Form ADV Part 2A Firm Brochure

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This brochure provides information about the qualifications and business practices of Hightower Advisors, LLC ("Hightower"). For questions about the contents of this brochure, please contact Hightower via phone at 312-962-3880 or via email at compliance@hightoweradvisors.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Hightower is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940. Registration as an investment adviser does not imply a certain level of skill or training. Additional information about Hightower is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 - MATERIAL CHANGES

This section describes material changes made to Hightower's brochure since the last annual amendment was filed on March 29, 2024. Since that update, the following material changes were made:

- Item 5 was updated with additional detail about the "Hightower Aggregate Fee Guideline" to reflect Hightower's practices for monitoring total compensation from client accounts, subject to applicable exceptions.

- Item 10 was updated with additional detail related to services provided by Hightower and its affiliates to funds and other pooled investment vehicles, including related conflicts of interest.

Additionally, although not material, certain disclosures were clarified or modified throughout this brochure in accordance with evolving industry and firm practices.

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ITEM 4 – ADVISORY BUSINESS

Description of Hightower

Hightower, a Delaware limited liability company, was established in September 2008. 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" or the "Rule"). Hightower is a wholly owned subsidiary of Hightower Holding, LLC, whose parent company is majority owned by private investment funds managed by Thomas H. Lee Partners, L.P. and certain related fund investors (the "THL Entities"). Hightower and some of its Supervised Persons (as defined in the Advisers Act) also own interests in Hightower Holding, LLC, but no individual or entity owns more than 25% of the interests in Hightower directly or indirectly, except for the THL Entities.

Hightower provides investment advisory services to individuals and institutions, including pension plans and other plans subject to the Employee Retirement Income Security Act of 1974 ("ERISA") as further described in Item 7. These advisory services are provided through its network (the "Advisor Practices") of Investment Adviser Representatives ("Advisor(s)" or "IAR(s)"), each of which has its own advisory focus and strategies driven primarily by the types of clients they service and their expertise. The individual office locations for Hightower's Advisor Practices are listed on Schedule D of Hightower's Form ADV Part 1 (available at https://adviserinfo.sec.gov/). Certain Advisor Practices use branding and marketing specific to their practice – their affiliation and relationship with Hightower is further described in their Form ADV Part 2B Supplements.

Advisory Services Offered by Hightower

Hightower offers investment advisory services through its Advisor Practices on a discretionary or non-discretionary basis. Additionally, Hightower offers other services to retail investors, such as financial planning, for a fixed or hourly fee.

When a new client opens an advisory account with Hightower, an Advisor will meet with them to discuss their investment goals and collaborate with them to design an investment strategy for their portfolio, which may include recommendations of stocks, bonds, mutual funds, options, warrants, real estate investment trusts, exchange traded funds ("ETF"s), alternative investments and other securities. Hightower's management of the client's account is guided by their investment objectives (*e.g.,* capital appreciation, growth, income, or growth and income), risk tolerance and tax considerations. Hightower and the Advisor conduct ongoing monitoring of the client's advisory account tailored to their advisory relationship and type of account. The Advisor will contact the client at least annually to discuss their portfolio. In most cases, clients may place reasonable restrictions on the types of investments that will be made on their behalf. Hightower reserves the right to decline such restrictions or to terminate the account if Hightower believes the restrictions imposed are not reasonable or prohibit effective management of the account.

Discretionary Advisory Services

Hightower predominantly furnishes investment advice through discretionary advisory services. Discretionary advisory services begin upon the completion of a financial assessment of the client and memorialization of the appropriate investment objectives (*e.g.,* suitability profile form). Each discretionary advisory client grants investment discretion to Hightower to manage the client's assets in accordance with his or her investment objectives and pursuant to a Discretionary Client Advisory Agreement. The client's Advisor designs and continuously manages a portfolio of appropriate investments.

Non-Discretionary and /or Investment Consulting Services

Some Advisor Practices offer non-discretionary investment advisory services, as well. The predominant difference between the discretionary services described above is obtaining client consent prior to executing any trade or transaction fulfilling the Advisor's recommendation.

In an investment consultant relationship, the Advisor will use information provided by the client to identify an appropriate investment strategy. The Advisor will 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, which means that the client makes the ultimate decision regarding the purchase or sale of investments.

Hightower Investment Solutions

Hightower's Investment Solutions group ("Investment Solutions" and included within the definition of "Affiliated Manager" below) is a team of investment professionals within Hightower led by Hightower's Chief Investment Strategist and Portfolio Manager. Investment Solutions offers the capabilities and resources of an institutional asset manager to Advisors and their clients, including customized portfolio construction and investment due diligence expertise. An Advisor may access Investment Solutions' capabilities for its clients. The Advisor can allocate all or a portion of a client's assets to Investment Solutions to manage according to one or more equity, fixed income or multi-asset portfolios selected by the Advisor, based on the Advisor's assessment of its client's needs. Investment Solutions constructs and manages each of these portfolios based on its proprietary fundamental and quantitative analysis, internal and third-party research and industry experience. For certain multi-asset portfolios that employ a strategic asset allocation strategy, Investment Solutions seeks to achieve the portfolio's objectives by investing in mutual funds, ETFs, alternative investments and separately managed accounts managed by third-party investment advisers (see "Managers" below).

A client may pay an additional fee to Hightower on the portion of its account assets that are allocated to Investment Solutions (see also Item 5). This additional fee presents a conflict of interest for Hightower and the Advisors as discussed in this Item.

Managers

In addition to the Advisor who manages a client's account, a client may access other investment managers ("Managers") who offer specialized asset management expertise or services to manage all or a portion of the client's assets in appropriate cases. These Managers may include: (1) unaffiliated third party managers (each, a "Third Party Manager") available through a custodian, broker-dealer or other platform, or (2) portfolio management strategy team within Hightower or its affiliates (each, an "Affiliated Manager" and together with Third Party Manager a "Manager"). A Manager's particular expertise may include specialized research, selection of investment options, monitoring of account assets, trading decisions, tax mitigation techniques and other benefits. Once selected, a Manager has discretion, with respect to the portion of the client's assets allocated to it, allowing the Manager to choose and prudently manage investments for the client. In exercising this discretion, a Manager will generally develop an appropriate investment strategy, buying and selling securities in accordance with that strategy, subject to restrictions imposed by the client. In some cases, a client may be able to access a Manager through an allocation of its Hightower advisory account when the client would not otherwise be able to do so directly due to a relatively high minimum account size imposed by the Manager. The Advisor has no ability to affect the trading decisions of a Third Party Manager once a client's assets are allocated to such Manager and can only choose whether to engage or terminate a Manager or to change the allocation of assets to such Manager.

If a client has provided Hightower with discretionary authority, the client's Advisor has the ability to hire and fire a Manager on behalf of the client without further approval from the client (including the ability to replace any existing Third Party Manager with another or with an Affiliated Manager and vice versa). Hightower, or a third party that makes Managers available to Hightower, may limit the universe of Managers available to any Advisor and its clients or change such availability in their discretion. The client's Advisor will evaluate the Manager and investment vehicles to determine whether the Manager is suitable for the client, given the Manager's style and allocation.

Clients should carefully review Manager disclosure documents for important and specific details including, among other things, fees, experience, investment objectives and risk guidelines, and disclosure of the potential conflicts of interest.

A client may pay an additional fee on assets in a client's account that are allocated to a Manager (see Item 5). The ability to earn fees for an Affiliated Manager, and, for certain fee structures, Advisors' ability to retain a greater portion of certain fees by choosing an Affiliated Manager, provide direct and indirect financial incentives for Hightower and/or the Advisor to allocate the client's assets to one or more Affiliated Managers, which they would not otherwise earn if the Advisor managed the assets him- or herself or allocated those assets to a Third Party Manager, and thus present conflicts of interest for Hightower and the Advisors. Hightower and its Advisors are subject to policies and procedures designed to identify and appropriately manage these conflicts of interest consistent with our duties to our clients.

