

# Peak Wrap Fee Program Brochure

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## Item 1 – Cover Page

### Arkadios Wealth Advisors LLC

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This wrap fee program brochure provides information about the qualifications and business practices of Arkadios Wealth Advisors LLC (“Arkadios Wealth”). If you have any questions about the contents of this Brochure, please contact us at (404) 445-0035. 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.

Arkadios Wealth is a Registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. This Brochure is designed to provide information that can be used to make a determination to hire or retain an Advisor.

Additional information about Arkadios Wealth is available on the SEC’s website at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## **Item 2 – Material Changes**

Since our last annual amendment dated March 2021, we have made the following changes to this Brochure:

Item 4 - Additional disclosure information regarding our responsibilities when advising an IRA or other ERISA Retirement plans.

Item 5 – Additional disclosure information regarding alternative investments was updated.

Additional information about Arkadios Wealth is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website provides information about any persons affiliated with Arkadios Wealth who are registered, or are required to be registered, as investment adviser representatives of Arkadios Wealth.

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## Item 4 – Services, Wrap Fees, and Compensation

Arkadios Wealth Advisors LLC (“Arkadios Wealth”) was established in 2017. Arkadios Holdings owns 100% of Arkadios Wealth. David Millican owns 100% of Arkadios Holdings and is the Managing Member and CEO of Arkadios Wealth.

Arkadios Wealth provides advisory services, giving continuous advice based on the client’s individual needs. Through personal discussions in which goals and objectives based upon the client’s personal objectives are established, the firm will develop a personal investment policy based upon an investment objective questionnaire and manage the portfolio according to the criteria.

### **ADVISORY MANAGED ACCOUNT SOLUTIONS – Peak Accounts**

Accounts are managed on a discretionary basis, meaning that the Arkadios Wealth investment adviser representative (“Advisor”) has discretion over what securities to buy and sell. However, clients may elect to have their account managed on a non-discretionary basis, meaning that the client must consent to each trade in the account. This trading discretion and any limitations on it will be set forth in the client agreement. The services provided are the same regardless of the account structure selected. Depending on the client’s investment objectives, the Advisor may manage and provide advice on mutual funds, stocks, bonds, exchange traded funds (ETFs), LPs, options, and/or alternative investments. All of the account structures give the Advisor the ability to customize asset allocation, investment selection, and investment strategies to meet their financial situation and investment goals.

Advisory Managed Account Solutions accounts are offered through *Peak*, a wrap fee program and *Crest*, a non-wrap fee program. In a Crest account, clients pay an advisory fee plus additional transaction-based charges (see below for more information on fees). In a Peak account, the client pays a single fee that covers the advisory services and the execution of transactions. Clients that anticipate trading primarily in equities and ETFs are typically recommended to open a wrap fee account; clients that anticipate trading in mutual funds with little or no anticipated trading in equities and ETFs will be recommended to open a non-wrap fee account. More information regarding the services and fees of the Crest accounts are separately disclosed in the Firm Brochure, which is available upon request.

Several other factors influence the selection of the account structure, including but not limited to:

- the client’s preference for how charges will be paid, i.e., a wrap account vs. transaction charges per trade on certain or all securities
- account size
- anticipated trading frequency
- anticipated types of securities to be traded
- long term investment goals

The services that Arkadios Wealth provides under some or all of these investment options may be available from other providers for lesser fees. In addition, clients can buy securities (e.g., mutual funds, exchange-traded funds, etc.) outside of Arkadios Wealth’s investment programs without incurring fees through our program.

The Peak Wrap Program account is potentially suitable for accounts in which the Investment Adviser Representative anticipates primarily investing in stocks/ETFs, and/or for clients that do not wish to pay transaction charges for trades. Crest accounts are custodied with National Financial Services, LLC (“NFS”),

TD Ameritrade, Inc. (“TD Ameritrade”), Fidelity Institutional Wealth Services (“Fidelity”), or Equity Advisors Solutions (“EAS”, collectively, the “Custodian(s)”).

