



FORM ADV PART 2A - FIRM BROCHURE

ITEM 1 COVER PAGE

JUNE 19, 2020

RFG ADVISORY, LLC
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VESTAVIA HILLS, AL 35242

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FIRM CRD# 158401

This brochure provides information about the qualifications and business practices of RFG Advisory, LLC ("RFG Advisory"). If you have any questions about the contents of this brochure, please contact our Chief Compliance Officer, Victoria A. Scoles, by telephone at (205) 397-2467. 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.

Additional information about RFG Advisory is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note use of the term "registered investment adviser" and description of RFG Advisory and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and the Brochure Supplement for the firm's Investment Advisor Representative ("Financial Advisor") who advises them for more information on the qualifications of RFG Advisory and the Financial Advisor.

ITEM 2. MATERIAL CHANGES

RFG Advisory is required to advise Clients of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

This Brochure dated June 19, 2020, is an amendment to the Brochure for RFG Advisory dated March 27, 2020.

Since the filing of the firm’s annual amendment on March 31, 2019, we have made various changes to our Brochure including material changes to Item 5, Fees.

Pursuant to regulatory requirements, we will deliver to Clients a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. All such information will be provided free of charge.

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ITEM 4. ADVISORY BUSINESS

RFG Advisory provides Clients with a wide array of investment advisory services. We specialize in Comprehensive Portfolio Management, Financial Planning and Consulting, Referrals to -Party Money Managers, Retirement Plan Consulting, and Financial Wellness Services. Our firm is a limited liability company formed in the State of Alabama in business as an investment adviser since 2011 and is owned as follows:

Bobby White: 60% owner; Shannon Spotswood: 20% owner; Rick Wedell: 20% owner

Description of the Types of Advisory Services We Offer

Clients may select from a variety of investment advisory services including Comprehensive Portfolio Management, Financial Planning, and Consulting, unaffiliated Third-Party Money Management, Retirement Plan Consulting. Our firm provides services to Clients through individuals registered as investment adviser representatives ("IARs"), who are referred to internally as Financial Advisors.

RFG Advisory maintains agreements with TD Ameritrade ("TD"), Schwab Advisor Services ("Schwab") and Fidelity Investments ("Fidelity") through which Clients may choose where to custody their advisory assets. The Custodian chosen by the Client does not have discretionary authority over assets. The Client grants discretion to RFG Advisory through execution of one of the RFG Advisory Discretionary Agreements.

RFG Advisory provides advisory services to certain retirement and 529 plan participants

Clients are advised that the same or similar programs or services as those described herein may be available from other investment advisors for an annual fee lesser or greater than set forth herein, and that the programs described in this brochure may cost the Client more or less than purchasing the different services within each program separately depending upon such factors as trading activity, account size, portfolio management fees, mutual fund expenses, complexity of financial situation, etc.

Clients will need to complete the necessary advisory account documents required by their custodian, by RFG Advisory and by their Third-Party Manager (where applicable).

Clients at TD Ameritrade, Schwab and Fidelity have the option to hold a position(s) otherwise referred to as a non-managed asset(s) inside a managed discretionary account. This is a Client accommodation only with no asset management or advisory fees charged on the non-managed asset(s).

We also provide 10B5-1 trading plans, which are advised upon and managed as a non-managed asset.

Financial Advisors will reasonably be available for consultation with Clients regarding the management of their account(s). Financial Advisors are responsible for the management and review of Client's advisor accounts on an ongoing basis. Additionally, periodic reviews are performed by the RFG Advisory compliance team.

Available Programs

A. Comprehensive Portfolio Management

Our Comprehensive Portfolio Management service encompasses discretionary asset management. This service is designed to assist Clients in meeting their financial goals using financial investments. Financial Advisors will conduct at least one, but sometimes more than one meeting (in person, by telephone, video conference, or via email) with Clients to understand their current financial situation, existing resources, financial goals, tolerance for risk and overall investment objective. Based on those findings, the Financial Advisor will propose an investment approach to the Client and the Client will have an opportunity to place reasonable restrictions on the types of investments to be held in the discretionary investment portfolio. Clients who are participants in unaffiliated employer sponsored retirement plans are exclusively subject to the investment options made available by their respective plan and 529 plans.

