SNS FINANCIAL GROUP, LLC

a Registered Investment Adviser

43 MAIN STREET, SUITE 236
MINNEAPOLIS, MN

(612) 378-7560

www.vectorwealth.com

This brochure provides information about the qualifications and business practices of SNS Financial Group, LLC d/b/a Vector Wealth Management (hereinafter "Vector" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at this 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. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, SNS Financial Group, LLC d/b/a Vector Wealth Management ("Vector" or the "Firm") is required to discuss any material changes that have been made to the brochure since the last annual amendment dated March 30, 2017.

- Language has been removed from Items 5 and 11. Vector no longer has an affiliation with PKS Brokerage Services and does not employ any Registered Representatives nor do they receive any commissions from variable annuity products. This was considered a Conflict of Interest and no longer exists.
- Language has been deleted from Item 10 – Relationship with an Insurance Agency and Receipt of Insurance Commissions. A Conflict of Interest no longer exists where certain Principals of Vector receive compensation for insurance and annuity referrals.
- Language has been added to Item 15 acknowledging that Vector does have third party custody on some client accounts but meets all seven requirements outlined in the SEC "No Action" letter dated February 21, 2017 eliminating the need for a Surprise Annual Exam.
- Language in Item 4 has been revised to include discretionary, non-discretionary and assets under management.

Item 3. Table of Contents

Item 4. Advisory Business

SNS Financial Group, LLC dba Vector Wealth Management ("Vector" or the "Firm") is a combination of Vector Wealth Management, LLC, founded in 1993 and SNS Financial Group, LLC, founded in 2009. On January 20, 2017 a majority ownership stake in the Firm was acquired by Vector Wealth Management, LLC ("Legacy Vector"). Thomas Fee, Sharon Calhoun, Todd Stueve, Tyler Schelhaas, and Daniel Powers are the principal owners of Vector. As of December 31, 2017, Vector had $982,918,835 of assets under management, of which $919,220,375 was managed on a discretionary basis and $63,698,460 was managed on a non-discretionary basis. In addition, the Firm had $6,996,512 in assets under advisement.

Prior to engaging Vector to provide any of the services described below, the client is required to enter into one or more written agreements with Vector setting forth the terms and conditions under which Vector renders its services (collectively the "Agreement.")

While this brochure generally describes the business of Vector, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees, or any other person who provides investment advice on Vector's behalf and is subject to the Firm's supervision or control.

Investment Management Services

Among other things, clients can engage Vector to manage all or a portion of their assets on a discretionary basis or, in limited circumstances, on a non-discretionary basis. Vector primarily allocates clients' investment management assets among mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, commodities, derivatives, and independent investment managers ("Independent Managers."). In addition, Vector may recommend that clients who are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, (the "Securities Act") invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when consistent with the clients' investment objectives. Vector also provides advice about any type of investment held in clients' portfolios.

Vector also renders non-discretionary investment management services to clients relative to, their individual employer sponsored retirement plans, and/or 529 plans or other products that may not be held by the client's primary custodian. In so doing, Vector either directs or recommends the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product.

Vector tailors its advisory services to the individual needs of clients. Central to the execution of a wealth management plan is a well-defined investment policy. Vector utilizes a proprietary application, Sojourn™, to develop a client specific investment policy. The process depends less on a written survey to determine risk tolerance and financial objectives, and more on an interactive process of mutual agreement through development of Sojourn™ scenarios. The investment policy that develops from this process may be changed on a semi-regular basis based on input we receive in our regularly scheduled meetings or conversations. You acknowledge this iterative process and that the investment policies delineated will be based on your goals and objectives rather than a survey-driven risk tolerance questionnaire. Additionally, you acknowledge that, given the uncertainties within financial markets, Vector may institute incremental adjustments with the investment policy to take advantage of investment opportunities.

In situations where Vector is not implementing off a Sojourn™ plan, an Investment Policy will be agreed upon and documented based on periodic client review meetings.