**ERISA and Individual Retirement Accounts Disclosure**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

***Fees and Compensation***

The maximum annual asset-based fee schedule for the Peak Account is as follows:

<u>Account Balances</u>	<u>Annual Fee</u>
\$0 - \$250,000	2.50%
\$250,001 - \$750,000	2.25%
\$750,001 - \$2,000,000	1.75%
\$2,000,001+	1.50%

Existing clients should note they may fall outside the ranges listed above as the fee schedule was updated March 2021. A client’s specific fee schedule may be based on a different fee schedule and will be charged as stated in their advisory agreement.

Clients will be charged the greater of the fee as indicated on their client agreement or the minimum annual of up to \$540. Arkadios Capital, with instructions from the RIA and through the Custodian, will deduct from the Account a minimum fee of \$45 monthly (or \$135 quarterly). The Account Balance used to calculate the management fee will be based on the value of all assets in the account on the last calendar day of the previous month and can be verified on the Client Statement. The Account Balance will include all assets, including cash or cash equivalents unless specifically excluded in the client agreement. The wrap fee covers the advisory services provided by Arkadios Wealth, execution of transactions through Arkadios, and custodial services provided by NFS.

Fees are billed monthly or quarterly in advance and automatically deducted from the account pursuant to the advisory agreement and not billed separately to clients, unless specifically agreed to on the customer agreement. The initial fee will be billed in the calendar month after the account is opened. The first

month's fee will be prorated according to the number of days remaining in the calendar month that the account is opened and will be billed in arrears; therefore, the initial fee will include the prorated amount due for the first month of service and fees in advance of the second month of service. Upon termination of an account, any prepaid, asset-based fees will be prorated according to the days the account was opened during the calendar month and rebated to the client.

The wrap fees charged in Peak accounts does not cover other charges or fees assessed by Arkadios or the Custodian. Other costs that may be incurred that are not included in the Wrap Fee include: fees for transactions executed away from Arkadios, markups and markdowns associated with structured products, and spreads paid to market-makers.

In addition to the advisory fees paid to Arkadios Wealth, clients can also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, markups and markdowns, transaction fees, custodial fees, fees charged by the Independent Managers, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses, 12b-1 fees), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions.

Some mutual funds pay 12b-1 service fees (normally 0.25% per year). The mutual funds the Firm could purchase or recommend offer a variety of share classes, including some that do not charge 12b-1 fees and are, therefore, less expensive. These fee arrangements will be disclosed upon request of a client and are available in the applicable fund's prospectus.

When accounts are held through NFS, Arkadios Capital, Arkadios Wealth's affiliated broker-dealer, receives these 12b-1 fees. The receipt of such fees represents a conflict of interest in that there is an incentive for Advisors to recommend funds with 12b-1 fees over funds that have no fees or lower fees. To mitigate this conflict of interest, Arkadios Capital will review the receipt of 12b-1 fees it receives quarterly and rebate such fees to the client's account.

When accounts are held at TD Ameritrade, Fidelity, neither Arkadios Capital nor Arkadios Wealth receives any portion of the 12b-1 fees charged. There are instances in which the Arkadios Wealth would recommend a mutual fund that carries a 12b-1 fee, even when a lower-cost share class is available for the same fund. For example, a lower-cost class share may not be available to Arkadios Wealth. Mutual funds charging 12b-1 fees are transferred into Arkadios Wealth, in which case the Firm may recommend the client holds the existing share class, instead of selling the fund and buying a lower-cost share, which could result in a tax liability. Arkadios Wealth and Arkadios Capital does not rebate or offset advisory fees for 12b-1 fees that are not received by our firm.

Arkadios Capital receives compensation in connection with cash held in the account. Arkadios Capital receives compensation from the Custodian based on the value of credit balances in the accounts. If cash is swept into a money market fund or FDIC sweep account, Arkadios Capital receives compensation based on the value of assets in these funds. Thus, because Arkadios Wealth has an incentive to recommend that client select a money market fund or FDIC sweep vehicle that pays more compensation to the affiliated broker-dealer than other funds, there is an inherent conflict of interest.

Our Investment Adviser Representatives may trade on margin for client's accounts, which could result in a high portfolio turnover ratio. Additionally, the use of margin results in interest charges as well as all other fees and expenses associated with the security or account involved. Advisory fees are calculated using the net account balance in the account as shown on the client custodial statement; additional fees based on cash debit balances will not increase advisory fees.

