representatives of NES, the Dual Capacity NewEdge Personnel may a percentage of total commission in connection with the purchases of Structured Notes by investment advisory clients of NewEdge.

The fact that the Marketing Support Fee received by NES may be shared, directly or indirectly, with Dual Capacity NewEdge Personnel, creates a financial incentive for NewEdge and those of its Supervised Persons who are Dual Capacity NewEdge Personnel to recommend Structured Notes over other investments that do not generate comparable compensation, even where the Structured Notes may not be suitable for or in the best interest of the NewEdge investment advisory clients. The fees charged, and compensation derived from the sale of the Structured Notes, are separate from, and in addition to, New Edge's investment advisory fees.

Clients are not obligated to purchase Structured Notes through the adviser, and the conflicts set out above can be avoided by purchasing them elsewhere.

NES also provides administrative services to NewEdge and its clients in connection with the Structured Notes. Specifically, without compensation, NES undertakes the responsibility for allocating Structured Notes purchases to the accounts of the respective investment advisory clients of the adviser (as well as to the customers of NES and the investment advisory clients of NewEdge Advisers).

## **Conflicts of Interest**

---

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

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

## **Code of Ethics**

---

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

The Code of Ethics also requires certain NewEdge personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Firm's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm's policies and procedures. This Code of Ethics has been established recognizing

that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly affect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to certain types of securities. Clients and prospective clients may contact NewEdge to request a copy of its Code of Ethics.

The Firm's policies and procedures governing Supervised Person conduct include requirements applicable to the use of technology tools, including artificial intelligence applications, in connection with advisory activities. Supervised Persons are required to use only firm-approved AI tools and platforms, to comply with data handling and client confidentiality requirements when using such tools, and to ensure that all AI-assisted work product is subject to appropriate review before being provided to clients or relied upon in connection with investment recommendations. Violations of the Firm's AI governance policies are subject to the same supervisory and disciplinary framework applicable to other compliance policy violations.

## **Review of Accounts**

---

### ***Portfolio Reviews***

NewEdge monitors client portfolios on a regular and ongoing basis. Client reviews are conducted periodically. Such reviews are generally conducted by the Firm's PWAs. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with NewEdge and to keep the Firm informed of any changes thereto.

### ***Account Statements and Reports***

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time, or as otherwise requested, clients will receive written or electronic reports from NewEdge and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from NewEdge or an outside service provider.

## **Client Referrals and Other Compensation**

---

NewEdge has entered into an intercompany solicitation arrangement with NewEdge Advisors, LLC, whereby investment advisor representatives of NewEdge Advisors can receive a referral fee for referring clients to NEW.

NewEdge maintains solicitor arrangements/pay referral fee compensation to certain unaffiliated third parties for new client introductions.

### ***Participation in Fidelity Wealth Advisor Solutions®.***

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

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

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

therefore, NewEdge has an incentive to suggest that referred clients and their household members maintain custody of their accounts with affiliates of FPWA. However, participation in the WAS Program does not limit NewEdge's duty to select brokers on the basis of best execution.

### ***Participation in Third Party TAMPs and Solicitor Agreements***

NewEdge participates in certain turnkey asset management programs ("TAMP"), through which NewEdge receives referrals from TAMP operators. On these platforms, NewEdge may act as a Sub-Manager for the management of assets in its structured notes advisory strategies ("Structured Note Strategies"). In exchange for these referrals, the TAMP operators may charge ongoing fees to NewEdge or receive a portion of the investment advisory fees paid to NewEdge through the applicable TAMP.

NewEdge has engaged HALO Investment Services, LLC ("HALO"), a SEC registered investment adviser as its solicitor for the purpose of distributing NewEdge Structured Note Strategies. HALO receives a portion of the investment advisory fees paid to NewEdge through this arrangement. As a result, HALO has a potential conflict of interest to recommend an investment in the Structured Note Strategies. HALO is not a current client of, or investor in any product offered by NewEdge; however, HALO is a current service provider to NewEdge. NewEdge can execute its structured notes trades on HALO's electronic trading platform, through its affiliate broker dealer, HALO Investing, Inc. HALO Investing, Inc. receives a commission for each trade that NewEdge executes through its platform. Accordingly, potential investors should recognize that any such recommendation by HALO will be potentially influenced by the foregoing considerations

### ***Referrals for Banking and Lending Services***

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

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

These payments to NewEdge and its PWAs present a conflict of interest because they provide a financial incentive for advisors to recommend clients to the products of the payers.

### ***Recruiting & Transition Expenses***

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

### **Financial Information**

---

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