If agreed upon by both the Client, except 529 plans and retirement plan participants, and the Financial Advisor, the investment approach, guidelines and restrictions will form the investment objectives of the account. Upon the Client's agreement to the proposed investment plan, the Financial Advisor will work with the Client to establish the account(s). Once the relevant accounts are under our management, the Financial Advisor reviews such accounts at least annually. Financial Advisors may periodically rebalance or adjust Client accounts based upon a variety of circumstances. If the Client experiences any significant changes to his/her financial or personal circumstances, the Client must notify us so that we can consider such information in managing the Client's investments.

B. RFG Advisory proprietary investment strategies:

Client accounts at TD Ameritrade, Fidelity and Schwab in RFG Advisory proprietary investment strategies are managed on a discretionary basis. The advisor will have discretion in selecting the appropriate asset allocation model portfolio from the Steadfast or Advisor Select Portfolios consistent with the Client's stated investment objective and risk tolerance. These strategies consist of Mutual Funds, Fixed Income, Equities, Exchange Traded Funds, Options, Structured Notes and Alternative Investments.

RFG Advisory provides advisory services to clients who are participants in unaffiliated employer sponsored 401(k), 403(b), 401(a), 457 and 529 plans. These accounts are managed through RFG's employee plan participant platform (referred to as "Held-away accounts"). Clients link their existing employee retirement account to the employee plan participant platform and receive discretionary advisory services from their selected advisor through the selection of captive investment options made available exclusively by the plan and transmitted

to the plan administrator for execution. 529 plans are managed in accordance with the investment portfolios made available by the plan.

C. Use of Third-Party Management Platforms:

Financial Advisors have discretion to place Client accounts under Third-Party management platforms with our custodians.

In these instances, the custodian ensures due diligence has been conducted on the manager and the Financial Advisor is responsible for assisting the Client in setting an appropriate investment objective, selecting an appropriate asset allocation model portfolio from those available under the applicable platform, and providing ongoing monitoring and review of the Client account. The Third-Party Manager is responsible for individual security selection, trading, and portfolio rebalancing. Details related to applicable Third-Party Management platforms are disclosed in advance of any such engagements. Financial Advisors will review Third-Party Money Manager reports provided to the Client at least annually. The Financial Advisor will also contact Clients from time to time to review their financial situation, stated investment objectives and risk tolerance; communicate information to the money manager as warranted and assist the Client in understanding and evaluating the services provided by the Manager. Clients are expected to notify RFG Advisory of any changes in their financial situation, investment objectives, or account restrictions that could affect their financial standing.

D. Referrals to Third-Party Money Managers:

Financial Advisors can also refer Clients to Third-Party Money Managers. In these instances, RFG Advisory is acting as a Solicitor, with investment advice and the trading of securities being provided by or through, the chosen Third-Party Money Manager. Our firm will not offer advice on any specific securities or other investments in connection with this service. Prior to referring Clients to Third-Party Money Managers, our firm will provide due diligence on the Money Manager. To assist in the selection of a Third-Party Money Manager, the Financial Advisor will gather Client information pertaining to their financial situation, investment objectives, and reasonable restrictions, if any, to be imposed upon the management of the account.

Financial Advisors will review Third-Party Money Manager reports provided to the Client at least annually. The Financial Advisor will also contact Clients from time to time to review their financial situation, stated investment objectives and risk tolerance; communicate information to the money manager as warranted; and assist the Client in understanding and evaluating the services provided by the Manager. Clients are expected to notify RFG Advisory of any changes in their financial situation, investment objectives, or account restrictions that could affect their financial standing.