Schwab Institutional Intelligent Portfolios

On a limited, case-by-case basis, Hightower utilizes an automated investment program (the "Program") as a tool for smaller accounts. This Program can enable Hightower to be more efficient in executing portfolio changes over time through which clients are invested in a range of investment strategies the firm has constructed and also manages, each consisting of a portfolio of exchange-traded funds and mutual funds ("Funds") and a cash allocation. In essence, Hightower has created a hybrid solution for smaller accounts that offer the same level of portfolio management and oversight as much larger relationships. Program clients are given the same portfolio performance reporting as similar clients under the same service matrix and expertise, regardless of whether they are using the Program. This is an active portfolio rather than a passive allocation.

Clients may instruct Hightower to exclude up to three Funds from their portfolio enrolled in the Program. The client's portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. ("CS&Co"). Hightower uses 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. Hightower is independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS&Co., or their affiliates (together, "Schwab"). Hightower, and not Schwab, is the client's Advisor and primary point of contact with respect to the Program. Hightower is 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. Hightower has contracted with SPT to provide the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables Hightower to make the Program available to clients online and includes a system that automates certain key parts of Hightower's investment process (the "System"). The System includes an online questionnaire that can help Hightower determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. In other cases, Hightower may recommend a portfolio via the System based on information the client provides to Hightower. Clients should note that, if Hightower uses the online questionnaire, Hightower will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The System also includes an automated investment engine through which Hightower manages the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

Hightower charges clients a fee for its services (see Item 5) as the client's Advisor. Hightower's fee is 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 Hightower selects 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.

Financial Planning

Hightower also offers financial planning services on a comprehensive or discrete basis. Generally, this process seeks information about the client's current assets, liabilities, income sources and expenditures, current tax status and future objectives, educational, retirement and other long-term financial goals, insurance and estate planning needs. Hightower relies on the client's care, completeness and clarity in responding to the Advisor's information request, as the client's input will form the factual basis for the financial plan. Each financial plan is tailored to the individual needs of the client, but generally the financial plan shall include an analysis of the client's current financial position, a summary of the client's financial objectives that were identified in the discovery process, recommendations and an analysis regarding each of those financial objectives.

Retirement Plan Services

With respect to Hightower's Retirement Plan services, Advisors assist clients that are trustees or other fiduciaries to retirement plans by providing fee-based consulting and/or advisory services. Such retirement plans may be subject to ERISA. Advisors perform one or more of the following services summarized below, as selected by the client in the client agreement.

Investment Advisory Services

- Assist the retirement plan sponsor client in the preparation or review of an Investment Policy Statement (IPS) for the retirement plan.
- Recommend or select specific investments to be held by the retirement plan or, in the case of a participant-directed defined contribution plan, to be made available as investment options under the retirement plan.
- Perform ongoing monitoring of investment options available in the retirement plan.
- Provide assistance in identifying an investment product or model portfolio in connection with the definition of a Qualified Default Investment Alternative under ERISA.
- Develop asset allocation target-date or risk-based model portfolios for the retirement plan to make available to retirement plan participants, based on funds from the line-up of investment options chosen by the client, and to periodically review these with the client during retirement plan reviews at such frequency as is mutually agreed upon.
- Prepare reports outlining the performance of retirement plan investment options.

Plan Consulting Services

- Assist the retirement plan sponsor client by acting as a liaison between the retirement plan and service providers, product sponsors and/or vendors.
- Provide education, training and/or guidance for the members of the retirement plan committee with regard to plan features, retirement readiness matters or service on such committee.
- Assist the client in enrolling participants in the retirement plan, including providing participants with information about the retirement plan.
- Assist with participant education, which may include preparation of education materials and/or conducting investment education seminars and meetings for retirement plan participants.

- Assist with the preparation, distribution and evaluation of request for proposals, finalist interviews and conversion support.
- Provide the client with comparisons of retirement plan data (*e.g.,* regarding fees and services and participant enrollment and contributions).
- Assist client in identifying the fees and other costs borne by the retirement plan.

Hightower provides these services as an investment adviser and fiduciary under the Advisers Act. If a client elects to engage Hightower and its Advisors to perform ongoing investment monitoring and ongoing investment recommendation services to a retirement plan subject to ERISA, such services will constitute "investment advice" under Section 3(21)(A)(ii) of ERISA. Depending upon the scope of services offered by the Advisor, a client may also have the option of engaging Hightower and the Advisor to provide certain of the above Investment Advisory Services on a discretionary basis as an "investment manager" under Section 3(38) of ERISA. Therefore, Hightower and the Advisor will be deemed a "fiduciary" as such term is defined under ERISA when providing either non-discretionary investment advice or discretionary investment manager services, as designated in the client account agreement.

Clients should understand that to the extent Hightower and an Advisor are engaged to perform services other than ongoing investment monitoring and recommendations (*e.g.,* investment education and general financial information), those services are not "investment advice" under ERISA and therefore, Hightower and the Advisor will not be a "fiduciary" under ERISA with respect to those other services.

Private Funds and other Pooled Investment Vehicles

Hightower and its affiliates provide investment advisory and sub-advisory services to private investment funds and to investment companies registered under the Investment Company Act, such as ETFs. Each such pooled investment vehicle ("pooled vehicle") has its own stated investment objective and a set of investment policies and guidelines established in its offering documents. For this reason, unlike client advisory accounts, pooled vehicle guidelines cannot be tailored for, nor selectively applied to, individual investors, but are meant to apply in common across all participants in the pooled vehicle. In advising many of the pooled vehicles, Hightower and its affiliates generally allocate investment capital to private investment vehicles managed by third-party investment managers ("Underlying Fund"). 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 based on the investment policies and guidelines established for the Underlying Funds. Hightower may provide discretionary investment advisory services to other pooled vehicles in the future. See Item 10 for specific conflicts of interest related to pooled vehicles advised by Hightower or an affiliate.

Wrap Program

Hightower also offers its discretionary investment advisory services through a wrap fee program (the "Advisor Directed Program"). 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. A client should discuss with its Advisor whether a wrap fee program would be appropriate for the client based on the following factors, among others: (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 extent of the anticipated trading activity in the account, and (iii) the client's overall preferences in establishing a consolidated investment program and other factors. Hightower receives a portion of the wrap fee for its services. For more information on the Advisor Directed Program please refer to Hightower's wrap program brochure Form ADV Part 2A, Appendix 1.

Assets Under Management

As of December 31, 2023, Hightower had $122,850,556,340 in assets under management that are managed on a discretionary basis and $7,388,781,034 in assets under management that are managed on a non-discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Types of Fees

Depending upon the type of service to be provided and the Advisor utilized, fees are generally negotiable. Fees may be calculated and assessed as:

- A percentage of assets under management, applied as one of the following:
  - Flat percentage rate
  - Tiered waterfall where the overall percentage rate is blended according to various asset level thresholds
  - Tiered floating where the overall percentage rate is a flat percentage according to various asset level thresholds
- Hourly charges
- Flat fees
- Other retainer or service fees
- Some combination of the above

As a result, not all client accounts employing the same or similar investment strategies will have the same or similar fee structures. Additionally, Hightower, or one of its affiliates, may apply fee waivers, credits or other adjustments if fees charged to an account are prohibited or otherwise impacted by applicable law, such as ERISA.

Fee Payment and Calculation

Hightower's primary payment method is to direct the custodian to deduct the investment management fee from a client's account(s). Fees may be charged in arrears or advance and are generally expressed as an annual fee calculated quarterly or monthly according to one or more type of billing methodologies described below, depending on the type of service and fee.