When clients invest in alternative securities, Arkadios Capital receives a dealer concession. The concession (typically 1%) is described in the private placement memorandum or similar offering documents. The advisory fee is not reduced to offset this compensation, and no portion of the dealer concession is paid to the investment advisory representative.

Clients can purchase securities through broker-dealers in initial public offerings, secondary offerings and special purpose acquisition company transactions. If Arkadios Capital acts as a member of the selling syndicate for such offerings, the firm will receive compensation equal to a portion of the gross spread (the difference between the price the client pays for the security and the price at which it purchased the securities). The advisory fee is not reduced to offset this compensation. The amount of the gross spread is described in the relevant prospectus, offering circular or official statement.

Most Arkadios Wealth Investment Adviser Representatives are also registered broker-dealer representatives of Arkadios Capital. Arkadios Capital may share a portion of payments received from a mutual fund or in connection with an initial public offering, a secondary offering, and/or a private placement with these Advisors. Advisors receive a portion of the compensation that Arkadios Wealth receives as a member of a selling syndicate. Thus, Advisors have an incentive to recommend certain offerings because the Advisor will receive more compensation in connection with these securities than in connection with other types of securities. This creates a conflict of interest. Such fees are described in mutual fund prospectuses.

Although Arkadios Wealth believes its fees are reasonable in light of the services provided, clients should be aware that such fees may be more or less than the fees and commissions associated with investment advisory and brokerage services purchased separately. The comparison is dependent upon a number of factors, including the frequency of brokerage activity in the client's account, the size of the account under management, and any negotiated fee arrangements with respect to the account. An investor should consider these factors prior to opening an advisory account with Arkadios Wealth. Transaction fees charged may be higher than those otherwise available if the services were provided separately for a discrete fee or if an Investment Advisor were to select brokerage and negotiate commissions in the absence of the extra consulting service provided. Clients should consider the value of the additional consulting services when making such comparisons. The combination of custodial, consulting, and brokerage services may not be available separately or may require multiple accounts, documentation, and fees. Fees in excess of 2% are higher than industry norms. Other investment advisors may offer programs that charge similar fees may not charge separately for brokerage and transaction costs. All fees described herein are subject to negotiation depending on a range of factors including, but not limited to, account size and overall range of services requested.

#### **ACCOUNT TERMINATION**

The client and/or the firm can initiate termination of the contract at any time by sending written notice to the contra party and will be deemed to be accepted the day that it is received by the contra party.

If the client instructs Arkadios Wealth to terminate their advisory contract and liquidate their account, Arkadios Wealth will proceed with liquidation of the account in an orderly and efficient manner. There will not be a charge by Arkadios Wealth for such redemption; however, certain mutual funds impose redemption fees as stated in each company's fund prospectus in certain circumstances. Clients must keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with the client's tax advisor. Factors that can affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate client's investment advisory service and communicate the instructions to client's Investment Advisor, termination orders received from clients are not market orders; it may take several business days under normal market conditions to process the client's request. During this time, the client's account is subject to market risk. Arkadios Wealth and its agent are not responsible for market fluctuations of the client's account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner.

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

Arkadios Wealth provides portfolio management services to individuals, corporations and business entities, pension and profit-sharing plans, charitable institutions, foundations, endowments, estates and trusts. The minimum account size is \$150,000. Arkadios Wealth has the discretion to waive the account minimum.

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

Arkadios Wealth serves as the Portfolio Manager for the Peak Wrap Fee Programs. Arkadios Wealth uses industry standards to measure the performance of its Portfolio Managers; however, it does not use a third-party auditor to review or verify the performance of its Portfolio Managers.

### ***Advisory Business***

Advisory services are tailored to the individual needs of each client. The advisor will assist clients in connection with establishing and monitoring of investment objectives, risk tolerance, asset allocation goals and time horizon. Clients have the opportunity to place reasonable restrictions or constraints on the way their accounts are managed; however, such restrictions may cause the advisor to deviate from a strategy or recommendations that the advisor would have made if such restrictions or constraints were not in place. Thus, the account's performance could be lower than it otherwise would have been.