E. Financial Planning and Consulting:

We provide a variety of financial planning and consulting services. Generally, such financial planning and/or consulting services will involve preparing a financial plan or providing a financial consultation for Clients, based on the Client's financial goals, objectives and risk tolerance. This planning or consulting typically encompasses one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Executive Compensation Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation

Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

The written financial plan(s) or financial consultation(s) to Clients usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations can include that the Client establish or revise their investment program(s), create or revise wills and/or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that for non-advisory related services, we may refer Clients to an accountant, attorney or other specialist as necessary. While some of RFG Advisory's Financial Advisors are licensed attorneys or accountants, RFG Advisory does not provide any legal or accounting advice. Clients should seek the counsel of an outside attorney or accountant when necessary. For written financial planning engagements, we provide our Clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our Clients with a written summary of our observations and recommendations as the process is less formal than our financial planning service. Plans or consultations are typically completed within six (6) months of the Client signing a contract with RFG Advisory, contingent upon all information and documentation requested from the Client has been promptly provided. Implementation of the recommendations will be at the discretion of the Client.

Several of our Financial Advisors specialize in retirement protocols for specific industries, such as Educators in the Missouri School system, and provide general consulting and education to such individuals at no cost. In addition, Financial Advisors provide financial education specifically to women at no cost, which is referred to as "Strong *Her* Money".

F. Retirement Plan Consulting:

When working with an ERISA Plan, a Financial Advisor is referred to as a Retirement Plan Consultant ("Consultant"). The Consultant may act as a limited scope Fiduciary, pursuant to ERISA section 3(21), that can advise, help and assist Plan Sponsors with their investment decisions. The Plan Sponsor is ultimately responsible for the decisions made in their Plan. Services the Client may elect are: Non-discretionary investment advice about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives; assistance to the Client in the development of, or amendments to, the Plan's Investment Policy Statement (IPS); Non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections; Assist in monitoring investment options by preparing periodic investment performance reports. The Consultant may also offer non-fiduciary services to employer plan sponsors in the form of Participant Education and/or Participant Enrollment.

In providing services for retirement plan consulting, RFG Advisory does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non- publicly traded securities or assets, illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

All retirement plan consulting services shall follow the applicable state laws regulating retirement consulting services. This applies to Client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the Client accounts are part of a Plan, and our firm accept appointments to provide

services to such accounts, RFG Advisory acknowledges its fiduciary standard within the meaning of Section 3(21) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

Tailoring of Advisory Services

Regardless of the services provided, each is tailored to the individual needs of the respective Client (whether an individual, a family, or a business) through an assessment conducted prior to an engagement. Clients may impose restrictions on discretionary portfolios related to the level of discretion granted, the types of investments used, etc. Terms of an actual engagement, including description of service, limitations and restrictions, fees, etc., are all detailed before any engagement begins in a written client agreement.

Regulatory Assets Under Management

As of December 31, 2019, RFG Advisory manages \$1,506,583,609.00 on a discretionary basis.

ITEM 5. FEES AND COMPENSATION

How We are Compensation for Our Advisory Services

Comprehensive Portfolio Management

Our annual Advisory Fee for our Comprehensive Portfolio Management service shall be based on the agreed upon percentage of the market value of billable assets in the account and shall be calculated at up to 2.35%. The advisory fee schedule may be either flat or tiered (blended) with each Financial Advisor determining their individual fee schedule. Tiered fee schedules are billed based on Household market values. The advisory fee that a Client is charged may be higher or lower than fees charged to other Clients; and may be higher or lower than the cost of similar services offered through other financial firms or purchasing the different services within each program separately. Financial Advisors run their own independent advisory practice and consequently levels of service and negotiated advisory fees will vary. RFG Advisory's discretionary portfolio management fees are billed on a pro-rata annualized basis quarterly, in advance, based on the total billable market value of the holdings in Client's account on the last day of the previous quarter, multiplied by the Client Fee % (per annum), divided by the number of days in the year and multiplied by the number of days in the quarter. RFG Advisory assumes a 365-day billing cycle.

Deposits and withdrawals to/from existing accounts are billed in arrears at the next billing cycle for the prorated period the assets were in the account. Exceptions may be made for advanced intra-quarter billing.

Held-away account deposits and withdrawals after account inception are billed at the next billing cycle and are not prorated. In addition, there is no exception made for advanced intra-quarter billing in these accounts.