Billing Methodologies

- Quarterly in Arrears: Fees are based on the average daily balance throughout the quarter as the billable value when calculating fees. This calculation uses the average daily billable value multiplied by the fee rate disclosed in the client advisory agreement multiplied by the prorated number of days in the quarter. The frequency of this billing is every three months after quarter-end. Quarters are calendar quarters.
- Quarterly Forward: Fees are calculated based on the prior quarter-end billable value to determine the quarterly fee in advance. This calculation uses the prior quarter-end billable value multiplied by the fee rate disclosed in the client advisory agreement multiplied by the prorated number of days in the quarter. The frequency of this billing is every three months after quarter-end. Quarters are calendar quarters.
- Monthly Forward: Fees are calculated using the prior month-end billable value to determine the monthly fee in advance. This calculation uses the prior month-end billable value multiplied by the fee rate disclosed in the client advisory agreement and by the prorated number of days in the month. The frequency is every month after the month-end.
- Average End of Month in Arrears: Fees are calculated using the average of the preceding three month-end values within the quarter. This calculation uses the average billable value multiplied by the fee rate disclosed in the client advisory agreement and is multiplied by the prorated number of days in the quarter. The frequency of this billing is every three months after quarter-end. Quarters are calendar quarters.
- Monthly Arrears: Fees are calculated using the average daily balance throughout the month as the billable value when calculating fees. This calculation uses the average daily billable value multiplied by the fee rate

disclosed in the client advisory agreement that is then multiplied by the prorated number of days in the month. The frequency of this billing is every month after the month-end.

Additional Fee Details

- Inception and Termination Fees: An account opened or terminated mid-billing cycle will have its fees prorated by the number of days in the applicable billing cycle and charged or refunded, as applicable.
- Contributions/Withdrawals Adjustments ("Flow Billing"): Certain Advisor Practices employ the concept of Flow Billing in their client fee calculations. Flow Billing calculates an additional fee or refund for certain existing, forward billed accounts that had a significant inflow or outflow of assets on a single day during the billing cycle. This calculation is only done on forward billing and is done on a look-back basis.
- Householding for Price Break Purposes: At Hightower's discretion, certain client accounts may be 'householded' for purposes of fee calculations, depending on the client relationship and overall services provided.

Valuation

Hightower charges advisory fees based upon the valuation of client accounts as determined and provided by its reporting vendors, qualified custodians, Third Party Managers, private fund administrators, and/or from the client themselves. 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*. For reporting purposes, and in select cases, clients may provide Hightower with pricing for unmanaged securities or real assets that cannot be (or are not) verified by Hightower (*i.e.,* either cost basis information is no longer or readily available, including the value of real assets such as a client's home or art collection, *etc*.) For client margin accounts, generally the total long market value (not the net account value) is used when calculating Hightower's fees.

Manager Fees and Wrap Fees

In addition to the fees for services provided by the Advisor, a client may also pay a separate Affiliated Manager fee ("Affiliated Manager Fee") and/or Third Party Manager fee ("Third Party Manager Fee" and collectively with Affiliated Manager Fee, the "Manager Fee").

Within Hightower's wrap program, fees paid by the client to Hightower for an account within the Advisor Directed Program will include Hightower's advisory fees in addition to one or more of: (i) brokerage commissions payable for the execution of transactions in listed U.S. securities, ETFs and certain on-platform mutual funds through the qualified custodian or its affiliates, (ii) custody of account assets except for certain non-standard assets (*e.g.,* certificated securities and non-publicly traded securities) with the qualified custodian, (iii) certain periodic reporting, or (iv) Manager Fees. For more information on Hightower's Advisor Directed Program please refer to Hightower's wrap brochure Form ADV Part 2A, Appendix 1.

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, ETFs, fixed insurance, alternative investments (including hedge funds and private equity/debt funds) and other collective investment vehicles to their investors. 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. To address conflicts of interest for advisory account allocations to collective investment vehicles that charge separate fees, Hightower has adopted compliance policies and procedures that require disclosures and a good-faith determination that such an allocation is in the client's best interest. Subject to applicable law and specific policies relating to clients subject to ERISA, client accounts that are invested in pooled investment vehicles that are sponsored, advised or sub-advised by Hightower or an affiliate ("Affiliated Funds") will be subject to two levels of fees that are payable to Hightower and its affiliates: (i) the advisory and any other fees associated with the client's advisory account (ii) the management/advisory/sub-advisory fees of the underlying Affiliated Fund.

See Item 10 for specific disclosures for advised, sub-advised or co-advised pooled investment vehicles.

Certain custodian and investment platforms charge an "unbundled" fee, meaning fees for execution, custodial, reporting and/or administrative services may not be combined with the Third Party Manager fees and/or Hightower's fees. Also, certain platforms may charge execution costs in the form of an asset-based fee or as a transaction-based fee. Clients should be aware that some platforms do not provide an option for "householding" 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 expense levels and to discuss any questions with the client's Advisor.

Depending on the services provided to the client and the client's account setup, clients will incur custodial brokerage, transaction costs, and other related costs and expenses. Item 12 further describes the factors that Hightower considers in selecting or recommending custodians for client transactions.

Investment Advisor Representatives

Advisors typically receive additional individual compensation and economic benefits upon joining Hightower. These benefits may 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 Advisor Practices entered into arrangements with one or more custody and brokerage platform providers, whereby the Advisor Practice 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 Advisor Practice. As described in more detail in Item 12 below, these Advisor Practices 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 Advisor Practices under these arrangements represent a conflict of interest because they incentivize the Advisor Practices 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 in this brochure.

Payments Involving Hightower Securities

Hightower Securities, LLC ("Hightower Securities"), an SEC registered and Financial Industry Regulatory Authority ("FINRA") member 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; Advisors can also be registered representatives of Hightower Securities and receive compensation from these activities as well. For example, Hightower Securities acts as a placement agent for certain third-party alternative investments. In this role, An Advisor, in his or her role as a Hightower Securities registered representative, will solicit clients to invest in alternative investments based on the appropriateness of the investment for the individual client, and applicability to the investment strategy for their portfolio. Similarly, Hightower Securities has distribution arrangements with various mutual funds pursuant to which Hightower Securities receives fees for client investments in such funds. Hightower Securities will also receive compensation for the sale of insurance products (including annuities), 529 plans, margin used in a client's brokerage account, and alternative investments. The compensation paid to Hightower Securities and its registered representatives is distinguishable from any investment advisory fees paid to Hightower. This additional compensation presents a conflict of interest. To manage this conflict, Hightower monitors its compensation in the manner described under "Hightower Aggregate Fee Guideline" below.

Hightower Aggregate Fee Guideline

Hightower monitors its fees and generally seeks to structure its compensation so that the following fees by an advisory account client, in the aggregate, do not exceed 2.5% annually: (1) fees paid to and retained by Hightower and its registered investment adviser affiliates for investment advisory services (*i.e.*, management of client investment portfolios, investment funds or other investment advisory products), and (2) brokerage commissions, trails, and other sales charges paid to and retained by Hightower Securities, LLC. Hightower's aggregate fee guideline relates only to the foregoing categories and excludes other types of compensation, such as: (1) fees paid by a client for non-investment advisory services, such as tax preparation, accounting, administrative or other professional services, estate and financial planning, trust-related services, ERISA consulting, family office services, and private select services; (2) other fees paid to Hightower Securities, LLC or other affiliates, such as execution fees or mark-ups, insurance product fees, or fees based on the sale of a business; and (3) fees payable to third parties (*e.g.*, third-party money managers, model providers, custodians). If the applicable fees charged to an advisory account client exceed the 2.5% threshold, Hightower will conduct a comprehensive review and determine if an exception from the aggregate fee guideline is appropriate given the client-specific circumstances and Hightower's fiduciary duty to such client. Advisory fees and other compensation received by Hightower and third parties may for some Hightower clients be higher than that charged by other advisers that provide the same or similar services. Hightower has adopted and implemented policies and procedures to periodically review the fees charged to client accounts to monitor compliance with this general guideline and any permitted exceptions.