Each client has the ability to impose reasonable restrictions on the management of his/her account, including the designation of particular securities or types of securities that should not be purchased for the account, or that should be sold if held in the account. If a client's instructions are unreasonable or an Investment Advisor Representative believes that the instructions are inappropriate for the client, Arkadios Wealth will notify the client that, unless the instructions are modified, it may cancel the instructions in the client's account. A client will not be able to provide instructions that prohibit or restrict the Investment Adviser of an open-end or closed-end mutual fund or ETF with respect to the purchase or sale of specific securities or types of securities within the fund.

A portion of the Wrap Fee is paid to Arkadios Wealth for advisory services and portfolio management services; a portion of the Wrap Fee covers transaction costs and is paid to NFS. Since Arkadios Wealth



pays for transaction fees from the Wrap Fee, there is an incentive to limit trading in order to avoid paying transaction fees. Our review process includes a consideration of trading activity and will recommend a wrap account only when it is deemed to be suitable.

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

Arkadios Wealth does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### ***Methods of Analysis, Investment Strategies, and Risk of Loss***

Our investment strategy begins with an understanding of a client's financial goals. Advisors use demographic and financial information provided by the client to assess the client's risk profile and investment objective(s) in determining an appropriate plan for the client's assets. Investment strategies ordinarily include long- or short-term purchases of stock portfolios, mutual funds and fixed income securities.

Investment recommendations are based on an analysis of the client's individual needs and are drawn from research and analysis. Security analysis methods typically include the following:

- **Fundamental analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors to determine if the company is underpriced or overpriced. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.
- **Technical analysis and charting:** We attempt to determine the trend of a security by studying past market data, including price and volume. This presents a potential risk, as the price of a security can change directions at any time and past performance is not a guarantee of future performance.
- **Cyclical analysis:** We attempt to identify the industry cycle of a company to determine whether the company is in a market introduction phase, growth phase or maturity phase. Generally projected revenues, growth potential and business risk may fluctuate based on the company's cycle stage.

Information for this analysis may be drawn from financial newspapers and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases and corporate ratings services.

It is important to note that investing in securities involves certain risks that clients must be prepared to bear. Though the goal of the firm is to find quality investments and proper allocation strategies, there is no guarantee that the goal will be met, and/or that the value of investor portfolios will not decline in value during any given time period. For any risks associated with Investment Company products, please refer to the prospectuses for additional details about these risks. Our investment approach constantly keeps the risk of loss in mind. These risks include, but are not limited to:

- **Interest-rate Risk:** Fluctuations in interest rates cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a

security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations could result in bankruptcy and/or a declining market value.
- **Structured Products:** Structured products are securities derived from another asset, such as a security or a basket of securities, an index, a commodity, a debt issuance, or a foreign currency and carry unique risks. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. This credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, may be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors may be sacrificing a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. However, should the bond be called, the investor may take claim to the underlying securities, depending on the stated terms of the security. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities may be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products may be different from other investments held in the account (e.g., income may be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by the FDIC are subject to applicable FDIC limits.

### ***Voting Client Securities***

As a matter of firm policy and practice, Arkadios Wealth does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Arkadios Wealth will provide advice to clients regarding the clients' voting of proxies if requested. Clients will receive their proxies or other solicitations directly from the Custodian or transfer agent.

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

Arkadios Wealth acts as both your registered investment adviser and your portfolio manager. In those instances, your Portfolio Manager has the same access to your financial information as Arkadios Wealth. Your financial information includes, among other things, information on your income, net worth, and investment objectives. Your Portfolio Manager uses this information to determine an appropriate asset allocation for you and to manage your investments. When you update your information with Arkadios Wealth, your Portfolio Manager will have immediate access to the same updated information.

The Client may contact Arkadios Wealth during normal business hours to consult with their adviser concerning the management of the Client's Account. Please see the discussion under 6, above, for additional information regarding Client Information Provided to Portfolio Managers.

## **Item 8 – Client Contact with Portfolio Managers**

You may communicate with Portfolio Managers directly. Consultations beyond normal business hours may require additional negotiated fees. Please see the discussion under Items 6, and 7 above, for additional information on Client Contact with Portfolio Managers.

