



HIGHTOWER

well-th. rebalanced.

Form ADV Part 2A Firm Brochure

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Hightower Advisors, LLC is a registered investment adviser. Investment adviser registration does not imply that a certain level or skill or training has been obtained. This brochure provides information about the business practices of Hightower Advisors. If you have any questions about the contents of this brochure, please contact us at 312-962-3800 and/or compliance@Hightoweradvisors.com. 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 Hightower Advisors also is available on the SEC's website at www.adviserinfo.sec.gov

ITEM 2 - MATERIAL CHANGES

This “Summary of Material Changes” describes material changes made to the last annual updated filing of Hightower’s brochure. Since the March 31, 2022, annual update, material changes took place. Sections that contain material changes are listed below.

Item 14 – Client Referrals and Other Compensation

Item 19 – Schwab Institutional Intelligent Portfolio

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ITEM 4 – ADVISORY BUSINESS

A. Description of Hightower

Hightower Advisors, LLC, a Delaware limited liability company (“Hightower” or “we” or the “firm”), is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Hightower is a wholly owned subsidiary of Hightower Holding, LLC, whose parent company is majority owned by Thomas H. Lee Partners, as well as Advisors and employees of Hightower Advisors.

Hightower, established in September 2008, provides investment advisory services to institutions (including ERISA), and predominantly ultra-high and high net worth individuals. Item 7 of this brochure contains more information regarding the types of clients to which we provide advisory services. We provide these advisory services through numerous investment practices, each of which has its own advisory focus and strategies, driven primarily by the types of clients they service and team expertise.

B. Advisory services offered by Hightower.

Discretionary Advisory

Hightower predominantly furnishes investment advice through discretionary advisory services. Discretionary advisory services begin with the completion of a detailed financial assessment of the client and memorialization of the appropriate investment objectives (ex. suitability profile form). Each Discretionary Advisory client subsequently grants investment discretion to Hightower to manage his or her assets in accordance with the client investment objectives and pursuant to a Discretionary Client Advisory Agreement. Portfolios are designed and managed using a mix of appropriate investments chosen by the Advisor.

Discretionary Advisory services are offered through an unbundled or bundled fee program. In the unbundled program, the client pays separately for: custodial and transaction fees, Hightower’s advisory fee, and the managed account platform fees described below, if applicable. Clients may also choose a bundled service called a wrap program. The decision to bundle fees in a wrap program is reached through discussions between the Advisor and the client, based on such variables as (i) the asset class and types of investments the client will invest in, as well as the fee/expense levels associated with such assets, (ii) the degree of expected transactional activity for the chosen strategy or management style provided and (iii) the client’s overall preferences in establishing a consolidated investment program and other factors.

Investment Consulting/Wealth Management Services

In an investment consultant relationship, the Hightower Advisor will use information provided by the client to identify an appropriate strategy. The Advisor will then provide investment recommendations to the client, either in terms of the asset class or specific type of security, in each case based upon the identified strategy. The Advisor will otherwise consult with and advise the client regarding their investments and will provide ancillary services that are of limited scope. Investment consulting clients do not grant Hightower investment discretion, and the consulting is delivered either through a Non-Discretionary Client Advisory Agreement or a Consulting and Limited Advisory Agreement. The Non-Discretionary and Discretionary Client Advisory Agreements are used when a client places assets with one of Hightower’s custodians. The Financial Planning Services Agreement is for assets maintained outside of Hightower’s core custodians.

Hightower Investment Solutions.

Hightower’s Wealth Management (“Wealth Management”) Investment Solutions division provides Advisor teams with outsourced investment management capabilities. Wealth Management has two portfolio categories: Multi-Asset Portfolios (“MAPs”) and individual-security separately managed accounts (“SMAs”).

MAPs provide Advisors with access to asset allocation portfolios across various risk profiles using multiple investment vehicle types (e.g., index funds, mutual funds and SMAs). The third-party managers/strategies within MAPs are implemented following a rigorous, institutional due diligence framework at the portfolio management and sub-advisor

level. Wealth Management provides SMA strategies for equity and fixed income securities. Within each asset class (i.e., equity and fixed income securities), Wealth Management provides multiple SMA strategies, allowing Advisors to select a strategy that fits their needs. Wealth Management employs systematic processes for investment decision making, including security selection within the universe of securities available for each SMA. All processes for the Wealth Management SMAs follow Hightower's institutional standards for investment management.

Third-Party Money Managers

Clients may access unaffiliated third-party money managers who offer specialized asset management expertise or services that Hightower utilizes to manage all or a portion of the client's assets in appropriate cases. Such third-party money managers' expertise ranges from research and selection of investment options to monitoring the assets and deciding when to sell them. Once selected, these third-party money managers have discretion with respect to a portion of the client's assets placed with them, allowing such third-party money managers to choose and prudently manage investments for the client. In exercising their discretion, such third-party money managers may develop an appropriate investment strategy, buying and selling securities in accordance with that strategy, subject to restrictions imposed by the client. These programs allow clients to obtain portfolio management services that typically have higher minimum account sizes if the client sought to engage the manager off platform or outside of the program. Hightower has no ability to affect the trading decisions of the third-party money managers once a client decides to participate in these programs and can only choose whether to engage or terminate a third-party money manager.

Hightower retains the right to replace (i.e., "hire or fire") third-party money managers on behalf of clients that have given discretionary authority to Hightower. Discretionary authority allows Hightower to choose or change any third-party money manager approved for a given platform, without additional approvals from the client. Hightower will evaluate the third-party money managers and investment vehicles to determine whether the third-party money manager is suitable for the client, given the third-party money manager's style and allocation. In addition, Hightower performs ongoing due diligence of the individual third-party money managers' performance and management, continuously reviews the client's account for adherence to objectives outlined with the manager and will reallocate assets among managers if necessary.

Each third-party money manager maintains a separate disclosure document provided to clients, outlining the manager's investment vehicle. In addition, Hightower and third parties administering wrap fee programs maintain additional disclosure documents that specifically pertain to the wrap fee programs that they administer. Clients should carefully review these disclosure documents for important and specific details including, among other things, fees, experience, investment objectives and risk guidelines, and disclosure of the third-party money manager's potential conflicts of interest.

Financial Planning

Financial planning services are offered on a comprehensive or a la carte (i.e., limited focus) basis. Financial plans encompass all or some of the following areas of financial concern to the client:

- Estate Planning Goals
- Retirement Planning
- Education Planning
- Insurance Planning/Risk Management
- Investments
- Asset Allocation Review and Recommendations
- Cash management and certain treasury services

Services to ERISA Clients

Hightower provides the following services to Employee Retirement Income Security Act of 1974 ("ERISA") clients:

- Education and enrollment assistance.
- Draft, review, and refinement of the investment objectives to ensure the client's (i.e., the plan sponsor's and/or trustee's) objectives and risk tolerances have been addressed.
- Working with the trustees of the plan to determine the appropriate mutual funds and/or securities for plan participant investments to meet the criteria outlined by the plan.
- Meeting with the trustees of the plan to review the performance of the mutual funds and other securities selected by the trustees. Recommendations may be made to the trustees, who then have the sole authority to determine the course of action to take on behalf of the plan and periodic reporting as agreed upon.

Hightower does not act as Plan Sponsor or Administrator of any retirement plans. Hightower's role is as Advisor or

consultant to the plan trustees or Plan Sponsor. The consulting services provided are limited to those assets specifically identified in the client agreement.