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).

ITEM 7 – TYPES OF CLIENTS

Hightower provides investment advisory and sub-advisory services to a wide range of client types, including but not limited to individuals, ERISA-and non-ERISA governed retirement accounts and other types of pension and profit sharing plans, trusts, estates, charitable organizations, corporations, registered and private pooled investment vehicles, insurance companies, banks and other financial institutions, registered investment advisers, and other types of institutional clients.

Generally, Hightower does not set a minimum annual fee or minimum account size to open or maintain an account. However, some Advisor Practices do have minimums for fees and/or account size. 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.

Access to certain investment types or styles (*e.g.,* the utilization by Advisors of certain Third Party or Affiliated Managers, private placements, *etc*.) are often limited to certain types of accounts and are subject to account minimums, which will vary.

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

The Advisor responsible for the client relationship determines and directs the investment approach and investment strategies, which are based on the client's financial objectives and subject to Hightower's supervision and compliance requirements. The Advisor may allocate the assets of a client's portfolio among various asset classes, including cash/cash equivalents, equities (*e.g.,* large cap, small/mid cap, domestic and international), fixed income (*e.g.,* investment grade, high yield, municipal, domestic and international) and private market investments. Advisors may also recommend specific types of investments for a client's portfolio, including common stocks, bonds, various types of pooled investment vehicles including, but not limited to, ETFs, mutual funds and limited partnerships. Certain risks associated with these types of investments are described below. Efforts by the Advisor to invest in a diversified asset allocation do not ensure a profit or protect against a loss. Investing involves risk, including loss of principal.

The investment styles, philosophies, strategies, techniques and methods of analysis that Hightower and its Advisors use in formulating investment advice for clients vary widely. Investment strategies and advice will vary depending on each client's financial situation, objectives, risk tolerance, time horizon, financial information, liquidity needs and other factors. Brief descriptions of commonly used strategies and certain of the risks associated with such strategies are provided below.

Investment Strategies

- **Equity Investing**: Investment strategies that focus on investing in equities are managed primarily to achieve capital appreciation. Equity investors must be willing to tolerate short-term volatility and a greater possibility of the loss of capital than strategies seeking current income. An equity investor's investment horizon should generally be long-term, but not less than three years.

- **Fixed Income Investing**: Clients considering a fixed income investment strategy generally seek consistent returns with lower risk, and their tolerance for risk/volatility is generally lower than equities. Because of the less volatile nature of this type of investment strategy, fixed income investing may have a shorter investment horizon than other types of strategies. Fixed income investing involves risks such as interest rate risk, credit risk, liquidity risk and inflation risk.

- **Asset Allocation Strategies**: Asset allocation strategies have varying investment objectives, ranging from growth of capital to preservation of capital. Asset allocation strategies also have varying investment strategies. Some asset allocation strategies use strategic investment strategies, which involve investing accounts in accordance with a predetermined target allocation to different asset classes. Some asset allocation strategies use tactical investing, which typically involves tactically and actively adjusting account allocations to different asset classes based upon the Advisor's perception of how those asset classes will perform in the short-term. Some asset allocation strategies involve the use of both strategic and tactical investment strategies, sometimes referred to as dynamic strategies. Asset allocation strategies may be implemented using a variety of investment types, such as individual securities, mutual funds and exchange traded products. The amount allocated to an asset class or investment type varies by strategy, and some strategies may have little or no allocation to one or more asset classes or types of investments described above.

- **Industry or Sector Focused Strategies**: Economic industry or sector focused strategies primarily invest in companies in one or more economic industries or sectors, such as the telecommunications, technology, industrial, materials or financial sectors. These strategies alone generally are not intended to satisfy a client's entire portfolio diversification needs. These strategies are subject to concentration risks because they generally are not diversified, or they may invest in a limited number of securities.

- **Tax Management Strategies**: Tax management strategies involve buying and selling investments in a manner intended to reduce the negative impact of taxes. They often involve buying or selling investments to limit taxable investment gains or to offset taxable investment gains with investment losses or selling investments to avoid recognition of taxable investment gains. Tax management strategies are not intended to, and likely will not, eliminate a client's tax obligations. A tax management strategy may not actually lower a client's tax obligations or otherwise achieve a client's tax goals. A tax management strategy is typically a secondary strategy used to achieve a secondary tax management objective and it is typically implemented together with other primary investment strategies designed to achieve primary investment objectives or goals. The performance of accounts utilizing a tax management strategy will vary from similarly managed accounts that do not utilize such a strategy, possibly in a materially negative manner, and an account may not be successful in pursuing its primary investment strategies, objectives or goals.

- **Margin**: Advisors may utilize margin in client accounts to potentially enhance portfolio returns. In such instances, the client account borrows proceeds from a financial institution or broker to acquire additional securities within the investment account. Clients must complete additional custodial account documentation to obtain access to margin. Strategies involving margin can cause a client to lose more money than deposited in the client's margin account. A client should not engage in strategies involving leverage or margin unless the client is prepared to experience significant losses in the value of the client's account.

Investment Risks

- **Equities**: An equity investment generally involves buying stocks of individual companies in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to the specific situations of each company, the industry conditions and the general economic environment. Exposure to equity securities may include the following risks, among others:

    - *Market Capitalization Risk:* Market Capitalization refers to the total value of a company. Investing primarily in issuers within the same market capitalization range carries the risk that the market capitalization category may be out of favor due to current market conditions or changing investor opinions. Other risks are specific to the market capitalization classification. These include:

        - Large-Capitalization ("Large-Cap"): Large-Cap companies are generally well capitalized and are less likely to cease operations. However, their larger size may impact their ability to respond quickly to industry changes or experience higher growth, creating risks of smaller returns.

        - Small-Capitalization ("Small-Cap"): Small-Cap companies may exhibit erratic earnings patterns, rapidly shifting competitive conditions, limited earnings history and a reliance on a small set of products to generate earnings. Small-Cap stocks tend to be more volatile than Large-Cap stocks.

    - *Factor Risk*: Using equity factors to design an equity portfolio can result in risks when the factor/style is out of favor:

        - Growth Equity Investing: Growth equities are generally defined as companies that are poised for transformational growth, and investing at current values would give the investor an opportunity to participate in the benefits of that higher than normal growth. Given the profile of these companies, growth stocks may be more sensitive to market movements because their prices tend to emphasize future investor expectations, rather than current profits.

    - Value Investing: Investing in value equities involves identifying companies that are currently trading below an expected value, and investing at current prices would give the investor the opportunity to buy a highly valued company at a lower-than-expected price. Given the profile of these companies, the risks of investing in value stocks is that they may continue to perform below the market and remain undervalued by the market for an extended period.

    - Dividend Investing: Dividend investing focuses on companies that generate consistently higher dividends to produce income streams beyond the potential capital gains of owning the equity. The risks of investing in these securities is that the investor has no control over whether the company will continue to issue dividends, and the reduction in the dividend may result in a declined price. This style may also fall out of favor, particularly when interest rates rise.

  - *Country Risk:*

    - Domestic Equity Investing: Relative to investments in equities of less developed nations, investing in U.S. domiciled companies reduces the potential exposure to entities that operate in less developed capital markets, infrastructure and regulatory/legal environment. However, being exposed to U.S. domiciled equities creates risk to the investments when domestic geopolitical issues arise.