The Client's total Advisory Fee includes the RFG annual platform fee of up to 0.25% on all billable assets. The platform fee is negotiated between RFG Advisory and the Financial Advisor and will therefore vary between Clients. In addition, RFG Advisory charges a \$12.50 non-refundable quarterly Account Service Fee deducted from Client accounts held at TD, Fidelity, and Schwab. RFG Advisory does not charge a service fee on Held-away accounts.

The Advisory Fee and Account Service Fee deducted from the Client's account(s) are disclosed in the RFG Advisory Discretionary Portfolio Management Agreements. RFG Advisory does not have the authority to instruct custodians to increase the Advisory Fee without written Client consent but maintains authority to reduce the Advisory Fee without Client consent.

As part of this process, Client understands and acknowledge the following:

- a) The Custodian provides the Client with account statements at least quarterly showing all disbursements for their account, including the amount of the advisory fees paid to our firm.
- b) The Client has provided authorization permitting fees to be directly paid by these terms;
- c) Our firm calculates the advisory fees for accounts
- d) Advisory fees are deducted by the custodian from the Client's account.

Financial Advisors are incentivized to recommend RFG Advisory's investment strategies which are described in Item 4, under Available Programs Item B, as they may have lower costs than other portfolios from which the Financial Advisor benefits. Despite these conflicts of interest, RFG Advisory's Financial Advisors will always place Clients' best interest ahead of their own.

Use of Third-Party Management Platforms:

In instances where Client accounts are managed under a Third-Party management platform, additional management fees, platform costs, and minimums may apply. All such details will be disclosed to the Client in advance. The RFG Advisory platform fee of up to 0.25% is included in the total advisory fee billed to the Client.

Referrals to Third-Party Money Managers:

We are paid a solicitor fee by Third-Party Money Managers when Clients whom we refer establish a managed account, which creates a conflict of interest. These managers pay us an ongoing portion of the investment advisory fee that they charge for managing the Client's account. The fees we receive from these solicitor relationships and the written separate disclosures made to the Client regarding these fees comply with applicable state statutes and rules. Our Financial Advisors provide separate written disclosures including a copy of the Third-Party Manager's Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the fees we are paid and a copy of the Third-Party Manager's privacy policy. The managers we recommend will not directly charge a higher fee than they would have charged without us introducing the Client to them.

Third-Party Money Managers with whom we have a Solicitor relationship establish and maintain their own separate billing processes which RFG Advisory has no control over. In general, the Third-Party Money Managers will bill the Client and describe their process in their separate written disclosure documents.

We also maintain sub-advisor relationships with numerous Third-Party Managers, whereby we are compensated with a portion of the advisory fees charged by the manager. In some sub-advisor arrangements, RFG Advisory will bill the client for its portion of the fee.

The compensation paid to us by Third-Party Money Managers varies, and thus, there is a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. To minimize this conflict our firm will make our selections in the best interest of our Clients. RFG Advisory's fees are not higher than they would have been had our Client obtained services directly from the Third-Party Manager. Prior to referring Clients to a Third-Party Money Manager, we will ensure that the manager is licensed with the respective authorities.

The RFG Advisory platform fee of up to 0.25% is included in the total advisory fee billed to the Client.

Financial Planning and Consulting:

a) Financial Planning & Consulting

Financial planning and consulting fees are flat fees charged to the Client either monthly; quarterly or as a one-time fee. Fees are based upon the scope and complexity of the engagement and vary between Financial Advisors. Clients direct the payment of these fees via ACH or Credit Card through AdvicePay¹. Flat fees are negotiated between the Financial Advisor and the Client and will not exceed \$50,000. We will not bill \$1,200 or more when services are not rendered within six (6) months of receipt of funds.

b) Retirement Plan Consulting:

Our Retirement Plan Consulting services are billed quarterly in arrears based on a percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of our engagement with the Client. Fees based on a negotiated percentage of managed Plan assets will not exceed 1.00%. The advisory fee rate is negotiated between the Financial Advisor and the Client and may be higher or lower than the fees that we charge other Clients in this or other programs; and may be higher or lower than the cost of similar services offered through other financial firms or purchasing the different services within each program separately. The fee-paying arrangements for Retirement Plan Consulting service will be determined on

¹ In circumstances where a client does not have access to email, we will accept payment of fees via check.

a case-by-case basis and will be detailed in the signed consulting agreement. Clients may choose to be invoiced directly for the fees, which may be paid by the Plan's Third-Party Administrator.