Clients are advised to promptly notify Vector if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restriction upon Vector's management services. Clients may impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in Vector's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

Concentrated Position and Portfolio Hedging

For clients that have concentrated positions in a small number of securities, Vector offers this service to develop a custom option overlay. This could include a custom call writing strategy for clients who want the potential for more yield from their portfolio or a hedging strategy for clients looking to manage risk. Once an overlay strategy is determined, Vector will manage the overlay on a discretionary basis. While Vector tries to monitor and mitigate the risk of selling underlying securities, the Firm does not guarantee that underlying positions will not be sold due to assignment. Clients are advised that using options may result in the (sale) of underlying positions. Clients with low-cost basis in concentrated positions should be aware the sale of underlying securities may result in capital gains tax liability. The recommended investment minimum is $250,000 per position. Exceptions to the minimum can be made on a case-by-case basis.

Use of Independent Managers

As mentioned above, Vector recommends that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain Independent Managers, based upon

The stated investment objectives of the client. The terms and conditions under which the client engages the Independent Managers are set forth in a separate written agreement between Vector or the client and the designated Independent Managers. Vector renders services to the client relative to the discretionary selection of Independent Managers. Vector also monitors and reviews the account performance and the client's investment objectives. Vector receives an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Managers.

When selecting an Independent Manager for a client, Vector reviews information about the Independent Manager such as its disclosure brochure and/or material supplied by the independent third parties for a description of the Independent Manager's investment strategies, past performance and risk results to the extent available. Factors that Vector considers in recommending an Independent Manager include the client's stated investment objectives, management style, performance, reputation, financial strength,

In addition to Vector's written disclosure brochure, the client may also receive the written disclosure brochure of the designated Independent Managers. Certain Independent Managers may impose more restrictive account requirements and varying billing practices than Vector. In such instances, Vector may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

Retirement Plan Consulting Services

Vector provides various consulting services to qualifying employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate requirement plans. As disclosed in the Agreement, certain of the foregoing services are provided by Vector as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of Vector's fiduciary status, the specific services to be rendered, and all direct and indirect compensation the Firm reasonably expects under the engagement.

Financial Planning Services

Vector offers clients financial planning and consulting services, which include any or all of the following functions depending on the specific arrangement with a client:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Education Planning
- Financial Reporting
- Investment Consulting
- Charitable Giving
- Distribution Planning
- Insurance Planning
- Retirement Planning
- Risk Management
- Manager Due Diligence
- Tax Planning

Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Vector r ecommendation and/or services.

Item 5. Fees and Compensation

Vector offers its services on a fee only basis which, depending upon the type of engagement, include fees based on assets under management and/or fixed fees. Additionally, certain of Vector's Supervised Persons, in their individual capacities, may offer securities brokerage services and insurance products under a commission arrangement.

Investment Management Fee

Vector generally provides investment management services for an annual fee based on a percentage of the market value of the assets being managed by Vector. For Vector clients, the annual fee is generally prorated and billed quarterly, in arrears, based upon the market value of the assets being managed by Vector on the last day of the quarter. However as an accommodation to Legacy SNS clients the annual fee is prorated and billed quarterly, in advance, based upon the market value of the assets being managed by Vector on the last day of the previous quarter. For most clients, the annual fee varies depending upon the market value of the assets under management, as follows:

PORTFOLIO VALUE	BASE FEE
up to $500,000	1.20%
$500,000 - $999,999	1.00%
$1,000,000 - $2,999,999	0.85%
$3,000,000 - $4,999,999	0.75%
$5,000,000 and above	0.65%

Other Management Fees

Vector manages, on a discretionary basis, risk mitigation investment strategies that are incorporated into the wealth management process for clients. These strategies are implemented with client approval. There is an additional .25% fee charged with respect to the assets managed using these strategies. In limited circumstances, Vector also makes available other risk-mitigation strategies to its clients for which the Firm has different fee arrangements. Certain legacy clients may have different fee arrangements in place with Vector.

Vector may, in its sole discretion, aggregate all of a client's managed accounts together to determine the maximum annual fee. Cash balances are included in asset values for asset-based fee billing purposes. Clients are advised that some strategies may have large cash balances for extended periods.

Instead of being charged an asset-based fee, clients receiving multiple services such as asset management, investment coaching, and/or financial planning services can be charged a fixed fee at the Firm's discretion.