Private Funds Managed by Hightower

Hightower provides discretionary investment advisory services to a single private investment fund Hightower provides discretionary investment advisory services to the Fischer Enterprise Fund; Hightower may provide discretionary investment advisory services to other private investment funds in the future. The Fund noted above is no longer accepting new purchases or additional subscriptions.

Hightower generally allocates the Fund's capital in private investment vehicles managed by third-party investment managers ("Underlying Fund Managers"). Such Underlying Fund Managers may invest or trade in a wide variety of securities and financial instruments, domestic and foreign, whether publicly traded or privately placed.

C. Tailoring of advisory services

Hightower generally has broad and flexible investment authority with respect to its managed account clients. The investment objectives and strategy of each managed account client are set forth in its respective investment advisory agreement and tailored as appropriate.

Restrictions

In most cases, clients have the opportunity to place reasonable restrictions on the types of investments that will be made on their behalf. Hightower reserves the right not to accept or to terminate an account if Hightower believes the restrictions imposed are not reasonable or prohibit effective management of the account.

Product Types

Hightower uses some or all of the following suitable investment options when providing advisory services: stocks, bonds, mutual funds (stock funds, bond funds and other asset classes), options, warrants, real estate investment trusts ("REITs"), exchange-traded funds ("ETFs"), alternative investments, and other securities as chosen by the Advisor.

D. Wrap Program

Hightower also has a wrap fee program through which it offers portfolio management services. Hightower does not manage Discretionary Advisory accounts differently based on whether they are wrap accounts or non-wrap accounts. Rather the decisions are driven by the client's preferences, best interest, and strategies utilized.

Within a wrap program, clients will typically pay a fee covering all associated account fees (e.g., custodial fees, Hightower's advisory fee, and third-party money manager fees). Hightower's advisory fee is the amount charged to the client for the management of its account and will include accounts structured under one or both of the following scenarios: 1) Hightower chooses to act as portfolio manager on the client's account, making all the investment decisions and trading in the account, or 2) Hightower chooses to delegate the portfolio management to third-party money managers, under which the bundled advisory fee covers both the third-party manager's advisory fees and Hightower's due diligence review of the third-party managers selected. Hightower's advisory fee is variable and negotiable dependent upon the chosen custodian, amount of assets and third-party managers (if applicable). Please refer to Item 5 for more detail on fees and compensation. For more information on our wrap programs please refer to Hightower's Form ADV Part 2A, Appendix 1.

E. Assets Under Management

As of December 31, 2022, Hightower had approximately \$\$104,306,134,650.00 in assets under management that are managed on a discretionary basis and \$\$924,075,105.00 in assets under management that are managed on a non-discretionary basis.

ITEM 5 - FEES AND COMPENSATION

Depending upon the type of advisory service to be provided, clients generally have a choice regarding the manner in which fees will be calculated for such services. Options for calculating fees include a percentage of assets under management, hourly charges, flat fees and other retainer or service fees, or some combination of the above.

Generally speaking, fees are negotiable from client to client and manager to manager and are tailored to the specific type of services that Hightower provides to that client. As a result, not all client accounts employing the same or similar investment strategies will have the same or similar fee structures.

- Assets Under Management:

A client will be charged a fee based on a percentage of assets under management with Hightower. Asset levels may be determined at the account level or the household level (multiple accounts).

- Fixed Fees:

Advisory accounts not participating in the wrap program will also be subject to additional fixed fees, which include, but are not limited to, reporting fees, custodial fees, transaction fees, and third-party money manager fees.

Clients participating in the wrap program are billed in an "all-inclusive" manner. In such instances, Hightower will assess one fee that captures the management, brokerage, and administrative portions collectively with some exceptions including the Charles Schwab Select and Access program fees. Please see the Form ADV Part 2A – Appendix 1 - Wrap Fee Disclosure.

- Hourly Charges:

Hightower occasionally charges a client an hourly fee for wealth management services or financial planning; please refer to Item 6 for more detail on those services. Hourly fees are stipulated in the relevant client agreement with Hightower.

- Other:

Hightower may charge a one-time fee to clients for wealth management services or ongoing fees for financial planning services as set forth in the relevant client agreements.

Hightower typically does not impose a minimum account size or a set minimum annual fee for its investment management services, although certain advisory teams may impose minimum account sizes or fees as stipulated in the relevant client agreements. Some services and fee structures may not be beneficial for portfolios below \$500,000 due to the impact that trading and transaction costs may have on performance. The fee charged will be stipulated within each client's advisory agreement and applies to the assets covered by the agreement (it may cover only one account or a household of accounts).

Clients invested in mutual funds and other collective investment vehicles will indirectly pay management fees and other expenses of the funds. The fees charged by such funds are separate from and in addition to the advisory fees paid to Hightower.

FEE PAYMENT

Hightower's primary payment method is to have the custodian deduct the investment management fee from a client's account. Fees may be charged in arrears or advance. Fees are calculated based on either a percentage of the client's assets as valued at the end of the billing period or the average daily balance of the account.

Advisory fees are generally calculated quarterly (although accounts subject to a consulting agreement may be charged more or less frequently as agreed with the client). Hightower calculates its fees by applying the applicable fee schedule to the fair market value of the assets of the client's account, as reasonably determined by Hightower as of the last business day of each quarter or as otherwise specified in the client's agreement. Alternatively, the fee will be calculated on a pro-rata basis in the event that the first or last quarter during which the agreement is in effect is less than a complete calendar quarter or in those instances where there is a significant principal addition or withdrawal during the quarter. In the event of termination, Hightower is entitled to that portion of its fees earned through the effective date of termination. In this instance fees will be calculated on a pro rata basis for terminations during the current calendar quarter.

Hightower charges advisory fees based upon the valuation of client accounts as determined by its reporting vendors and custodians. The total portfolio value on which fees are based may vary from the value on the custodian statement (the valuation may be higher or lower) due to such factors as the timing and posting of dividends, settlement dates for trades, etc. In some cases, clients may provide Hightower with pricing for securities or real assets that cannot be (or are not) verified by Hightower (i.e., either cost basis information is no longer readily available, value of real assets such as a client's home or art collection, etc.). These will be shown on client reports as "below the line" assets and will not be used when calculating the client's management fees for the quarter. This will factor in at the end of each quarter when calculating the average daily balance for the advisory fee calculation. For client margin accounts the total long market value is used when calculating Hightower's fees, not the net account value. Clients will already be paying margin interest on the funds borrowed to purchase these assets.

Certain custodian and client reporting platforms charge an "unbundled" fee, meaning fees for execution, custodial, reporting, and/or administrative services are not combined with the third-party money manager fees and/or Hightower's fees. Also, certain platforms will charge execution costs in the form of an asset-based fee. Clients should be aware that some platforms do not provide an option for "householding" your accounts for fee discounts. Hightower has adopted policies and procedures designed to ensure that aggregate fees and transaction expenses incurred by clients are reasonable under the circumstances, but it is the client's responsibility to monitor fee and expenses levels and to discuss any questions with the client's Advisor.

FINANCIAL PLANNING FEES

Fees are negotiated on a case-by-case basis and are charged on an hourly or fixed fee basis. The fee arrangement is set forth in the client agreement.