    - International ("Non-U.S.") Securities:

      - Developed international companies may benefit from similar infrastructure and capital markets as U.S. domestic equities. However, depending on the country, the investor will be exposed to the geopolitical risks that may arise within that nation. There is also the added currency risk, which may impact performance of securities that are invested using U.S. dollars.

      - Emerging market stocks may have higher political risk, as the governments in the countries in which the company operates may be considered less stable than developed economies. Emerging market stocks can also be subject to more volatile economic environments that could result in earnings fluctuations and currency risks that lower the value of the investment.

  - *Initial Public Offerings:* In some cases, investors may have the ability to participate in an initial public offering, where a company begins to issue its shares on a public exchange. Given the limited availability of these securities, and the limited history of the stock being traded on public exchanges, these investments are subject to higher than average volatility.

- **Fixed Income**: A fixed income investment generally involves investing in individual corporate debt, federal and state municipal government debt securities, loans, asset backed securities (*e.g.,* mortgage backed securities) and structured products (including structured notes). These securities are generally rated as either investment grade or high yield by external rating agencies. The fixed income market can be volatile and fixed income securities are subject to the following risks, among others:

- *Call Risk*: Issuers of callable bonds have the option to redeem the bonds before maturity, which can leave investors with reinvestment risk at lower yields if the bonds are called in a declining interest rate environment.
- *Credit & Default Risks:* Both issuers and counterparties of fixed income securities carry credit risk, which pertains to the issuer's ability to meet its debt obligations. Default risk is the potential that the issuer might fail to make interest or principal payments.
- *Corporate & Government Debt Securities:* Corporate bonds offer the potential for higher yields compared to government bonds, but they also carry higher credit risk. Government bonds, particularly those issued by stable governments, are considered relatively safe, but they might offer lower yields. Both types of bonds can be influenced by changes in interest rates, potentially affecting their market value.
- *Non-U.S. Fixed Income Securities:* Investing in fixed income securities from foreign countries introduces additional risks, including currency exchange rate fluctuations, political instability and different regulatory environments.
- *High-Yield & Investment Grade Debt:* High-yield debt, often referred to as junk bonds, carries higher default risk but can offer attractive returns. Investment grade debt, on the other hand, includes bonds issued by more creditworthy entities, providing more stability but generally lower yields. Economic factors, interest rate changes and market sentiment can impact both types of debt.
- *Inflation Risk*: Fixed income investments can be vulnerable to inflation, eroding the purchasing power of future interest and principal payments. This risk is particularly relevant for longer-term bonds.
- *Interest Rate Risk:* Fixed income securities are susceptible to interest rate risk. That is, as interest rates rise, bond prices usually fall, and vice versa. This effect is typically more pronounced for longer-term fixed income securities.
- *Liquidity Risk:* Some fixed income securities may have limited market liquidity, making it challenging to buy or sell them at favorable prices, especially in times of market stress.

- **Exchange Traded Funds**: An ETF is a pooled investment fund, the shares of which trade on an exchange at a market price in a manner similar to shares of stock issued by individual companies. Investors in ETFs are exposed to the risks associated with the ETF's underlying portfolio (*i.e.*, equities or fixed income risk, as described above). Like other funds, investing in ETFs carries the risk of capital loss. Additionally, the market price of an ETF may not always reflect the value of the underlying portfolio, and an ETF may trade at either a premium or a discount to the net asset value of its underlying portfolio. A leveraged ETF seeks to generate a return that is a multiple of its benchmark index's performance over a specific time period, usually one day. An inverse ETF attempts to mimic the inverse, or opposite, of its stated benchmark over the specified time. Leveraged and inverse ETFs are not suitable for all investors, and each has unique characteristics and risks. Although there are limited occasions where a leveraged or inverse ETF can be useful for some types of investors, holding these types of ETFs for longer than a day (or other specified time period) can negatively impact returns and compound losses.

- **Mutual Funds**: Investing in mutual funds carries the risk of capital loss, and thus, the client may lose money investing in mutual funds. All mutual funds incur costs that lower investment returns. Additionally, funds will be subject to risks based on the types of securities held by each fund. For example, fixed income funds will primarily hold bonds and other fixed income securities and be subject to the types of risks outlined above under "Fixed Income," while equity funds will hold equity securities that are subject to the types of risks outlined above under "Equities." In addition, actively managed funds may be subject to the risk that fund management fails to meet a fund's objective or, in the case of a passive fund, will be subject to holding the securities that comprise an underlying index and may not be able to divest itself of such holdings at a time or price that the fund's manager may otherwise think appropriate. Some funds might invest in derivative instruments that could effectively leverage a fund's portfolio. As a result, small price movements in the assets underlying a derivative contract held by a fund can cause significant differences in the value of the derivatives and result in large profits or losses (depending on the direction of the change) for the fund. Derivative instruments held by a fund may also experience dramatic price changes and imperfect correlations between the price of a derivative contract and the underlying security or index, which may increase a mutual fund's volatility. A mutual fund may also make illiquid investments or may become less liquid in response to market developments or adverse investor perceptions. Illiquid investments may be more challenging to value.
- **Derivatives (*e.g.*, options and structured notes):** Derivatives involve risks different from, and possibly greater than, the risks associated with investing directly in securities and other more traditional investments. Risks associated with derivatives include the risk that the derivative is not well correlated with the security, index or currency to which it relates; the risk that the derivative may result in losses or missed opportunities; the risk that the strategy will be unable to sell the derivative because of an illiquid secondary market; the risk that a counterparty is unwilling or unable to meet its obligation, which may be heightened in derivative transactions entered into "over-the-counter" (*i.e.,* not on an exchange or contract market); and finally, the risk that the derivative transaction could expose the strategy to the effects of leverage, which could increase the client's exposure to the market and magnify potential losses. An option is a type of derivative that grant the purchaser the ability to buy or sell a security at a predetermined price. Structured notes are a type of derivative whose value is determined by reference to changes in the value of specific securities, currencies, interest rates, commodities, indices or other financial indicators (the "Reference Instrument"). Structured notes may present additional risks that are different from those associated with a direct investment and may be more volatile, less liquid and more difficult to price accurately and subject to additional credit risks.
- **Alternative Investments**: Clients considering an investment strategy utilizing alternative investments (*e.g.,* hedge funds, private equity funds, private real estate funds, private credit, *etc.*) should understand that alternative investments are generally considered speculative in nature and may involve a high degree of investment risk and lower liquidity, particularly if concentrating investments in one or few alternative investments. An investment may be considered an alternative based on the type of assets it holds, the strategy it pursues, or the structure of the investment itself – an alternative investment may or may not be listed on a public exchange (*e.g.,* real estate investment trusts). These risks are potentially greater than and substantially different from those associated with traditional equity or fixed income investments.

Methods of Analysis

Advisors use various methods/techniques of analysis to inform their recommendations to clients, including those listed below. Every method of analysis has its inherent risks. For example, to perform market analysis, Advisors rely on historical, current and new market information. Advisors have no control over the dissemination rate of market information; therefore, certain analyses may be compiled with outdated market information, limiting the value of the Advisor's analysis. In addition, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable or profitable investment opportunities.