Other Fees:

Clients will incur transaction fees for trades executed in their accounts at TD, Schwab and Fidelity. Transaction fees are charged by the custodian and calculated as either a set amount on each transaction ("transaction-based pricing") or a fixed % of the market value of assets ("asset-based pricing"). RFG Advisory does not share in transaction fees regardless which option is selected by the Client. The Financial Advisor will recommend to the Client either asset-based pricing or transaction-based pricing, depending on which option they believe will be the most cost-effective for the Client. The Advisor takes into consideration the anticipated trading volume along with the minimum annual fee charged by the custodian. Transaction fees vary depending upon the custodian which are disclosed by and charged directly to the Client's account by the custodian. The asset-based pricing is calculated as a percentage of the value of the Client's account and includes the value of non-billable assets less the value of any assets determined by Client's Custodian to be free of transactions costs where transaction-based pricing is charged for each individual transaction. Transaction fees are separate from our advisory fees and are subject to change at the discretion of the custodian. In the event a Financial Advisor recommends either an asset-based pricing or transaction-based pricing relationship with your custodian, neither your Financial Advisor nor RFG Advisory is under any obligation to revisit that recommendation with you. It is a point-in-time recommendation based on what the Financial Advisor perceives to be the best decision at the time it is made. If you would like to revisit your pricing relationship with your custodian, you should contact your Financial Advisor and request that they review this relationship

Additionally, Clients will pay the following separately incurred expenses, which RFG Advisory does not receive any part of various service and account maintenance charges imposed directly by, and disclosed by, the custodian; a mutual fund, index fund, annuity, alternative asset fund, or exchange traded fund which are disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

Clients receiving employer advisory services through the Held-away accounts can incur brokerage and related fees for transactions executed by the administrator or trustee of their retirement plans. RFG Advisory has no control over the method and amount of transaction fees charged by the Client's Custodian or Administrator selected by plan sponsor.

Termination of RFG Contracts

The Client, the Financial Advisor or RFG Advisory may terminate an agreement upon providing the other party thirty (30) days written notice. Billing by RFG Advisory will terminate within 30 days after receipt of termination notice. Client accounts billed in advance will be refunded on a pro-rata basis, which takes into account the work completed by RFG Advisory on behalf of the Client. Client's billed in arrears for Financial Planning/Consulting/Retirement Plan Consulting will owe for services rendered up to date of termination.

Commissionable Securities Sales

Some Financial Advisors of RFG Advisory are also registered representatives of Private Client Services (“PCS”), member FINRA/SIPC. As such they can accept compensation for the sale of securities or other investment products, including but not limited to the sale of stocks, bonds, mutual funds, annuities, alternative asset funds and other similar investment products. Financial Advisors may also receive a distribution or service fee (“trail”) from the sale of certain products. RFG receives a portion of this revenue to compensate RFG for administrative support provided to these registered representatives. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest and gives our firm and/or our Financial Advisors an incentive to recommend investment products based on the compensation received. Our firm does not prohibit Clients from purchasing recommended investment products through other unaffiliated brokers or agents.

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

We do not charge performance-based fees.

ITEM 7. TYPES OF CLIENTS

We service individuals, high net worth individuals, trusts, estates, charitable organizations, ERISA Plans, banking and thrift institutions, corporations, limited liability companies and other business types.

RFG Advisory has the following minimum account requirements:

A minimum account value of \$3,000 is required for all Steadfast Portfolios. Third-Party Manager platform minimum are determined by the Third-Party Manager. Financial Advisors who also provide portfolio management services are able to establish their account minimums.

All minimums determined by the Financial Advisor may be subject to negotiation between the Financial Advisor and the Client. Any exception from the account minimum requirement in Steadfast Portfolios must receive prior approval by RFG Advisory

For Information regarding minimums required by Third-Party Managers, please refer to the applicable manager’s ADV Part 2 Disclosure Brochure which is available upon request.