ADDITIONAL FEES AND COSTS

All fees paid to Hightower for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, REITs, ETFs, alternative investments (including hedge funds and private equity/debt funds) and other collective investment vehicles to their shareholders. These fees and expenses are described in each applicable investment vehicle's prospectus or private placement memorandum. Virtually all such products have internal fees that are borne by the client that are separate from and in addition to any account level trading, execution, or Hightower advisory fees. As part of Hightower's Share Class Policy, Hightower seeks to utilize the lowest available fee class for which clients' accounts on the Hightower platform are eligible, as further explained in Item 12 below. If additional Hightower transaction-based commissions or service fees are or become payable, Hightower will generally seek to structure such fees so that, when aggregated with Hightower's advisory fees, its total annual compensation does not exceed 2.5% (250 basis points), as further explained in Item 12 below.

INVESTMENT ADVISOR REPRESENTATIVES

Hightower offers investment management and advisory services through a network of investment Advisor representatives ("Advisors" or "IARs"). The branch office locations for these IARs are listed on Schedule D of Hightower's Form ADV Part 1 (available at <https://adviserinfo.sec.gov/>). Certain advisory practices use branding and marketing specific to their practice – their affiliation and relationship with Hightower is further described in the team's Form ADV Part 2B.

Advisors typically receive additional individual compensation and benefits upon joining Hightower. These benefits will include a combination of firm equity ownership that has the potential for significant appreciation, substantial capital advances, or cash payments. The value of benefits is determined in negotiations between Hightower and the Advisor prior to affiliation or acquisition and generally is in relation to the amount of revenue expected to transfer to Hightower. In addition, during their transition to Hightower, certain teams of Advisors entered into arrangements with one or more custody and brokerage platform providers, whereby the advisory team and/or Hightower receive ongoing compensation and/or support services from their primary custodian. Some of these arrangements are contingent upon maintaining a minimum amount of assets with the custodial platform. The support services will include some or all of technology, marketing, transition support, compliance, legal, and research. Hightower will generally direct this compensation or reimbursement to the applicable advisory team. As described in more detail in Item 12 below, these advisory teams continue to receive compensation and/or support services in connection with these arrangements following their transition to Hightower. The compensation, reimbursement, and/or services provided to the advisory teams under these arrangements represent a conflict of interest because they incentivize the advisory teams and individual Advisors to recommend that client assets be placed and/or maintained with that custodial platform and not

with other custodial platforms that do not provide these benefits. Hightower mitigates this conflict of interest by implementing policies and procedures designed to ensure that an appropriate custodial platform is recommended to service client accounts based on a number of factors (as identified in Item 12 below), and by disclosing this conflict to you.

PAYMENTS INVOLVING HIGHTOWER SECURITIES

Hightower Securities, LLC (“Hightower Securities”), an SEC registered broker-dealer affiliated with Hightower, has arrangements with various pooled vehicles pursuant to which Hightower Securities receives compensation as a result of an advisory client’s investment in such vehicles. Hightower indirectly benefits from such compensation given that Hightower and Hightower Securities are commonly owned. For example, Hightower Securities acts as a placement agent for certain third-party alternative investments. In this role, Hightower will solicit clients to invest in alternative investments based on the appropriateness of the investment for the individual client, and applicability to the investment manager’s strategy parameters. Similarly, Hightower Securities has distribution arrangements with various mutual funds pursuant to which Hightower Securities receives fees for client investments in such funds. The compensation Hightower Securities receives for acting as placement agent or distributor are distinguishable from any investment advisory fees you may pay to Hightower.

If any such additional compensation is or becomes payable to Hightower, Hightower generally will seek to structure its fees so that, when aggregated with the advisory fees payable by clients to Hightower, the total does not exceed 2.5%, annually, as further explained in Item 12 below.

In addition, Hightower advisors often act as registered representatives under Hightower Securities, LLC and receive compensation for some of the services provided in correlation with the advisory services herein. Hightower Securities, LLC also receives economic benefit in the form of commissions for insurance transactions and variable annuities.

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

Hightower does not charge or accept any performance-based fees (i.e., fees based on a share of the capital gains on a client’s account or on the capital appreciation of the client’s assets). In certain cases, Hightower receives revenue sharing or similar ongoing compensation from sponsors of alternative investment products that is based on a share of performance-based fees payable to the third-party manager of the alternative investment product fund on other investment products.

ITEM 7 – TYPES OF CLIENTS

Hightower generally provides advisory services to:

- Individuals, including high net worth and ultra-high net worth individuals;
- ERISA-governed and other retirement accounts and certain pension and Taft-Hartley plans;
- Trusts, estates, and charitable organizations;
- Corporations or other business entities;
- Institutional organizations – e.g., colleges, universities; and
- State or municipal entities.

Account Requirements:

Generally, there is no set minimum annual fee or minimum account size to open or maintain an account. Hightower’s investment management services may not be beneficial for certain asset levels or account sizes, as the relatively higher advisory fees and trading and transaction costs negatively impact performance.

General Note Regarding Managed Account Platforms and Wrap Programs:

Access to certain third-party money managers, platforms, and programs are often limited to certain types of accounts and are subject to account minimums, which will vary and are negotiable depending upon the third-party money managers, platforms, and programs selected. Such minimums will be disclosed through separate disclosure documents.

ITEM 8 - METHOD OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Hightower utilizes a variety of methods and strategies when formulating investment advice and managing client assets. Investing in securities involves risk, and the investor should be prepared to bear such losses. The methods of security analysis and strategies include, but are not limited to, the following:

Analysis	Description	Risk involved
Charting	Displaying the performance of a security for review in a graphic version. It can be set up for any length of time and helps determine how the security may perform over time. Normally it is used to predict trends within the security.	There is no guarantee that past trends will reoccur. Individuals can project that based on the chart a security will perform one way but there is no guarantee of that performance.
Fundamental Analysis	Looking at the historical and present financial statements of a company. Reviewing the revenue, expenses, assets, and liabilities to gain insight on a company's future performance. This analysis will also factor in the overall economy and industry specific conditions.	Individuals can read and project the statements differently and therefore believe different outcomes will occur. This analysis cannot account for unforeseen economic or geopolitical events which could overturn the conclusions drawn.
Technical Analysis	Reviewing patterns and trends of a specific security/sector. Using data of past prices and volume the goal is to predict what a security will do in the future.	Analysis and execution of the data is at the discretion of the person reviewing the data. Past performance is not a guarantee of future performance.
Quantitative Analysis	Technique that tries to understand the behavior of a security/sector by using complex mathematical and statistical modeling. It can be used for performance evaluation, valuation of an instrument or in an attempt to predict market events.	Quantitative analysis cannot factor in all variables. This technique uses what are believed to be appropriate formulas and processes to determine the proper path. There is no way to guarantee that this thinking is correct.

Investment strategies	Description	Risks involved
Long term purchases	Securities held at least a year	Not able to take advantage of short-term gains or get out during a losing period.
Short term purchases	Securities sold within a year	Potential to sell/buy too early/late. Miss out on gains or receive too many losses. Increased trading costs and greater tax liabilities.
Margin transactions	Transactions in which a broker-dealer extends credit to a customer in a margin account to assist in the purchase of a security	Purchasing securities on margin can amplify potential returns and losses. As such, purchasing securities on margin may result in losses greater than an advisory client's original principal. Clients should carefully review disclosures regarding risks, fees, and other considerations appearing in margin account agreements prior to opening margin accounts.