Method of Analysis	Description	Risk involved
Fundamental / Bottom-up	Fundamental/bottom-up analysis is a security evaluation method that measures intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study every input that can affect the security's value, including macroeconomic factors (*i.e.,* the overall economy and industry conditions) and company-specific factors (*i.e.,* the general financial health of companies, quality of management or competitive advantages). The goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current market price, with the aim of determining which position with respect to that security (*i.e.,* underpriced = buy, overpriced = sell or short). This security analysis method is considered the opposite of technical analysis.	Information obtained may be incorrect, and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.
Technical	Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value. Instead, they use charts and other tools to identify patterns that can suggest future activity. When looking at individual equities, a person using technical analysis generally believes that the performance of the stock, rather than the performance of the company itself, has more to do with the company's future stock price.	Biased opinions or indicators that – while providing possible entry and exit points and information for consideration, can also produce false or conflicting signals or not be 100% accurate in their forecasting.
Macroeconomic / Top-Down	Macroeconomic analysis/top-down analysis focuses on the performance of economies and economic variables like inflation, interest and foreign exchange rates and growth.	Economic data is backward looking, some data is subject to periodic revisions, and the interpretive power of economic variables can change over time.
Portfolio Analysis	Portfolio analysis is a quantitative technique that is used to determine the specific characteristics of an investment portfolio, based on a statistical analysis of historical data, volatility-based risk metrics and probabilities of market outcomes. The process of analyzing a portfolio involves several stages, including a statistical performance review, risk and risk-adjusted metrics, attribution and positioning. The goal of analyzing an investment portfolio is to help a client decide whether it has achieved its objectives and to identify areas that can be optimized.	Historical price data may not accurately predict future price movements; and correlations, returns and volatility in the future can be different from past values. Market prices of portfolio assets may follow random patterns and not have a reliable predictability. Additionally, because volatility is not constant and can change daily, it can affect the accuracy of analyzing risks that are based on such metric.

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 Municipal Securities Rulemaking Board, the Securities Investor Protection Corporation ("SIPC") and registered in various states as required. Hightower Securities operates as a full-service introducing broker-dealer.

Registered Investment Advisers

Hightower is also affiliated with certain other registered investment advisers through Hightower Holding, LLC's ownership of such entities. Such affiliates include: Duncker Streett & Co., LLC; WealthTrust Axiom, LLC; Delta Asset Management, LLC; Harvey Investment Company, LLC; Kanawha Capital Management, LLC; Madison Avenue Financial Solutions, LLC; and Grant Tani Barash & Altman, LLC. Though Hightower shares a common holding company and certain corporate resources with these entities, each of the above entities are discrete and separate investment advisers registered with the SEC.

Service Company

Hightower is also affiliated with Hightower Family Select Service Company, LLC ("Service Company") through Hightower Holding, LLC's ownership. This entity delivers non-advisory services to Hightower clients under a distinct engagement separate from the client's advisory relationship. All engagements with the Service Company are contracted with a dedicated client agreement or engagement letter to clearly distinguish services from activities with any other entity. Services delivered by the Service Company primarily include business consulting, tax preparation, bookkeeping and other administrative services. Services may be delivered by employees and resources of Hightower Holding, LLC or outsourced to third party service providers with disclosure to the client. Services provided by the Service Company are invoiced separately from other engagements with Hightower and affiliated entities.

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 Trust Company, NA may delegate investment advisory responsibilities for its clients to Hightower.

Trust Company of Illinois is a subsidiary of Hightower Holding, LLC and an affiliate of Hightower. Trust Company of Illinois is an Illinois state-charted trust company that delivers trust and estate planning, administration, guardianship, executor and co-executor services and retirement plan services. Trust Company of Illinois may delegate investment advisory responsibilities to Hightower.

Insurance

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

Accounting and Related Services

GMS Surgent is a subsidiary of Hightower Holding, LLC and an affiliate of Hightower. GMS Surgent is a tax and advisory firm that provides clients with tax advice and advisory services, including accounting, tax preparation and other tax and wealth planning capabilities.

Affiliates and Fees

Fees and expenses paid to a Hightower affiliate are predominantly separate from and in addition to the fees charged by Hightower. Hightower's parent company, Hightower Holding, LLC, and its members (direct or indirect) may receive a portion of any distributions made by Hightower affiliates to Hightower Holding, LLC. This presents a conflict of interest because Hightower is incentivized to recommend that clients use the services of the affiliated business discussed in this Item. Clients are not obligated to use the services of Hightower affiliated entities.

Shared Officers and Shared Employees

Certain Hightower employees may act as officers or employees of one or more of our affiliates ("shared personnel"). These shared personnel undertake administrative or investment management duties for the affiliates of which they are officers or employees, and in that capacity may provide advisory or sub-advisory services to pooled vehicles or other accounts for which we and our affiliates collect advisory or sub-advisory fees, such as private funds and U.S.-registered funds. When we and our affiliates concurrently manage client accounts and pooled vehicles, and particularly when shared personnel are involved, this presents conflicts of interest because Hightower is incentivized to direct assets to or otherwise use the services of the affiliated business discussed in this Item.

Pooled Investment Vehicles

Subject to the investment objectives and applicable law, Hightower is authorized to invest certain client accounts in pooled investment vehicles that are sponsored, advised or sub-advised by Hightower or an affiliate ("Affiliated Funds"). See Item 5 regarding additional fees and expenses associated with investments in Affiliated Funds. Hightower has an incentive to recommend or invest client accounts in Affiliated Funds (rather than in non-affiliated funds) to the extent Hightower wishes to seed or otherwise increase the assets under management of any particular Affiliated Fund. In addition, Hightower has a conflict of interest in recommending or investing client accounts in Affiliated Funds as doing so increases the advisory or sub-advisory fees received Hightower and its affiliates (unless waived). Through Madison Avenue Financial Solutions, LLC ("Madison"), a Hightower affiliate, certain shared personnel of Hightower and Madison provide advisory or sub-advisory services to various pooled investment vehicles as indicated below.

- Co-advisor to certain private funds ("BlueArc Funds") managed by BlueArc Capital Management, LLC ("BlueArc"), a third party registered investment adviser unaffiliated with Hightower. As co-advisor, Madison receives a portion of the management fee charged by BlueArc, as described in the BlueArc Funds offering documents. This presents a conflict of interest because Hightower has a financial incentive to recommend the BlueArc Funds to which Madison provides the co-advisory services. Hightower does not generally waive receipt of its co-advisory fee for client investments in BlueArc Funds unless required by applicable law or regulation, such as ERISA.

- Sub-advisor to certain private funds managed by PPB Advisors, LLC, ("PPB"), a registered investment adviser unaffiliated with Hightower. The fees charged by PPB and disclosed in the applicable private placement memoranda are in addition to Hightower's account level advisory fee. Madison receives a portion of PPB's management fee as a sub-advisory fee. This presents a conflict of interest because Hightower has an incentive to recommend the PPB funds, particularly when Madison provides the sub-advisory services for a fee. To mitigate this conflict of interest, Hightower waives its asset based advisory fee for client investments in these funds.

- Sub-advisor to certain registered investment companies established as ETFs advised by Exchange Traded Concepts, LLC ("ETC"), a registered investment adviser unaffiliated with Hightower. The management fee charged by ETC and disclosed in the applicable ETF's public registration statement is in addition to Hightower's account level advisory fee. Madison receives a portion of ETC's management fee as a sub-advisory fee. This represents a conflict of interest because Hightower has a financial incentive to recommend the ETFs. To mitigate this conflict of interest, Hightower reduces the investment advisory fee for participating clients by an amount equal to the lesser of: 1) the amount of compensation Hightower (or Hightower affiliate) receives as the sub-advisor for those assets (0.49% per annum); or 2) the amount of wealth management fees that would have been billed for those assets at the account level.

- Sub-advisor to an ETF in conjunction with ETF Architects, LLC, a registered investment adviser unaffiliated with Hightower. The management fee charged by ETC and disclosed in the ETF's public registration statement is in addition to Hightower's account level advisory fee. Madison receives a portion of ETF Architect's management fee as a sub-advisory fee. This represents a conflict of interest because Hightower has a financial incentive to recommend this ETF. To mitigate this conflict of interest, Hightower waives its account level asset based advisory fee for client investments in the ETF.