## **Item 9 – Additional Information**

### ***Disciplinary Information***

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of Arkadios Wealth or the integrity of Arkadios Wealth's management persons. Arkadios Wealth and its management persons have no criminal or civil actions; administrative proceedings before the SEC, other federal agency, state regulatory agency, or foreign financial regulatory authority; or self-regulatory organization proceedings within the last 10 years that require disclosure.

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

Arkadios Wealth offers services through our network of investment advisor representatives ("IARs"). IARs may have their own legal business entities whose trade names and logos are used for marketing purposes and may appear on marketing materials or client statements. The Client should understand that the businesses are legal entities of the IAR and not of Arkadios Wealth. The IARs are under the supervision of Arkadios Wealth, and the advisory services of the IAR are provided through Arkadios Wealth. Arkadios Wealth has the arrangement described above with IARs using the following legal business entities:

- 1031 Solutions
- Bander Wealth Management
- Berg Financial
- Black Stone Partners, LLC
- Exclusive Advisors LLC
- Exclusive Financial Resources
- Foresight Financial Partners
- Foundation Financial Group
- G.L. Smith and Associates
- Harvest Wealth Advisors

- Insight Capital
- Matrix Wealth Management
- McFarlin Capital, LLC
- Oak Financial Advisors
- Parry Financial Advisors
- Proximity Financial Partners
- Ranger Wealth
- Resource Investment Architects
- Revolution X
- Rivertan Financial
- Select Wealth Advisors LLC
- Thompson/Pratt Capital Management LLC
- Tucker Investment Counsel
- Wealth Architects, Inc.
- Whitestone Wealth Management

Arkadios Capital is affiliated with Arkadios Wealth through common control and is a registered broker-dealer. Most individuals associated with Arkadios Wealth as an Investment Adviser Representative are also registered as a Registered Representative. When applicable, these individuals recommend broker-dealer transactions for advisory clients. All related compensation is separate from advisory services. This arrangement poses a conflict of interest to the extent that there is a financial incentive to recommend securities and other insurance products that result in commissions, brokerage fees, 12b-1 fees or other payments. Arkadios Wealth is dedicated to acting in our clients' best interests based on fiduciary principles. Clients are under no obligation to purchase any recommended brokerage products or insurance products.

On average individual Advisors and the principals of Arkadios Wealth that are dually registered spend up to 50% of their time on other such activities. If a trade error were to occur, it may result in profit or loss to the firm. The firm has controls in place to limit such trade errors. Investment Advisers will not participate in any profits resulting from such errors.

Arkadios Capital is typically recommended for execution of securities transactions, including transactions in structured products, fixed income initial public offerings, secondary offerings and special purpose acquisition company transactions. The Firm's Brokerage Practices are more fully described below.

When Arkadios Capital is a member of the selling syndicate, Advisors, acting as a Registered Representative of Arkadios Capital, receive compensation from the sale of an initial public offering (IPO). Such compensation will not offset advisory fees. This poses a conflict of interest for those individuals as they have a financial incentive to recommend IPO purchases. However, Arkadios Wealth and its personnel are constrained by fiduciary principles to act in the client's best interest and will only recommend IPO's when they are believed to be suitable.

Certain Advisors are separately licensed as insurance agents/brokers for various independent insurance companies. In their capacities as registered representatives or as independent insurance agents, clients will be charged separately from their advisory services. Arkadios Wealth clients are not obligated to purchase any recommended insurance products.

### ***Code of Ethics***

Arkadios Wealth has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Arkadios Wealth must acknowledge the terms of the Code of Ethics annually, or as amended.

Advisors of Arkadios Wealth may buy or sell securities that are recommended to clients. Arkadios Wealth's employees and persons associated with Arkadios Wealth are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Arkadios Wealth and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Arkadios Wealth's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Arkadios Wealth will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Arkadios Wealth's clients. In addition, the Code restricts trading in close proximity to client trading activity. When practical, employee trades are aggregated with client trades. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Arkadios Wealth and its clients.