Lending/Collateral	Using the securities within your account as collateral for a loan or borrowing a security. In addition, there is a fee/interest to pay to borrow the security/maintain the loan.	Some securities are “hard-to-borrow” and therefore there will not be a market to redeem securities and the lender will charge a higher fee for borrowing. In addition, the collateral security is still exposed to credit, interest, and liquidity risks. If you are borrowing a security to cover a short sale the stock may move opposite of what you believed would happen and you are at an unlimited risk position.
Options	Purchasing an option to execute an investment at a certain price expecting the price of the underlying stock to increase or decrease	The type of option will determine the level of risk. You can have anywhere from an unlimited loss to just a minimal fee per month for holding the option.
<ul style="list-style-type: none"> Covered options 	Investor writes a call option while owning the same number of shares of the underlying stock	The risks involved with covered options are the amount you invested. If the security you are writing an option against becomes worthless then you would lose your whole investment minus the premiums received for holding the option.
<ul style="list-style-type: none"> Uncovered options 	Investor writes a call option while not owning the underlying stock	The risk potential is unlimited since the underlying stock price rise is unlimited.
<ul style="list-style-type: none"> Spreading strategies 	Buying and selling of option contracts with the same equity underlier.	You are limiting the potential gain you could receive by using spreads. The costs are higher because you are executing multiple trades to set up the strategy.
Shorting	Sale of a stock that an investor does not own.	The loss potential, in theory, has no limit. Shares must be borrowed to cover the short position for which a cost is incurred.

In addition to the individual advisory team due diligence, Hightower has an internal Wealth Management department tasked with coordinating, reviewing, and obtaining due diligence on certain potential investments, including but not limited to third-party money managers and private investments.

Risks of Particular Securities

Subject to the client’s advisory agreement, we invest and reinvest a client’s assets in a variety of securities and other investments. These securities and other investments include classes/types of securities and/or other investments permitted under a client’s investment guidelines. Clients should carefully review the relevant issuer’s risk disclosures to learn more about the specific risks of their investments.

ITEM 9 - DISCIPLINARY INFORMATION

The firm and its management personnel have no reportable disciplinary events to disclose. The firm determines whether an incident is reportable based on its materiality and in accordance with applicable regulatory guidance.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Brokerage

Hightower has arrangements with Hightower Securities, a “related person” of Hightower. Hightower is affiliated through common ownership with Hightower Securities, a broker-dealer registered with the SEC. Hightower Securities is also a licensed general insurance broker and agency, a member of FINRA, the MSRB, and SIPC, and registered in various states as required. Hightower Securities operates as a full-service introducing broker-dealer. More information about Hightower’s brokerage practices appears in Item 12.

Registered Investment Advisors

Hightower is also affiliated with certain other registered investment advisers through Hightower Holding, LLC’s ownership of such entities. Such affiliates include: The Rikoon Group, LLC, Duncker Streett & Co., LLC; WealthTrust Axiom, LLC; Delta Asset Management, LLC; Harvey Investment Company, LLC; Kanawha Capital Management, LLC;

Madison Avenue Financial Solutions, LLC; Grant Tani Barash & Altman, LLC, and Hightower Altium Holding, LLC. Though Hightower shares a common holding company and corporate resources with these entities, each of the above entities are discrete and separate investment advisers registered with the SEC.

General Partner

Fischer Enterprise Capital Management, LLC a Hightower affiliate, currently serves as general partner to a private fund advised by Hightower. More information about those funds, including a description of its operation and activities, management fees, performance fees (if any) and structure are available in such fund's offering documents.

Trust

Hightower Trust Company, NA is a wholly owned subsidiary of HighTower Holding LLC and an affiliate of Hightower. Hightower Trust Company, NA provides personal trust services, and can serve in multiple capacities that offer or may include administrative services, tax services and investment management services. Hightower acts as a sub-Advisor to many Hightower Trust Company, NA clients.

Insurance

Hightower Securities sells whole life insurance, term life, health insurance, long term care insurance, and variable and fixed annuities.

ITEM 11 - CODE OF ETHICS, PARTICIPATION, OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

CODE OF ETHICS

Hightower has adopted a code of ethics (the "Code") establishing rules of conduct for all employees, officers and directors of the investment advisory entity and is designed to, among other things, govern personal securities trading activities in the accounts of associated persons. The Code is based on the principle that Hightower and its employees, officers and directors owe a fiduciary duty to Hightower's clients and will conduct their financial affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility. A copy of the Code is available to any client or prospective client upon request.

GENERAL STANDARDS OF BUSINESS CONDUCT; INSIDER TRADING

The Code was developed to provide general ethical guidelines and specific instructions regarding the duties owed to advisory clients. All access persons must act with competence, dignity, integrity, and in an ethical manner when dealing with clients, the public, prospects, third-party service providers and fellow access persons. Access persons must use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, promoting Hightower's services, and engaging in other professional activities. All access persons are expected to adhere to the highest standards with respect to any potential conflicts of interest with clients. As a fiduciary, Hightower must act in its clients' best interests. In addition, and in compliance with Section 204A of the Advisers Act, and Rule 204-2 thereunder, Hightower has adopted written policies and procedures that are embodied in the Code, designed to detect, and prevent the misuse of material, nonpublic information.

PERSONAL SECURITIES TRANSACTIONS OF "ACCESS PERSONS"

Through its professional activities, Hightower and its supervised persons are exposed to potential conflicts of interest, and the Code contains provisions designed to mitigate certain of these potential conflicts, by governing the personal securities transactions of certain of its employees, officers, and directors. In particular, the Code governs the conduct of so-called "access persons" in instances, among others, where Hightower or certain individuals associated with Hightower may desire to purchase or sell securities for their personal accounts that are identical to those recommended by Hightower to its clients. For these purposes, the Code defines an "access person" as an employee of Hightower that (i) has access to nonpublic information regarding any client including a client's purchase or sale of securities, (ii) has access to nonpublic information regarding the portfolio holdings of any client or fund the adviser or its control affiliates manage, or (iii) is involved in making securities recommendations (or has access to such recommendations) to clients that are nonpublic.

Access persons' trades must be executed in a manner consistent with the following principles: (i) the interests of client accounts will at all times be placed first; (ii) all personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility; and (iii) access persons must not take inappropriate advantage of their positions. In addition, the Code prohibits transactions in securities in an initial public offering and requires pre-clearance in any securities in a limited offering or private placement. No access persons are investment managers or general partners of a private fund.

Access persons must disclose all their personal securities accounts and those of immediate family members sharing the same household and provide electronic activity data feeds or provide quarterly statements for all disclosed accounts. Hightower monitors access persons' personal trading activity at least monthly to ensure compliance with internal control policies and procedures. Hightower strives to ensure that all access persons act in accordance with applicable regulations governing registered investment advisory practices as they apply to Hightower. Any access person not in observance of this goal is subject to sanctions, including termination of employment.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

The Code does not prevent or prohibit access persons from trading in securities that Hightower recommends, or in which Hightower invests client assets. Rather, it prescribes the principles that must govern all access persons' personal trading activities as described above. As such, it is possible that (i) Hightower and its advisory personnel, could recommend to clients, or buy or sell for client accounts, securities in which one or more access persons or Hightower has a material financial interest, (ii) access persons or Hightower could invest in the same securities (or related securities) that Hightower or its advisory personnel recommends to clients, or (iii) Hightower or its advisory personnel, could recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that one or more access persons buys or sells the same securities for their own account. This presents a potential conflict in that the access person might seek to benefit himself or herself from this type of trading activity in the same securities, either by trading for personal accounts in advance of client trading activity, or otherwise. These types of potential conflicts are precisely why Hightower has articulated clear principles regarding such conduct and has required the submission of regular reports regarding personal securities transactions of its access persons. As noted above, conduct by an access person that is contrary to the Code subjects the access person to possible sanctions including, in appropriate cases, termination of employment.