- Sub-advisor to TBG Alternative Income Solutions, LP, a private investment fund (the "TBG Fund"). The management fee charged by the TBG Fund and disclosed in the private placement memorandum is in addition to Hightower's account level advisory fees. This represents a conflict of interest because Hightower has a financial incentive to recommend the TBG Fund. To mitigate this conflict of interest, Hightower waives the fund level management fee that would otherwise be charged to Hightower advisory clients as investors in the TBG Fund, while retaining its account level asset based advisory fees.

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

Hightower has adopted a code of ethics (the "Code"), in accordance with Rule 204A-1 under the Advisers Act, establishing rules of conduct for its Supervised Persons (as defined by the Advisers Act) designed to, among other things, govern personal securities trading activities. The Code is based on the principle that Hightower and its Supervised Persons 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 (see cover page for contact information).

Hightower strives to ensure that all of its Supervised Persons conduct themselves in accordance with applicable regulations governing registered investment advisory practices as they apply to Hightower. Any Supervised Person not in observance of this standard is subject to sanctions, including termination of employment.

General Standards of Business Conduct and Insider Trading

The Code was developed to provide general ethical guidelines and specific instructions regarding the duties owed to advisory clients. All Supervised Persons must act with competence, dignity, integrity and in an ethical manner when dealing with clients, the public, prospects, third-party service providers and each other. Supervised 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 Supervised 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 other provisions within the Rule, 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; the Code contains provisions designed to mitigate certain of these potential conflicts, by governing and reviewing the personal securities transactions of certain of its Supervised Persons known as Access Persons (as defined in the Advisers Act).

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 (ii) Access Persons must not take inappropriate advantage of their positions.

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 Advisors 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 Advisors recommends to clients, or (iii) Hightower or its Advisors, 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 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 that its clients establish accounts with a qualified custodian with which it has an established relationship, including Fidelity, Schwab and Pershing, to perform the necessary execution and custodial services, although clients have the ability to request particular custodians for their accounts.

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. 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.

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.

Directed Brokerage

In some cases, a client may direct Hightower to utilize a particular broker-dealer/custodian that is not one with which Hightower has an existing relationship. In these cases, clients should understand that Hightower will not have the authority to negotiate commissions or obtain volume discounts and that the client may pay higher servicing fees to or receive less favorable prices from the broker-dealer/custodian of their choice. Additionally, Hightower may be unable to achieve most favorable execution of client transactions in these cases.

Research and Other Benefits to Hightower

An investment adviser receives "soft dollar benefits" when obtaining research or other products and services in exchange for client securities transactions or maintaining account balances with a custodian. Hightower's policy is that it will only participate in soft-dollar arrangements consistent with the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. While Hightower does not have any formal soft dollar arrangements in which soft dollars are used to pay for third-party services, certain Advisor Practices receive research or other products or services (*i.e.,* soft dollar benefits) from custodians in connection with client transactions.

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, 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 for execution-only or other brokerage services in return for soft dollar benefits. 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). 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, Schwab or Pershing (or even other custodial platforms) certain support services or products, at a reduced or no additional 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 of its Advisor Practices 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 Advisor Practice for expenses incurred in obtaining such services from third-party vendors. Hightower will generally direct the compensation or reimbursement to the applicable Advisor Practice. 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 Advisor Practices 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 Advisor Practice 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 in this brochure.

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. As a result of receiving services at a reduced or no additional cost, Hightower has an incentive to continue to use or expand the use 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.

Hightower receives client referrals from some of the qualified custodians with which it has direct relationships. Such referrals present a conflict of interest because they incentivize Hightower to direct brokerage to certain such custodians/broker-dealers. Hightower does not consider client referrals from broker-dealers when making brokerage allocation decisions. For more information about Hightower's client referrals see Item 14 below.

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 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 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 in this brochure.

Trade Aggregation

Hightower's Advisor Practices may, but are not required to, "aggregate" or "block" purchases or sales of securities in a client's account when it decides to purchase or sell the same securities for several clients at approximately the same time. An Advisor or Advisors within an Advisor Practice may seek to 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. Hightower encourages the use of block trading in appropriate cases. However, Advisors may not always coordinate securities transactions among themselves, and aggregation may be limited to a group of clients whose accounts are managed by a particular Advisor or Advisor Practice, or on certain investment platforms. Thus, Hightower's ability to take advantage of volume discounts or other potential cost and execution advantages of block trades are limited.

Trade Errors

It is Hightower's policy to exercise appropriate care in making and implementing investment decisions on behalf of client accounts. Nonetheless, Hightower and its Advisors may commit an error in the process of providing services to its clients, for example by purchasing a security or amount of a security that is inconsistent with a client's investment restrictions or executing a security purchase when a sale was intended. In such event, it is Hightower's policy to ensure that clients do not incur a loss from the correction of a trade error caused by Hightower. Hightower has adopted policies and procedures relating to trade errors in an effort to ensure appropriate escalation and resolution of trade errors whenever they occur. 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 carry the gain on its balance sheet and donate to charity from time to time. Prior to donating to charity Hightower may offset any gains with any firm outstanding trade error losses that occurred within the quarter.

Cross Transactions

On occasion, Hightower may, under limited circumstances, affect "cross trades" between client advisory accounts. A "cross trade" involves the purchase and sale of the same security between accounts managed by Hightower in order to minimize or eliminate transaction and market impact costs. Hightower will affect such transactions only when it deems the transaction to be in the best interests of both client advisory accounts, in accordance with applicable laws (including Section 206 of the Advisers Act), and with respect to any client subject to ERISA, as permitted by ERISA Section 408(b)(19) or another applicable prohibited transaction exemption, and consistent with policies and procedures adopted by Hightower. An "agency cross trade" occurs when an investment adviser arranges for a trade to be executed between a client and another party and the advisor receives either a markup or markdown (a fee) from the transaction. Hightower does not engage in agency cross trades, but if it does so in the future, it will comply with the Rule.

Principal Transactions

A principal transaction is one in which Hightower buys securities for its own inventory from a Hightower advisory client or sells 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 mutual funds, closed-end funds, ETFs and other collective or alternative investment vehicles that have various internal fees and expenses, which are ultimately borne by the client as an investor. These funds may offer multiple share classes, which apply different fee structures, commission rates or minimum investment amounts to access. When selecting or recommending share classes in such investments for client accounts, it is Hightower's policy to identify the share class that is most beneficial for the client and that is accessible through the Hightower platform. Hightower does not collect commissions or other fees from the use of mutual funds or ETFs in client accounts. Depending on the client circumstances, this can result in instances where Hightower recommends a commission-free fund because the cost of the trade commission would exceed a client's projected cost savings from investing in a share class with a lower expense ratio that charges a trade commission. This activity can occur in wrap fee client accounts. Using commission free funds in wrap accounts creates a conflict as Hightower's costs for managing the account would be lower than if commissionable funds were utilized thereby resulting in Hightower keeping more of the Wrap Fee charged to the client. The firm mitigates this risk by ensuring that the investment decision is based on suitability, performance and fund objective, not Hightower's transaction costs. This is accomplished through Advisor training and education, periodic review of transactions and product access through the applicable custodians.

Schwab Institutional Intelligent Portfolios

Client accounts enrolled in the Program (as described in Item 4) are maintained at, and receive the brokerage services of, CS&Co., a broker-dealer registered with the SEC and a member of FINRA and SIPC. While clients are required to use CS&Co. as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with CS&Co. by entering into a brokerage account agreement directly with CS&Co. Hightower does not open the account for the client. CS&Co. may aggregate purchase and sale orders for Funds across accounts enrolled in the Program, including both accounts for Hightower's clients and accounts for clients of other independent investment advisory firms using the Platform.