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

Methods of Analysis. We use the following methods of analysis in formulating our investment advice and/or managing Client assets:

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). 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.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Investment Strategies We Use

We use the following strategies in managing Client accounts, provided that such strategies are appropriate to the needs of the Client and consistent with the Client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. When utilizing this strategy, we purchase securities with the idea of holding them for a relatively long time (typically held for at least a year). A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a Client. Moreover, if our analysis is incorrect, a security can decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this with the

objective to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this with the objective to take advantage of our expectations of brief price swings.

Margin transactions. We will purchase stocks for a Client portfolio with money borrowed from their advisory account. This allows the Client to purchase more stock than they would be able to with their available cash and allows us to purchase stock without selling other holdings. Prior to RFG Advisory trading on margin the Client must authorize the use of margin by executing the margin document(s) required by their custodian. Clients that elect to use margin will incur margin interest fees for transactions executed in their account(s) with borrowed funds ("margin"). Margin interest is charged by the custodian and the rate of interest charged for the use of margin is subject to change at any time, at the discretion of the custodian.

Cash Balance: From time to time we may increase the cash balance in a portfolio due to market volatility or tactical portfolio decisions.

Option Transactions: We use options as an investment strategy for suitable client accounts.. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. Options are considered a derivative, because they derive their value from an underlying asset. The two types of options are calls and puts. A call gives the holder the right to buy an asset at a certain price within a specific period of time. We will buy a call if we believe that the stock will increase substantially before the option expires. A put gives the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we believe that the price of the stock will fall before the option expires. We will use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for the Client's portfolio. We use "covered calls", in which we sell an option on a security in the portfolio. In this strategy, the Client receives compensation for making the option available, and the person purchasing the option has the right to buy the security from the Client at an agreed- upon price. We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that the Client buys and a call option that the Client sells) for the same underlying security. The potential risks associated with these transactions are that (1) All options expire. The closer the option gets to expiration, the quicker the premium in the option deteriorates; and (2) Prices can move very quickly. Depending on factors such as time until expiration and the relationship of the stock price to the option's strike price, small movements in a stock can translate into big movements in the underlying options. Prior to RFG Advisory implementing an option strategy the Client must authorize the use of option strategies by executing the option document(s) required by their custodian.

Structured Notes: Structured notes are debt obligations issued by financial institutions. Structured Notes consist of two components, a bond component and a derivative component such as equity indexes, a single equity, a basket of equities, interest rates, commodities or

foreign currencies. The return on Structures Notes are derived from a combination of the interest rate tied to the note, along with a premium based on the performance of the linked derivative component. Investing in structured notes includes various risks, such as credit risk of the issuing investment bank, illiquidity, market risk, payoff complexity and valuation accuracy. More information can be found in the RFG “Structured Note Disclosure and Acknowledgement” form.

Alternative Investments: Alternative Investments are comprised of assets that do not fall into conventional investment categories. They may be comprised of private equity, hedge funds, commodities or real estate. Alternative investments often are speculative and include a high degree of risk. Investors could lose all or a substantial amount of their investment. Alternative investments are suitable only for eligible long-term investors who are willing to forgo liquidity and put capital at risk for an indefinite period of time. They may be highly illiquid and can engage in leverage and other speculative practices that may increase the volatility and risk of loss. Investors should carefully review and consider all potential risks before investing.

Third-Party Managers

For Information regarding methods of analysis and investment strategies used by Third-Party Managers, please refer to the applicable manager’s ADV Part 2 Disclosure Brochure which is available upon request.

Risk of Loss

Investing in securities involves risk of loss that Clients should be prepared to bear. While markets can increase, and Client account(s) could enjoy a gain, markets can also decrease, and Client accounts could suffer a loss. It is important that Clients understand the risks associated with investing in the markets, are appropriately diversified, and ask us any questions they may have.