ITEM 12 - BROKERAGE PRACTICES

Generally speaking, Hightower recommends the broker-dealer for the client's execution and custodial services (such broker-dealer referred to in this brochure generally as a "custodian"), although clients have the ability to request particular custodians for their accounts. Hightower will generally recommend custodians with whom Hightower has an existing relationship, including Fidelity/IWS, Schwab, TD Ameritrade, and Pershing Advisor Solutions.

Hightower has chosen to establish relationships with these custodians based upon their financial strength, reputation, execution capabilities, pricing, research, and service and recommends their use to clients based upon these factors, consistent with Hightower's fiduciary obligations, including the duty to seek best execution. Although Hightower has found the use of these custodians to be consistent with its obligation to seek best execution and that the fees (including but not limited to commissions and/or transaction fees) charged by each are reasonable in relation to the value of the brokerage and research services provided, a client may nonetheless pay a fee for services that is higher than another qualified broker-dealer might charge to effect the same transaction. 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 broker-dealer's services, including the value of research provided, execution capability, commission rates, and the benefit to all clients. Additional information is set out below regarding each of these recommended custodians and the considerations that are important to a client when selecting a custodian from among the recommended custodians.

That discussion includes other services that each recommended custodian provides to Hightower and for which it does not charge, or for which it charges a reduced rate, as a result of having established a relationship as a recommended custodian of Hightower. Additional information regarding the types of services and/or products provided by each of the custodians is set out below.

In certain cases, Hightower has the discretionary authority to pick a non-related broker (other than a client's current custodian) to execute a fixed income trade. Each trade placed at a broker other than a client's selected custodian will

cost the client up to \$25.00, which is charged by the custodian to settle the trade and can be assessed to either the client's account or to the Advisor. This is in addition to any mark-up or markdown that is paid to the broker-dealer Hightower selects to buy or sell the security. Clients must qualify for prime brokerage to participate in these transactions. To qualify for prime brokerage transactions, clients must maintain a minimum portfolio value of \$100,000 or more and sign the appropriate prime brokerage paperwork with the custodian. Hightower uses this discretionary authority to trade away from the custodian when purchasing or selling fixed income securities and to a limited extent equity trades. It is not used in all cases. Reasonable restrictions on this authority are imposed, as described above.

In still other cases, the client directs Hightower to utilize a custodian that is not among the Hightower-approved custodians. This is referred to as "directed brokerage." In directing Hightower to use a specific custodian and/or broker-dealer (other than those recommended by Hightower), clients should understand that Hightower will not have the authority to negotiate commissions among various custodians or obtain volume discounts. Since Hightower does not have an established relationship with these custodians, the client may pay higher servicing fees to the custodian of their choice. This also affects Hightower's ability to achieve best execution for these clients.

Following Hightower's acquisition of an existing investment adviser and/or transfer of an account to Hightower, it is possible that certain legacy accounts may be invested in products or with custodians that are not supported by Hightower's current custodial arrangements. Such positions would need to be liquidated, resulting in potential transaction fees, as well as other changes to the account(s).

Research and Other Benefits to Hightower

Hightower has a small number of advisory teams that receive research or other products or services known as soft dollar benefits from custodians in connection with client transactions. All of the soft dollar benefits Hightower receives are eligible for the safe harbor available under Section 28(e) of the Securities Exchange Act of 1934, as amended.

The soft dollar benefits Hightower receives typically include proprietary or third-party investment-related research, pricing information and market data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, or educational events, marketing support, computer hardware, software or other products and services used by Hightower in providing investment advisory services to its clients.

Use of client commissions (or markups or markdowns) in these arrangements benefits Hightower since it does not have to produce or pay for the research, products or services obtained. Hightower may therefore have an incentive to select or recommend a broker-dealer based on its interest in receiving research or other products and services rather than on its clients' interest in receiving most favorable execution. It is possible that Hightower clients may pay commissions, markups, or markdowns higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up). However, Hightower believes that all of the client fees paid are reasonable relative to the brokerage and research services provided.

Generally, soft dollar benefits are used to service all client accounts (not just those that paid for the benefits). Further, Hightower does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits that client accounts generate.

The procedures Hightower uses to direct transactions to a particular broker-dealer are the same regardless of whether soft dollar benefits are received, and all such procedures are consistent with Hightower's best execution obligations.

Hightower receives from Fidelity/IWS, Schwab, TD Ameritrade, or Pershing (or even another custodial platform) certain support services or products, at reduced or no cost, which assist Hightower in monitoring and/or servicing client accounts. Although not a material consideration, Hightower may consider these benefits, in combination with the other factors identified below, in recommending a custodial platform to clients. In addition, certain of the custodial and brokerage platform providers Hightower recommends to clients provide compensation and/or support services to Hightower or certain teams of its advisors to offset transition fees and expenses incurred in moving new customer assets to the custodial platform. Under these arrangements, the custodial platform may provide compensation and/or ongoing support services, including technology, marketing, transition support, regulatory compliance, and research. The custodial platform may provide these support services directly or

through a reimbursement to Hightower or the advisory team for expenses incurred in obtaining such services from third-party vendors. Hightower will generally direct the compensation or reimbursement to the applicable advisory team. Certain of these arrangements are contingent upon maintaining a minimum amount of assets with the custodial platform. The specific terms of the compensation differ among custodial platforms, but generally consist of a fixed dollar amount based on the total assets held in accounts on the platform. Certain of these arrangements may be time limited and phase out as advisory teams are successfully transitioned to Hightower. The compensation, reimbursement, and/or services provided under these arrangements present a conflict of interest for Hightower or the applicable advisory team because it creates an incentive to recommend clients to use the services of these custodial platforms and not with other custodial platforms that do not provide these benefits. Hightower mitigates this conflict of interest by implementing policies and procedures designed to ensure that an appropriate custodial platform is recommended to service client accounts based on a number of factors (as identified in this Item 12), and by disclosing this conflict to you.

Clients are directed to a more complete discussion below of each of the recommended custodians, types of services, support, and products that are made available to Hightower by each. If these additional services were not provided to Hightower by the recommended custodians, Hightower might be compelled to purchase the same or similar services at its own expense.

Hightower participates in back office and support programs sponsored by its custodians. These programs and the services provided, including trading capabilities, are essential to Hightower's service arrangements. Hightower does not, as a general matter, routinely accept clients who direct Hightower to use other broker-dealers/custodians. As a result of receiving services at a reduced cost (or at no additional cost), Hightower has an incentive to continue to use or to expand the use of the services of its chosen custodians. Hightower examined this conflict of interest when choosing to enter into the relationship with these firms, in addition to the other criteria articulated above regarding the selection of custodians and determined that each relationship with a recommended custodian is in the best interests of its clients and that Hightower is able to satisfy its obligations to clients, including its duty to seek best execution, through the use of such recommended custodians.

The use of Hightower's recommended custodians can cause a client to pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction. Nevertheless, in connection with evaluating the fees and services offered by its recommended custodians, Hightower has determined in good faith that the commissions and other fees charged by each are reasonable in relation to the value of the brokerage and research services received.