As described above, Hightower receives certain services/benefits from Schwab. Hightower does not have to pay for these services/benefits, and they are not contingent upon Hightower committing any specific amount of business to CS&Co. in trading commissions or assets in custody. With respect to the Program Hightower does not pay SPT fees for the Platform so long as Hightower maintains client assets in accounts at CS&Co.

ITEM 13 – REVIEW OF ACCOUNTS

A client's Advisor will conduct a no less than annual client relationship review for those accounts/assets under Hightower's management. Client accounts are generally 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. Additional periodic reviews and client meetings would be triggered by events including client requests, a change in financial goals or objectives, or significant global, economic or market events. Each client also receives a no less than quarterly statement from their qualified custodian that includes an accounting of all holdings and transactions in the account for the reporting period.

For a client that engages Hightower for financial planning services only, Hightower will not actively manage the client's portfolio or otherwise provide ongoing asset management or portfolio management services. Financial planning clients do not receive periodic or ongoing reports, but instead receive a financial plan at the completion of the financial planning process. Some client relationships offer both investment management and financial planning. In both cases, the frequency and format of this process and the plan review will depend on the terms of the client's agreement with Hightower.

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 qualified custodian; Hightower's reports in no way replace the custodial statements. Hightower reports, when provided, will be provided electronically, in paper format or presented in face-to-face meetings.

Additional reporting is sometimes provided by Third Party Managers and the administrators of managed account platforms and wrap programs, depending on the particular Manager, platform or program selected. Any such additional reporting will be disclosed in the separate disclosure documents maintained by said Manager(s) and the administrators of applicable platforms and programs.

No ongoing 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 situations change.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Hightower and its affiliates sometimes receive compensation from third parties in addition to the investment advisory fee paid to Hightower by the client. Such compensation includes commissions and other transaction-based fees, or referrals and other compensation as more fully described below. 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. See Item 5 regarding how Hightower monitors its compensation in the manner described under "Hightower Aggregate Fee Guideline".

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 its related persons from accepting any form of compensation, including cash, sales awards or other prizes, in conjunction with the advisory services Hightower provides to its clients.

Third-Party Endorsement Arrangements

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

Hightower receives client referrals from some of the qualified custodians with which it has direct relationships. Such referrals present a conflict of interest because they incentivize Hightower to direct brokerage to certain such custodians/broker-dealers. 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 also 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 an 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 Hightower's brokerage practices.

Certain of the custodial and brokerage platform providers Hightower recommends to clients provide compensation and/or support services to Hightower or certain of its Advisor Practices to offset transition fees and expenses incurred in moving new customer assets to the custodial platform. For more information see Item 12 above.

Hightower receives client referrals from SmartAsset's lead generation platform, SmartAsset Advisor Marketing Platform. SmartAsset is an SEC registered investment adviser independent of and unaffiliated with Hightower. Hightower compensates SmartAsset for each referral (lead) on a per lead basis. The fee ranges from $100.00 to $645.00 per lead based on the prospective client's asset value. The fee paid is independent of 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 by the referral party. 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.

Managers and Alternative Investment Products

Hightower occasionally has revenue-sharing arrangements with respect to certain Manager accounts, mutual funds and alternative investment products (including hedge funds and private equity/debt funds) recommended to Hightower advisory clients. Hightower may receive a percentage of the advisory fees or management fees (both alternative investment products and managed accounts) and/or 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 Manager or fund in order to generate additional income for Hightower. See Item 5 regarding how Hightower monitors its compensation in the manner described under "Hightower Aggregate Fee Guideline".

Goldman Sachs Private Bank Select Intermediary Loan Program

Hightower introduces clients to the Goldman Sachs Private Bank Select Intermediary Loan Program (the "Loan Program") which offers a lending arrangement to the client. Clients will pledge assets as collateral for the loan and pay interest to the Loan Program. Hightower will participate in a revenue sharing arrangement with Goldman Sachs which presents a conflict of interest. Goldman Sachs will pay Hightower a referral fee based on the drawn amount for each line of credit established. The referral fees will generally accrue each calendar quarter (unless otherwise agreed to by Goldman Sachs and Hightower) in an amount equal to 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 50 basis points of the average principal amount of all outstanding loans during such calendar quarter. Hightower mitigates this conflict via disclosure in this brochure, disclosure documents provided to all participating clients and Advisors' review of clients' needs to determine whether participation in the Loan Program is in the best interest of the client.

StoneCastle FICA

Hightower may recommend to clients the StoneCastle FICA for advisors cash management program ("FICA Program") offered by StoneCastle Network, LLC ("StoneCastle"), an affiliate of StoneCastle Cash Management, LLC. The FICA Program offers clients the ability to place funds in deposit accounts across StoneCastle's network of banks, savings institutions and credit unions in a manner that maintains full insurance of the funds by the Federal Deposit Insurance Corporation or National Credit Union Administration, as applicable. Hightower Securities shares in the revenue generated for this service.

Business Owner Services & Solutions

Hightower maintains a network of business, investment banking and commercial real estate advisory firms. This network offers Hightower clients who own or operate businesses access to various advisory services addressing business sale/acquisition, capital structure, financing and strategic transaction. By introducing a client to a firm in the network, Hightower receives a fixed percentage of the firm's transaction revenue upon the successful completion of a transaction. All introductory activities that would potentially generate revenue to Hightower are disclosed to the client prior to the client signing an engagement letter with the firm.

Event Sponsorship

Periodically Hightower holds Advisor-focused meetings or industry conferences. These meetings provide sponsorship opportunities for Hightower's vendors and other third-party providers. Sponsorship fees allow these companies access to 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, under the Rule, Hightower is deemed to have custody as a result of having certain types of access to or elements of control over certain client funds. Clients receive no less than quarterly statements from their qualified custodian and are urged to carefully review their qualified custodian account statements promptly upon receipt and compare the account statement against any reports that they might receive from Hightower.

For those elements of custody requiring a surprise custody examination, Hightower engages an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board to conduct the surprise exam in accordance with the Rule. Hightower is also deemed to have custody for several private funds. Investors in these private funds will annually receive audited financial statements within 120 days of the private fund's fiscal year end or within 180 days of the private fund’s fiscal year end for any fund of funds.

ITEM 16 – INVESTMENT DISCRETION

For most clients, Hightower has been contractually given investment discretionary authority to determine, without specific client consent, 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 hire and fire Third Party Managers and Affiliated Managers.

Clients have the right to impose reasonable restrictions on Hightower's, and any Manager's, discretionary authority. All such restrictions are documented in writing. Clients modify the imposed restrictions by providing the change to Hightower in writing. Hightower, and any Manager hired by Hightower via its discretionary authority, reserves the right to refuse to open an account or to terminate an account if Hightower or the Manager believes 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 with Advisers Act Rule 206(4)-6, unless otherwise stated in the client advisory agreement and/or the client's custodian account agreement. 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.

Hightower has adopted proxy voting procedures designed to ensure that proxies are properly identified and voted, and that any conflicts of interest are addressed appropriately. 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 provide proxy voting research and recommendations based on ISS guidelines or protocols selected for those clients for whom we have authority to vote proxies. Hightower has adopted policies and procedures designed to identify and mitigate risks involved with any material conflicts of interest that might otherwise arise in the voting of client proxies. In most instances, proxies will be voted in the same manner for all client accounts held by Hightower at its various custodians, subject to specific client directives. The client's custodian will send ballots to ISS and the client will not receive copies. In the case of accounts managed by a Third Party Manager, proxies may be voted by the Manager in accordance with their own policies.

ITEM 18 – FINANCIAL INFORMATION

Hightower is not required to include a balance sheet for its most recent fiscal year end because it does not require or solicit more than $1,200 in fees per client, six months or more in advance. Hightower is not subject to any 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.