Certain affiliated accounts trade in the same securities with client accounts on an aggregated basis when consistent with Arkadios Wealth's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Arkadios Wealth will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

A copy of the firm's Code of Ethics may be requested by contacting the Compliance Department at our main number.

### ***Review of Accounts***

Account reviews are conducted by the Advisor at least annually. Factors that are considered during such reviews include, but are not limited to the following: investment objectives, targeted allocation, current allocation, suitability, performance, monthly distributions, concentrated positions, diversification, and outside holdings. Examples of situations that may impact an account include the following: performance that is not in line with the client's "downside risk tolerance," change in investment objective, the client makes a significant addition of capital or withdrawal of capital from the account, rebalancing of the portfolio if current allocation and targeted allocation are not consistent, concentrated position that could lead to volatility, etc.

Clients agree to inform Arkadios Wealth in writing of any material changes to their financial circumstances that might affect the manner in which their assets should be invested. Clients may contact us during normal business hours to consult with an Advisor concerning the management of their account(s).

You should receive statements at least quarterly from the Custodian that holds and maintains your investment assets. We urge you to carefully review such statements and compare the official custodial records to the account statements that we may provide you.

### ***Client Referrals and Other Compensation***

In some instances, Arkadios Wealth compensates third-party solicitors for client referrals. The solicitor's agreements entered into by Arkadios Wealth comply with Rule 206(4)-3 under the Investment Advisers Act of 1940. Compensation will be based on a percent of referred clients' account value managed by Arkadios Wealth. Such fees are paid pursuant to a written agreement between Arkadios Wealth and the solicitor. A client who is solicited will receive an additional disclosure document specifically describing the arrangement and the compensation paid to the solicitor. Solicitor's fees will be based on Arkadios Wealth's fee schedule; clients will not be charged any additional fees or expenses because of the referral.

Certain issuers will sponsor or reimburse travel expenses associated with due diligence of alternative investments. Such expense reimbursements are only permissible by Arkadios Wealth when pre-approved, and after review of the agenda expected estimated costs. Arkadios Wealth will not approve expense reimbursements by issuer for travel unless the travel expenses appear reasonable and customary; lavish expenses will not be approved. Advisors do not base recommendations on the expectation of such travel.

### ***Financial Information***

Arkadios Wealth does not require or solicit prepayment of any fees six months or more in advance. Arkadios Wealth has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of any bankruptcy proceeding.

### ***Brokerage Practices***

Arkadios Wealth recommends the brokerage and custodial services of NFS, TD Ameritrade, Fidelity, or EAS (collectively, the "Custodian(s)") to hold your account. When selecting a Custodian to recommend, each Advisor considers factors that are important to them. Such factors include the Advisor's historical relationship with the Custodian; quality of overall execution services provided; promptness and accuracy of reports on execution; ability and willingness to correct errors; ability to access various market centers; the Custodian's facilities and technology; commission or transaction charged to clients; and execution and operational capabilities of the broker-dealer. Custodians are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed. Each Custodian has its own unique schedule of fees.

Arkadios Wealth receives certain services and products, such as fundamental research reports, technical and portfolio analyses, pricing services, economic forecasting and general market information, historical database information and computer software (*i.e.*, soft dollars) that assists Arkadios Wealth's representatives in their investment management process, from our Custodians. The Custodian may also sponsor and make available to Arkadios Wealth other products and services that benefit Arkadios Wealth but may not benefit all clients' accounts. Additional benefits from the Custodians include educational events, conferences or meetings relating to the programs or brokerage services generally. Other potential benefits may include occasional business entertainment of personnel of Arkadios Wealth by the Custodian, including meals, invitations to sporting events, and other forms of entertainment, some of which may

accompany educational opportunities. Other of these products and services offered by the Custodians assist Arkadios Wealth in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (including order allocation or aggregation), provide research, pricing information and other market data, facilitate payment of Arkadios Wealth's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of client accounts, including accounts not maintained at the Custodian. The Custodians may also make available to Arkadios Wealth other services intended to help Arkadios Wealth manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications, conferences, roundtables and webinars on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. The receipt of such services creates a conflict of interest. Arkadios Wealth addresses this conflict of interest by periodically assessing the best execution capabilities of the broker-dealers we use.