Through these custodians, Hightower receives direct access to real-time client account information, electronic download of trades, balances and positions, and the ability to direct the custodian to directly debit client advisory fees. Hightower also receives software and support services, including reductions in seminar and conference fees from these firms. These services provided to Hightower are not contingent upon any specific amount of business (assets or trading). Hightower's participation in these arrangements raises potential conflicts of interest. Each provides Hightower with benefits it may not receive from other firms in terms of pricing and services. They also make available services or funding intended to help Hightower manage and further develop its business enterprise. These services include consulting, transition support (as described in more detail above), publications and conferences on practice management, information technology, business succession, and marketing. In addition, they make available, arrange and/or pay for these types of services rendered to Hightower by independent third parties. Fidelity, Schwab, TD Ameritrade, and Pershing can discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Hightower. This creates a potential conflict of interest in that Hightower may be more likely to use a custodian that provides such services without cost or at a discount. However, this conflict is mitigated by the fact that Hightower uses a number of factors (as identified above) to select the appropriate custodian to service client accounts and by disclosing this conflict to you.

Considerations Relevant to the Selection of a Specific Recommended Custodian

As noted, Hightower generally recommends that clients select one of the following third-party custodians: Fidelity/IWS, Schwab, TD Ameritrade, or Pershing Advisory Solutions. All such custodians are registered broker-dealers and members of FINRA and the Securities Investor Protection Corporation ("SIPC"). These firms maintain custody of clients' assets and effect trades in client accounts.

In recommending these firms, Hightower has evaluated each and determined that they offer Hightower's clients an excellent blend of service, financial strength, competitive commission rates, and access to mutual funds otherwise not

available to Hightower or its clients, among other factors. Each of these firms provides Hightower with access to institutional trading and custody services, which are typically not available to retail investors, as well as other products and services identified in this Section of the brochure. The following additional information regarding each of these custodians are relevant to clients as they select from among the recommended custodians of Hightower.

Trade Aggregation and Allocation

Hightower “aggregates” or “blocks” purchase or sale transactions where it decides to purchase or sell the same securities for several clients at approximately the same time. Generally, Hightower would aggregate or block such transactions in order to obtain best execution, to obtain more favorable commission rates, or to allocate equitably among multiple clients, the differences in prices, commissions or other transaction costs that might have been obtained had such orders been placed independently. Each account participating in the block will receive the average price if multiple executions are required to complete the order, and transactions and costs will be allocated in proportion to the purchase and sale orders placed for each client account in that security on that day. Block trades will typically be segregated by the custodian, and by the Hightower Advisory team, when purchasing or selling securities. Clients participating in a mini block may not receive the benefit of negotiated commissions, as Hightower does not have that authority on an account-by-account or transaction-by-transaction basis. Hightower blocks multiple client accounts together that qualify for prime brokerage trading activity. In such cases, participating clients will receive the average execution price and their pro rata share of transaction costs. However, because of Hightower’s practice of managing portfolios on an individual basis, Hightower does not frequently block transactions except for certain accounts managed in accordance with a model. Thus, Hightower’s ability to take advantage of volume discounts or other potential cost and execution advantages of block trades are limited. Hightower urges all advisory teams to use block trading in appropriate cases. In addition, accounts participating in block trades pay a proportional share of any commission, subject to minimum ticket charges. Hightower allows de minimis deviations with respect to allocation determinations to bill round lots in client accounts.

New Issues or Secondary Offerings (Equity and Fixed Income)

For a client to take part in any new issue or secondary offering, such client’s necessary qualifying documents must be on file with Hightower. Hightower then will reach out the clients to gauge interest in the new issues. If a pre-qualified client does express interest, their order will be filled utilizing an allocation process, subject to change at the discretion of the Hightower trade desk. If a full allocation is received, all advisory teams and their respective clients will receive 100% of their indication of interest. If a partial allocation is received, shares will be allocated to the participating advisory teams and their respective clients based on a number of factors dependent on the client’s custodian, which could include:

- a. The size of the indications at the account level
- b. Account level participation in previous deals
- c. Account level size/net worth

Trade Errors

For all custodians, where a trade error occurs in a client account due to Hightower’s error, Hightower will correct the error and ensure the client account does not suffer a loss. The client will not profit from the error, even if the subsequent correction results in a profit due to market movement. In the cases of a profit Hightower will donate those gains to charity. Prior to donating to charity Hightower may offset any gains with any firm outstanding losses that occurred within the quarter. The choice of the charity that receives the donation is subject to review and approval by the Hightower Executive Leadership Team.

Cross Transactions

A cross trade is where Hightower executes a buy and sell order of the same security from one client account to another. Hightower cross transactions for any Hightower client must be pre-approved and have a change in beneficial ownership. Clients must be notified of and approve a cross trade prior to effecting the transaction.

Principal Transactions

A principal transaction is one in which Hightower would engage in the practice of buying securities for its own inventory from a Hightower advisory client or selling securities from its own inventory to a Hightower advisory client. Hightower does not currently engage in principal transactions for advisory clients.

Share Class Policy

Hightower may invest account assets in open-end mutual funds (including money market funds), closed-end funds, ETFs, and other collective investment vehicles that have various internal fees and expenses, which are paid by such funds, but which are ultimately borne by the client as an investor (“asset-level fees”). In selecting or recommending share classes in such investments for client accounts, it is Hightower’s policy to identify the lowest available fee class

for which the applicable client account is eligible through the Hightower platform. Additionally, in some circumstances Hightower may recommend a commission-free ETF or another commission-free product for a wrap account notwithstanding the fact that they are available on a commission-free basis outside of the wrap account. Such determinations will be based on the client's investment objectives, the performance, and characteristics of the product under consideration, and the available investment alternatives. As part of its policy to identify suitable share classes and commissionable or commission-free investments, Hightower provides ongoing training to its employees, and conducts periodic monitoring of commission-free ETFs and mutual fund share classes in which client accounts are invested.

Hightower from time to time utilizes commission-free ETFs in its account management, including within wrap accounts. This creates a conflict because it benefits Hightower in that the overall fee collected for the wrap account is higher than it would be if commissionable ETFs were utilized. The firm mitigates this risk by ensuring that the investment decision is based on suitability, performance, and fund objective, not transaction costs. This is accomplished through Advisor training and education, periodic review of transactions and product access through the applicable custodians.

ITEM 13 - REVIEW OF ACCOUNTS

Investment management services, managed account platforms, wrap programs.

Each account receives at minimum an annual review by the IARs on the client's advisory team. In most cases, accounts are reviewed more frequently through various means, including telephone calls, in-person meetings, overall strategy reviews, and/or the review of monthly and quarterly statements. Reviews are based on objectives and parameters established by clients, which are generally memorialized through their individual advisory agreements or other suitability and investment objectives documentation.

Periodic reviews and face-to-face meetings or conference calls are triggered by events such as client requests, a change in financial goals or objectives, and significant world, economic or market events.

While Hightower will typically evaluate the continued suitability of specific third-party money managers (as applicable), managed account platforms, and wrap programs during account reviews, the administrators of such platforms and programs can also perform their own reviews of managers appearing on the platforms and programs (independent of any review Hightower may conduct). The administrator reviews will be disclosed in the third-party manager's separate disclosure documents sent at account opening, after material changes and/or annually and are maintained by the administrators of applicable platforms and programs.

Hightower's Compliance and Field Supervision teams perform regular and rigorous reviews of client accounts to determine adherence with the client's account suitability, risk tolerance and goals, among other things.

Financial Planning Services

For clients receiving financial planning services, the frequency and format of plan review will be dependent on the terms of the clients' agreements with Hightower. As a part of those reviews, the IARs servicing the client will revisit the initial plan and determine if any adjustments need to be made to the objectives. Financial planning is not an asset management service.; Some client relationships offer both asset management and financial planning. For financial planning relationships Hightower will offer input and advice for different financial objectives without actively managing the accounts receiving financial planning services.