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), Vector generally recommends that clients utilize the brokerage and clearing services of Charles Schwab & Co., Inc. ("Schwab") and/or TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. and a member of FINRA/SIPC ("TD Ameritrade") for investment management accounts.

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

Clients incur certain charges imposed by the Financial Institutions and other third parties such as brokerage commissions and other transaction costs, fees charged by Independent Managers, custodial fees, margin costs, reporting charges, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), fees and expenses associated with private placement investments, 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. Vector does not, however, receive any portion of these commissions, fees, and costs.

Fee Debit

In many circumstances, Vector's Agreement and the separate agreement with any Financial Institutions authorize Vector or Independent Managers to debit the client's account for the amount of Vector's fee and to directly remit that management fee to Vector or the Independent Managers. Any Financial Institutions that serve as qualified custodians for Vector's clients' accounts are required to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Vector. Alternatively, clients may elect to have Vector send an invoice for payment of the Firm's fees.

Fees for Management During Partial Quarters of Service

For the initial period of investment management services, the fees are calculated on a *pro rata* basis. if assets are deposited into or withdrawn from an account after the inception of a quarter that exceed $5,000, the fee payable with respect to such assets will be prorated based on the number of days remaining in the quarter.

The Agreement between Vector and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. Vector's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

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

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

Vector does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7. Types of Clients

Vector provides its services to individuals, business owners, pension and profit sharing plans, trusts and estates.

Minimum Account Size

As a condition for starting and maintaining a relationship, Vector generally requires a minimum portfolio size of $500,000. Vector, in its sole discretion, may accept clients with smaller portfolios based upon certain criteria including, for example, anticipated future earning capacity, anticipated future additional assets, pre-existing client, and pro bono activities.

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

Methods of Analysis & Investment Strategies

Vector's primary objective is to work with clients to:

- Establish long term goals consistent with their risk and legacy desires;
- Use the Firm's Sojourn™ system to assess financial resources and accumulation/distribution strategies;
- Establish a prudent, tax-efficient investment policy process;
- Facilitate a well-defined legacy structure and explore estate planning issues; and
- Monitor and report investment results.

Vector has established an Investment Committee which includes, among others, Principals Thomas G. Fee and the Director of Portfolio Management Group, Jason Ranallo. Additional members include advisers as well as portfolio management group team members. The Investment Committee works closely with the Firm's advisors to determine both a high-level allocation strategy as well as a general list of securities products approved to implement custom strategies for clients. Each client is assigned to an advisor who customizes an allocation strategy within the framework of the Investment Committee's allocation designs and approved product concepts. The Investment Committee uses a variety of resources to analyze securities to formulate opinions on markets and review products.

When analyzing and selecting securities, asset types and categories are selected and combined to deliver what the Firms believes to be the most efficient design within each client's portfolio. Vector recognizes that clients have accumulated certain securities products or positions over the years, and the Firm's methodology allows it to maintain or build around these positions to allow for a great deal of customization in a client's allocation.

When implementing client portfolios, Vector may utilize a variety of different types of securities. Portfolios may consist of, among other things, mutual funds, ETFs, and individual debt and equity securities, securities traded over the counter, securities issued by foreign issuers, certificates of deposit, municipal securities; structured products, U.S. government securities, options and other derivatives, commodities, and/or partnerships investing in real estate and oil and gas interests.

Vector's Investment Committee uses combinations of fundamental analysis and technical analysis in its process of evaluation. Fundamental analysis involves the fundamental financial condition and competitive position of a company. Vector will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its' competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Vector will be able to accurately predict such a reoccurrence.

Risks of Loss

General Risk of Loss

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

Market Risks

The profitability of a significant portion of Vector's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that Vector will be able to predict those price movements accurately.

Mutual Funds and ETFs

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

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholder fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

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 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 50,000 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.

Options

Options allow investors to buy or sell a security at a contracted "strike" price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Use of Independent Managers

Vector may recommend the use of Independent Managers for certain clients. Vector will continue to do ongoing due diligence of such managers, but such recommendations rely, to a great extent, on the Independent Managers ability to successfully implement their investment strategy. In addition, Vector does not have the ability to supervise the Independent Managers on a day-to-day basis other than as previously described in response to Item 4, above.