Transaction fees paid are one of, but not the only, criteria in recommending a Custodian. Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Arkadios Wealth determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services and the fees for those services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Arkadios Wealth seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

TD Ameritrade has a referral program whereby they may refer clients looking for an investment adviser to Arkadios Wealth. This provides an incentive to refer clients to TD Ameritrade based on the financial interest in receiving client referrals. However, the referral arrangement is not contingent on directing business to TD Ameritrade and this is not criteria for recommending TD Ameritrade in practice.

Arkadios Wealth and Arkadios Capital have a referral arrangement with NFS, whereby Arkadios Wealth and Arkadios Capital receive business credits or other compensation from NFS based on the amount of client assets custodied by NFS, which will be transferred to the advisory platform maintained by Fidelity Institutional Wealth Services (FIWS), a division of NFS' affiliated company Fidelity Brokerage Services, LLC. For those clients that invest with advisers utilizing the NFS platform, this potentially creates a conflict of interest in that it gives Arkadios Wealth a financial incentive to recommend NFS. However, the advisers themselves do not have a financial incentive to recommend NFS. There are times where the advisers or Arkadios Wealth may indirectly benefit from the account being established on the NFS platform because of Arkadios Capital's affiliation with Arkadios Wealth due to common control and ownership. Clients do not incur any additional fees or expenses as a result of payments of business credits or compensation by NFS to Arkadios Wealth or Arkadios Capital.

Arkadios Wealth recommends Arkadios Capital for the execution of securities transactions, including transactions in structured products, fixed income initial public offerings, secondary offerings and special purpose acquisition company transactions. Trades executed through Arkadios Capital, Arkadios Wealth's affiliated broker-dealer, will be charged transaction fees, such as commissions or markups/markdowns. Transaction fees for fixed income and structured products are not shared with Arkadios Wealth or its

Advisors.

Arkadios Capital will receive a portion of the transaction fees for their brokerage services including trade execution and back office support, as disclosed more fully under Item 4. Arkadios Wealth or its Advisors do not receive compensation for such transactions.

To the extent that Arkadios Wealth is acting as a Fiduciary with respect to Qualified Accounts subject to ERISA, Arkadios Wealth will seek to avoid or remedy any situation where its receipt of compensation from Fidelity for Support Services would be a prohibited transaction under ERISA. For purposes of the foregoing, "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended and the applicable "ERISA-mirror provisions" of Sections 4975 of the Internal Revenue Code of 1986, as amended; "Fiduciary" shall be defined as that term is defined under ERISA; and "Qualified Accounts" shall mean accounts that constitute a retirement plan (including a 401(k) plan) or other employee benefit plan subject to ERISA, an account for a tax-qualified retirement plan (including a Keogh plan), or an individual retirement account under the Internal Revenue Code.

Clients can benefit when we aggregate trades to obtain volume discounts on execution costs. Trade aggregation refers to the practice of combining orders for execution. When consistent with our duty to obtain best execution, we will aggregate multiple client transactions into a single order in order to obtain the best price for our clients.

### **Privacy Policy**

Arkadios Wealth collects non-public information about you from the following sources:

- Information we receive from you on account applications or other forms
- Information about your transactions with Arkadios Wealth or others
- Information we receive from a consumer-reporting agency

We do not disclose any non-public personal information about you to anyone, except as permitted by law. We maintain physical, electronic and procedural safeguards in compliance with federal standards to protect your information. If you decide to close your account(s) or you become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

Advisors of Arkadios Wealth are typically also Registered Representatives of Arkadios Capital. Arkadios Wealth will disclose customer information to and receive customer information from Arkadios Capital for the purposes of offering additional products and services to you as well as to effect, administer, service and enforce your requested transactions and maintain and service your accounts. Arkadios Capital may also continue to use personal information they receive from us to perform services on our behalf, to respond to communications from you, as you authorize or request, or, if you are their customer, to offer you their products or services. To the extent that you are entitled to other protections under applicable laws and these laws apply, we will comply with them when we share personal information about you.

Arkadios Wealth restricts access to your personal account information to only those employees who need to know that information to provide products or services to you. For more information on our Privacy Policy, please contact the Compliance Department at (404) 445-0035.