Regular Reports Provided to Clients

Taxable clients may receive a realized gain and loss report for tax purposes. Hightower's reports are in addition to, and separate from, the custodial statements and transaction confirmations received from the client's custodian, and Hightower's reports in no way replace the custodial statements. Hightower reports when provided will be provided electronically or presented in face-to-face meetings.

Additional reporting is sometimes provided by third-party money managers and the administrators of managed account platforms and wrap programs, depending on the particular third-party money manager, platform, or program selected.

Any such additional reporting will be disclosed in the separate disclosure documents maintained by third-party money managers and the administrators of applicable platforms and programs.

No on-going financial planning reports are provided for financial planning only clients unless a financial plan update or additional services are requested. Hightower will update a plan as needed and when objectives or financial situation change.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Aggregate Compensation Policy

Hightower and its affiliates sometimes receive compensation from third parties in respect of a client account in addition to the investment advisory fee paid to Hightower by the client. Such compensation includes asset-level fees as described in Item 12 above, commissions and other transaction-based fees as described in Item 5 above, or referrals and other compensation as more fully described below. In general, Hightower monitors its fees and generally seeks to structure its compensation so that it does not exceed 2.5% annually (250 basis points), depending upon the scope and level of services provided to the client. Advisory fees and other compensation from third parties may for some Hightower clients be higher than that charged by other advisers that provide the same or similar services.

Economic Benefits Received from Third Parties for Providing Services to Clients

Please see Item 12 of this brochure above for further information on services and products Hightower may receive from third parties (other than clients), including the firm's procedures for addressing conflicts of interest that arise from such practices. Hightower policies prohibit our related persons from accepting any form of compensation, including cash, sales awards, or other prizes, in conjunction with the advisory services we provide to our clients.

Third-Party Endorsement Arrangements

Hightower pays referral fees to third-party individuals or entities for introducing clients to us. Compensation for client referrals is structured to comply fully with the Investment Advisers Act Rule 206(4)-1 (Marketing Rule), related SEC staff guidance and other applicable laws, including relevant client disclosure obligations.

Hightower receives client referrals from custodians. Such referrals could present a potential conflict of interest as Hightower could have an incentive to direct brokerage to certain broker-dealers to continue receiving referrals. Hightower does not consider client referrals from broker-dealers when making brokerage allocation decisions. Hightower receives client referrals from Charles Schwab & Co., Inc. ("Schwab") through Hightower's participation in Schwab Advisor Network® (the "Service"). The Service is designed to help investors find an independent Advisor. Schwab is a broker-dealer independent of and unaffiliated with Hightower. Schwab does not supervise Advisors and has no responsibility for Hightower's management of clients' portfolios or an Advisor's other advice or services. Hightower pays Schwab fees to receive client referrals through the Service. Hightower's participation in the Service raises the conflicts of interest described below.

Hightower 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 Hightower is a percentage of the fees the client owes to Hightower, or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Hightower pays Schwab the Participation Fee for as long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Hightower quarterly and is increased, decreased, or waived by Schwab from time to time. The Participation Fee is paid by Hightower and not the client. Hightower has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Hightower charges clients with similar portfolios who were not referred through the Service.

Hightower participates in the Fidelity Wealth Advisor Solutions® Program (the "WAS Program"), through which Hightower receives referrals from Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser and Fidelity Investments company. Hightower is independent and not affiliated with FPWA or any Fidelity Investments company. FPWA does not supervise or control Hightower, and FPWA has no responsibility or oversight for Hightower's provision of investment management or other advisory services. Under the WAS Program, FPWA acts as a solicitor for Hightower, and Hightower pays referral fees to FPWA for each referral received based on Hightower'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 Hightower does not constitute a recommendation or endorsement by FPWA.

of Hightower's particular investment management services or strategies. More specifically, Hightower 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, Hightower has agreed to pay FPWA an annual program fee of \$50,000 to participate in the WAS Program. These referral fees are paid by Hightower and not the client.

To receive referrals from the WAS Program, Hightower must meet certain minimum participation criteria, but Hightower may have 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, Hightower may have a potential conflict of interest with respect to its decision to use certain affiliates of FPWA, including FBS, for execution, custody and clearing for certain client accounts, and Advisor may have a potential incentive to suggest the use of FBS and its affiliates to its advisory clients, whether or not those clients were referred to Hightower as part of the WAS Program. Under an agreement with FPWA, Hightower has agreed that Advisor will not charge clients more than the standard range of advisory fees disclosed in Item 5 Fees and Compensation of this Brochure to cover solicitation fees paid to FPWA as part of the WAS Program. Pursuant to these arrangements, Hightower 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 Hightower's fiduciary duties would so require, and Advisor 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, Hightower may have 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 Hightower's duty to select brokers on the basis of best execution. Please see Item 12 of this brochure above for further information regarding our brokerage practices.

Hightower receives client referrals from the SmartAsset lead generation platform. SmartAsset is an SEC registered investment advisor independent of and unaffiliated with Hightower. Hightower compensates SmartAsset for matched leads on a per lead basis. The fee ranges from \$100.00 to \$645.00 per matched lead based on the prospective client's asset value and is paid completely by Hightower from the management fees earned and are not increased or passed through to the referred client in any way. SmartAsset is not an investment client of Hightower. SmartAsset has an economic incentive to recommend Hightower, thereby resulting in a material conflict of interest.

In no event will any referral or endorsement services provided to Hightower include providing investment advisory services to referred clients. The compensation paid by Hightower for these services is paid completely by Hightower from the management fees earned, which are not increased or passed through to the referred client in any way as a result of a third-party involvement in the introduction.

Third-party Managers and Alternative Investment Products

Hightower occasionally has revenue-sharing arrangements with respect to certain third-party managed accounts, mutual funds, and alternative investment products (including hedge funds and private equity/debt funds) recommended to Hightower advisory clients. Hightower receives a percentage of the advisory fees (both alternative investment products and managed accounts) and incentive allocations (alternative investment products) from the funds or their sponsors. Hightower's receipt of such compensation presents a conflict of interest because it provides an incentive for Hightower to invest assets with a particular third-party manager or fund in order to generate additional income for Hightower. Hightower has adopted policies and procedures for the purpose of mitigating this conflict, including its policy to seek the lowest available fee class for which a client is eligible, as discussed more fully in Item 12 above. Hightower also seeks to structure its receipt of fees so that the aggregate of the advisory fees, revenue-sharing and other compensation payable to Hightower does not exceed the 2.50% annual guideline discussed above under "Item 1 – Aggregate Compensation Policy".

Goldman Sachs Private Bank Select Intermediary Loan Program

Hightower introduces clients to the Goldman Sachs Private Bank Select Intermediary Loan Program ("The Program") which offers a lending arrangement to the client. Client will pledge assets as collateral for the loan and pay interest to The Program. Hightower will participate in a revenue sharing arrangement with Goldman Sachs which presents a conflict of interest. The Program will pay Hightower a referral fee for each line of credit established. The referral fees will generally accrue each calendar quarter (unless otherwise agreed to by the Program and Hightower) in an amount equal to fifteen percent (15%) of the interest revenue attributable to the applicable margin of all outstanding loans during such calendar quarter; provided that the amount of the referral fees shall be capped at an amount equal to fifty (50) basis points of the average principal amount of all outstanding loans during such calendar quarter. We ameliorate this conflict via disclosure in this brochure, disclosure documents provided to all participating clients, and our advisors review of client's needs that determines whether participation in The Program is in the best interest of the client.