Use of Private Collective Investment Vehicles

On rare occasion, Vector may recommend the investment by certain clients in privately placed collective investment vehicles (some of which may be typically called "hedge funds"). The managers of these vehicles will have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. The hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. The client will receive a private placement memorandum and/or other documents explaining such risks.

Item 9. Disciplinary Information

Vector is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management.

In May of 2011, Legacy Vector discovered that a clerical/administrative employee had misappropriated approximately $33,000 of dividends owed to four clients participating in two pooled investments. The employee was promptly terminated, the appropriate regulators were notified, the affected clients were notified, and the dividends, with interest, were promptly paid to the four affected clients. On April 18, 2013, the U.S. Securities and Exchange Commission ("Commission") accepted Legacy Vector's offer of settlement and entered an order finding violations of the Investment Advisers Act of 1940, as amended (the "Advisers Act") relating to supervision of the employee and custody of the dividends from the two pooled investments. Legacy Vector cooperated with the Commission at all times during its investigation and has implemented procedures for further maintaining and ensuring compliance with Commission rules. The Commission did not impose a monetary sanction or any other penalties on Legacy Vector, other than a requirement that the Firm engage an outside compliance auditor to provide the Firm with periodic compliance assessments. The Commission noted that in determining to accept Legacy Vector's offer of settlement, the Commission considered "remedial acts promptly undertaken" and "cooperation afforded to Commission staff" by Legacy Vector.

Item 10. Other Financial Industry Activities and Affiliations

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

Relationship with an Insurance Agency and Receipt of Insurance Commissions

Thomas Fee and Sharon Calhoun are the owners of Vector Insurance Services, LLC, a duly licensed insurance agency. Certain of Vector's Supervised Persons, in their individual capacities, are also licensed insurance agents with Vector Insurance Services, LLC and various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain fixed insurance products. As part of Vector's services, its Supervised Persons make available the option to analyze insurance protection and secure insurance products, if the client agrees. Clients may also choose to use an outside agent of their choice to secure insurance protection. A conflict of interest exists to the extent that Vector recommends the purchase of insurance products where Vector's

Principal's profit from the success of Vector Insurance Services, LLC and/or where its Supervised Persons receive insurance commissions or other additional compensation.

Item 11. Code of Ethics

Vector has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of certain persons associated with the Firm ("associated persons"). The Firm's Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by Vector or any of its associated persons. The Code of Ethics also requires that certain of Vector's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Vector and its associated persons are permitted to buy or sell securities that it also recommends to clients consistent with Vector's policies and procedures. It is a policy that Associated Persons will not purchase Firm recommended positions prior to implementation for clients. Unless specifically permitted in

Vector's Code of Ethics, none of Vector's Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Vector's clients.

When Vector is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Vector is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by open-end mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds. Associated Persons are prohibited from trading on material nonpublic information or sharing such information. Vector has adopted policies and procedures to prevent the misuse of material nonpublic information. Clients and prospective clients may contact Vector to request a copy of its Code of Ethics.

Item 12. Brokerage Practices

Recommendation of Broker/Dealers for Client Transactions

As discussed above, in Item 5, Vector generally recommends that clients utilize the brokerage and clearing services of Schwab and/or TD Ameritrade.

Factors which Vector considers in recommending Schwab, TD Ameritrade, or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab and TD Ameritrade enable Vector to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. In addition, Schwab and TD Ameritrade have agreed to compensate clients for any transfer fees that may be assessed for moving their account(s) to Schwab or TD Ameritrade. The commissions and/or transaction fees charged by Schwab and/or TD Ameritrade may be higher or lower than those charged by other Financial Institutions. The commissions paid by Vector's clients comply with Vector's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Vector determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Vector seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Transactions may be cleared through other Financial Institutions with whom Vector and the Financial Institutions have entered into agreements for prime brokerage clearing services. Vector periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

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

Vector's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Transactions for each client generally will be effected independently, unless Vector decides to purchase or sell the same securities for several clients at approximately the same time. Vector may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Vector's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently.

Under this procedure, generally a pre-allocation document will be created to determine the quantity of the securities required for each client account participating in the transaction. The transactions will generally be averaged as to price and the purchase and sale orders will be allocated among Vector's clients in accordance with the pre-allocation for each client account on any given day. To the extent that Vector determines to aggregate client orders for the purchase or sale of securities, including securities in which Vector's Supervised Persons may invest, Vector does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Vector does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Vector determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Vector may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Mutual Fund Transactions

Although shares of no-load mutual funds can be purchased and redeemed without payment of transaction fees, the Firm may, consistent with its duty of best execution, determine to cause client accounts to pay transaction fees that may be higher than those obtainable from other broker-dealers when purchasing shares of certain no-load mutual funds through a broker-dealer in order

to obtain "research". This research may not be used for the exclusive benefit of the clients who pay transaction fees in purchasing mutual fund shares.

Vector participates in the institutional advisor program (the "Program") offered by TD Ameritrade

Institutional. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Vector receives some benefits from TD Ameritrade through its participation in the Program. There is no direct link between Vector's participation in the program and the investment advice it gives to its clients, although Vector receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving investment advisers; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Vector by third party vendors. TD Ameritrade has also paid for business consulting and professional services received by The Firm's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Vector but may not benefit its client accounts. These products or services may assist Vector in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Vector manage and further develop its business enterprise. The benefits received by Vector or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Vector endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Vector or its related persons in and of itself creates a potential conflict of interest because
these benefits create an incentive for Vector to choose TD Ameritrade over another broker-dealer that does not provide such benefits.

The Firm also utilizes the brokerage and clearing services of Schwab. Vector may receive the following benefits from Schwab through its institutional division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services the Schwab Institutional participants; 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. Vector may also receive investment research from Schwab, both that of Schwab and that of third parties.

Schwab also offers other services intended to help the Firm manage and further develop its business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting; and
- publications and conferences on practice management and business succession.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to Vector. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees, discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide Vector with other benefits such as occasional business entertainment of the Firm's personnel.

Clients should be aware that this receipt of economic benefits creates a potential conflict of interest as such benefits create an incentive for Vector to choose Schwab over another broker-dealer that does not provide such benefits.

Item 13. Review of Accounts

Account Reviews

For those clients to whom Vector provides investment management services, Vector monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by one of Vector's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Vector and to keep Vector informed of any changes thereto. Vector contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Vector provides investment advisory services will also receive a report from Vector that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a quarterly basis; however, clients with assets under management of less than $250,000 will only receive performance reports annually. Clients should compare the account statements they receive from their custodian with those they receive from Vector.

Item 14. Client Referrals and Other Compensation

Vector is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, Vector is required to disclose any direct or indirect compensation that it provides for client referrals.

In many circumstances, if a client is introduced to Vector by either an unaffiliated or an affiliated solicitor, Vector pays that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee is paid solely from Vector's investment management fee, and does not result in any additional charge to the client. If the client is introduced to Vector by an unaffiliated solicitor, the solicitor provides the client with a copy of Vector's written disclosure brochure which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of Vector discloses the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of Vector's written disclosure brochure at the time of the solicitation.

Vector receives client referrals from Schwab through Vector's participation in Schwab Advisor Network® ("SAN"). SAN is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Vector. Schwab does not supervise Vector and has no responsibility for the Firm's management of clients' portfolios or Vector's other advice or services. Vector pays Schwab fees to receive client referrals through SAN. The Firm's participation in SAN may raise potential conflicts of interest described below.

Vector pays Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Vector is a percentage of the fees the client owes to Vector or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Vector pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Vector quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Vector and not by the client. Vector has agreed not to charge clients referred through SAN fees or costs greater than the fees or costs Vector charges clients with similar portfolios who were not referred through SAN. Vector generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Vector generally would

pay in a single year. Thus, Vector will have an incentive to recommend that client accounts be held in custody at Schwab. The Participation and Non- Schwab Custody Fees will be based on assets in accounts of Vector clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, Vector will have incentives to encourage household members of clients referred through SAN to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit the Firm's fees directly from the accounts. For accounts of Vector clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from the Firm's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, Vector has an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Vector nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for the Firm's other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Vector can receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Vector may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade.

TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Vector, and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Vector and has no responsibility for Advisor's management of client portfolios or the Firm's other advice or services. Vector pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Vector ("Solicitation Fee"). Vector will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Vector from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Vector on the recommendation of such referred client. Vector will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade

AdvisorDirect Disclosure and Acknowledgement Form.

The Firm's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, in order to obtain client referrals from TD Ameritrade, Vector has incentive to recommend to clients that the assets under management by Vector be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Vector has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. The Firm's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

Vector receives economic benefits from non-clients for providing advice or other advisory services to clients. This type of relationship, described in Item 12 above, poses a conflict of interest for Vector.

Item 15. Custody

As this section pertains to disbursements, Vector declares third party custody assets of $307,719,196. Declaration of these assets is in accordance with the SEC "No Action" letter dated February 21, 2017 which outlines seven conditions that, if met, eliminate the requirement of a Surprise Annual Exam. Vector confirms they have met all seven requirements.

The Financial Institutions that serve as the qualified custodian for client accounts are required to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Vector. In addition, as discussed in Item 13 above, Vector also sends quarterly supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and Vector.

Vector Agreements with any Financial Institution may authorize Vector, through such Financial Institution, to debit the client's account for the amount of Vector's fee and to directly remit that management fee to Vector in accordance with applicable custody rules and as outlined in Vector's Advisory Services Agreement.

Item 16. Investment Discretion

In many circumstances, Vector is given the authority to exercise discretion on behalf of clients. Vector is

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

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made;
- The Financial Institutions to be utilized; and
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

In many circumstances, Vector accepts the authority to vote clients' securities (i.e., proxies) on their behalf. When Vector accepts such responsibility, it will cast proxy votes only in a manner it believes consistent with the best interest of its clients. Clients may contact the Firm at any time to request information about how Vector voted proxies for their securities.

A brief summary of Vector's proxy voting policies and procedures is as follows:

- The Firm has engaged Broadridge Financial Solutions, Inc. ("Broadridge") to provide electronic proxy voting services. Through Broadridge, the Firm has access to research, analysis, and recommendations on the various proxy proposals for the client securities that Vector manages from Glass Lewis & Co. ("Glass Lewis"), a third-party independent proxy advisory firm. Vector has reviewed Glass Lewis' Proxy Paper Guidelines for the current proxy voting season and has approved the summary of Glass Lewis' positions on the voting positions it recommends for the types of proposals most frequently presented, including: election and composition of directors; financial reporting; compensation of management and directors; corporate governance structure and anti-takeover measures; and environmental and social risks to operations. Vector is in agreement with the approach Glass Lewis has set forth in its current Proxy Paper Guidelines for voting proxies. Although Vector, based on its approval of the positions in the Proxy Paper Guidelines, expects to vote proxies according to Glass Lewis's recommendations, certain issues may need to be considered on a case-by-case basis due to the diverse and continually evolving nature of corporate governance issues. If such cases should arise, then Vector will devote appropriate time and resources to consider those issues.

- Where Vector is responsible for voting proxies on behalf of a client, the client cannot direct the Firm's vote on a particular solicitation. The client, however, can revoke Vector authority to vote proxies. In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that Vector maintains with persons having an interest in the outcome of certain votes, the Firm will take appropriate steps, whether by following Glass Lewis's third-party recommendation or otherwise, to ensure that proxy voting decisions are made in what it believes is the best interest of its clients and are not the product of any such conflict.

For Vector clients that entered into advisory agreements that did not authorize proxy voting on their behalf, Vector can elect to maintain that arrangement and will not have the responsibility vote proxies on the client's behalf. In such cases, clients will receive proxies directly from the Financial Institution(s) and may contact Vector with questions about such issuer solicitations.

Item 18. Financial Information

Vector does not require or solicit the prepayment of more than $1,200 in fees six months or more in advance. In addition, Vector is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Vector has no disclosures pursuant to this Item.