Event Sponsorship

Periodically Hightower holds Advisor-focused meetings or industry conferences. These meetings provide sponsorship opportunities for our vendors and other third-party providers. Sponsorship fees allow these companies access to our Advisors and employees to discuss ideas, products, or services. Sponsorship fees are not dependent on assets placed with any specific provider, or the revenue generated by asset placement, but such sponsorship fees could create a conflict where Hightower utilizes a vendor due to their attendance or sponsorship. Hightower mitigates the conflict by using the sponsorship fees exclusively for past or future meeting expenses and not as a revenue stream.

ITEM 15 - CUSTODY

Hightower does not directly hold client funds or securities. All client assets are held by unaffiliated qualified custodians. However, Hightower is deemed to have technical custody of client funds in accordance with Advisers Act Rule 206(4)-2 due to our ability to calculate and direct the custodians to directly debit client accounts for investment advisory fees. Clients receive quarterly statements from the qualified custodians indicating the amount of such fees. These statements are sent either electronically via email or to the postal address the client has provided to the custodian. We urge all clients to carefully review their account statements promptly upon receipt and to compare the account statement from their qualified custodian with any reports you might receive from us.

In addition, some Hightower Advisor practices have custody of client assets as defined in Rule 206(4)-2. In this instance, a surprise custody examination is performed by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Hightower is also deemed to have custody of one private fund. Investors in the private fund will annually receive audited financial statements within 120 days of the private fund's fiscal year end.

ITEM 16 - INVESTMENT DISCRETION

For most clients, Hightower has been contractually given investment discretionary authority (i.e., authority to act without first obtaining specific client consent to each investment transaction) to determine the securities to be bought or sold, and the amount of the securities to be bought or sold. This discretionary authority also allows Hightower to determine the third-party money manager to be used for client accounts through its money management platform. The discretionary authority is granted by the client through execution of the discretionary investment management agreement.

Clients occasionally impose reasonable restrictions on this authority (e.g., no defense stocks, no tobacco). All such restrictions are documented in writing. Clients modify the imposed restrictions by providing the change to Hightower in writing. Hightower reserves the right to refuse to open an account or to terminate an account if Hightower believes, in its sole discretion, that the restrictions placed are excessive and would limit its ability to manage the account effectively and prudently. Clients should also understand that the imposition of portfolio restrictions may affect performance of the affected portfolios, either positively or negatively.

ITEM 17 - VOTING CLIENT SECURITIES

Hightower has express authority to vote proxies on behalf of clients in compliance Advisers Act Rule 206(4)-6, unless otherwise stated in the client Advisory Agreement and/or the client's custodian account agreement. Proxy voting policies and procedures and information about how proxies are voted are available on request by emailing compliance@Hightoweradvisors.com. Institutional Shareholder Services, Inc. ("ISS") has been engaged as an independent third party to vote proxies in order to mitigate risks involved with any conflicts of interest that might otherwise arise in the voting of client proxies. Hightower does not charge an additional fee for this service.

Proxies are assets of Hightower's advisory clients that must be voted with diligence, care, and loyalty. Hightower will vote each proxy in accordance with its fiduciary duty to its advisory clients. Hightower will seek to vote proxies in a way that maximizes the value of advisory clients' assets. However, Hightower will document and abide by any specific

proxy voting instructions conveyed by an advisory client with respect to that advisory client's securities.

Absent specific advisory client instructions, Hightower has adopted the following proxy voting procedures designed to ensure that proxies are properly identified and voted, and that any conflicts of interest are addressed appropriately:

- As part of the account opening process, Hightower and/or the approved custodian will code the account and notify ISS of accounts for which Hightower will vote proxies.
- If an advisory client gives specific proxy voting instructions, the advisory client must inform Hightower by contacting their advisor team.
- If an advisory client declines to assign proxy-voting authority to Hightower during the account opening process, proxies will be sent to the address of record by default. If proxy materials are inadvertently received by Hightower, Hightower or designee will return the materials to the sender along with a statement that Hightower does not have authority to vote proxies for that advisory client and that future materials should not be sent to Hightower.
- Proxies received after an advisory client terminates its advisory relationship with Hightower will not be voted. Hightower or designee will promptly return such proxies to the sender, along with a statement indicating that Hightower's advisory relationship with the advisory client has terminated, and that future proxies should not be sent to Hightower.
- For accounts that Hightower is to vote proxies, all voting is done by ISS following their policies and procedures, including any addressing conflicts of interest.
- ISS occasionally refers proxies to Hightower to vote on. In these instances, the IAR servicing the corresponding account votes the proxy how he or she deems prudent.
- Certain sub-advisory arrangements delegate proxy voting to the sub advisor if the client has authorized the advisor to vote proxy. This is defined in the terms of the sub advisory agreement.

In most instances, proxies will be voted the same for all client accounts held by Hightower at our various custodians. The client's custodian will send ballots to ISS and the client will not receive copies. In the case of accounts managed by third party money managers, proxies may be voted by the third-party money manager.

ITEM 18 - FINANCIAL INFORMATION

Hightower is not required to include a balance sheet for our most recent fiscal year end because we do not require or solicit more than \$1,200 in fees per client, six months or more in advance. Hightower is subject to no financial conditions that would impair its ability to meet contractual and fiduciary commitments to clients. Additionally, Hightower has never been the subject of a bankruptcy petition.

ITEM 19 – SCHWAB INSTITUTIONAL INTELLIGENT PORTFOLIO

IIP (Institutional Intelligent Portfolio) is an automated trading platform (Robo) offered by Charles Schwab, Inc. Hightower uses IIP as a tool for smaller accounts to increase our time efficiency in executing portfolio changes over time. In essence, we have created a hybrid solution for smaller accounts that offer the same level of portfolio management and oversight as much larger relationships. Additionally, IIP hybrid clients are given the same portfolio performance reporting IIP clients are under the same service matrix and expertise regardless of whether they are using IIP. This is an active portfolio rather than a passive allocation.

We use the Institutional Intelligent Portfolios® platform ("Platform"), offered by Schwab Performance Technologies ("SPT"), a software provider to independent investment advisors and an affiliate of CS&Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, "Schwab"). We, and not Schwab, are the client's investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the "System"). [(Option 1) The System includes an online questionnaire that can help us determine the client's

investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that, if we use the online questionnaire, we will recommend a portfolio via the System in response to the client's answers to the online questionnaire.] [(Option 2) Based on information the client provides to us, we will recommend a portfolio via the System.] The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co. as part of the Program. Schwab does receive other revenues, including (i) the profit earned by Charles Schwab Bank, SSB, a Schwab affiliate, on the allocation to the Schwab Intelligent Portfolios Sweep Program described in the Schwab Intelligent Portfolios Sweep Program Disclosure Statement; (ii) investment advisory and/or administrative service fees (or unitary fees) received by Charles Schwab Investment Management, Inc., a Schwab affiliate, from Schwab ETFs™ Schwab Funds® and Laudus Funds® that we select to buy and hold in the client's brokerage account; (iii) fees received by Schwab from mutual funds in the Schwab Mutual Fund Marketplace® (including certain Schwab Funds and Laudus Funds) in the client's brokerage account for services Schwab provides; and (iv) remuneration Schwab receives from the market centers where it routes ETF trade orders for execution.