ITEM 9. DISCIPLINARY INFORMATION

Neither RFG Advisory nor management persons have any disciplinary information or events to disclose.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Many of our Financial Advisors are also registered representatives with PCS, Member FINRA/SIPC. They offer securities and receive normal and customary commissions based on securities transactions, while RFG receives a portion of that revenue to compensate RFG for administrative support provided to these registered representatives. A conflict of interest exists because these commissionable securities sales may create an incentive to recommend products based on the compensation they earn and may not necessarily be in the best interests of the Client. Clients are not required to purchase any commissionable products from RFG Advisory's Financial Advisors. Because of this relationship, PCS has access to certain confidential information such as financial information, investment objectives, transactions, holdings and personally identifiable information such as date of birth, social security number, marital status, etc. about RFG Advisory's Clients, even if our Client does not establish an account through PCS. If a Client would like a copy of PCS's privacy policy, they should contact info@pcsb.net or at 800- 966-9347.

RFG Advisory offers many services through its network of Financial Advisors. Many of our Financial Advisors conduct advisory services under a trade name (i.e. "Doing Business As" or "DBA") that is held out to the public for marketing purposes. Financial Advisors may recommend that Clients engage affiliates to provide advisory services and/or invest in advisory products managed by affiliates. Only products that are believed to be suitable to meet a Client's investment objectives and risk tolerance are recommended.

Several of RFG Advisory's Financial Advisors are also licensed insurance agents. As such, they have an incentive to sell and recommend insurance products to Clients. When such recommendations or sales are made, a potential conflict of interest exists as our Financial Advisor earn commissions for the sale of insurance products, which may create an incentive to recommend such products and may not be in the best interest of the Client. Clients are under no obligation to purchase insurance products from our Financial Advisors.

RFG Advisory may maintain tri-party relationships with financial institutions for Clients of those institutions to be introduced and advised by our firm through services provided by TD, Fidelity or Schwab. All third parties may share advisory fees or commissions as applicable. The financial institutions will not have any affiliation with our firm or our associated persons.

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

We recognize that the personal investment transactions of members and employees of RFG Advisory demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any Client. At the same time, we believe

that if investment goals are similar for Clients and for members and employees of RFG Advisory, it is logical and even desirable that there be common ownership of some securities. Therefore, to prevent conflicts of interest, we have in place a set of procedures to monitor transactions effected by our Financial Advisors, officers, and employees for their personal accounts.

Furthermore, RFG Advisory has established a Code of Ethics which applies to all our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to always act solely in the best interest of each of our Clients. We have a fiduciary duty to all Clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all Clients. This disclosure is provided to give all Clients a summary of our Code of Ethics. If a Client or a potential Client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Related persons of RFG Advisory may buy or sell securities for themselves at or about the same time they buy or sell the same securities for Client accounts. To minimize this conflict of interest, our related persons will place Client interests ahead of their own interests and adhere to RFG Advisory's Code of Ethics, a copy of which is available upon request.

Because RFG Advisory renders investment advice to employee benefit plans within the meaning of section 3(21)(A)(ii) of the Employee Retirement Income Security Act of 1974 ("ERISA") and section 4975(e)(3)(B) of the Internal Revenue Code, we must disclose that we act as a fiduciary. As such we must act "with the care, skill, prudence and diligence under the circumstance then prevailing that a prudent person acting in like capacity and familiar with such matters would use the conduct of an enterprise of a like character with like aims" (ERISA 404(a)(1)(B)). We further maintain the Impartial Conduct Standards which requires RFG Advisory and our advisors to give advice that is:

- in our Clients' best interest
- charge no more than reasonable compensation, and
- make no misleading statements about investment transactions, compensation, conflicts of interest, and any other matters related to investment decisions within the meaning of the Department of Labor Fiduciary Rule.

ITEM 12. BROKERAGE PRACTICES

RFG Advisory (“we/our”) does not maintain custody of Client assets on which we advise. Although, we may be deemed to have custody of Client assets, if the Client has given us authority to withdraw assets from their account (see Item 15 Custody, below). Client assets must be maintained in an account at a “qualified custodian”, generally a broker-dealer or bank. We generally recommend that our Clients use TD (a FINRA registered broker-dealer, member SIPC) Schwab (a FINRA registered broker-dealer, member SIPC), or Fidelity (a FINRA registered broker-dealer, member SIPC), however, outside investment platforms may use other custodians. We are independently owned and operated and not affiliated with TD, Schwab or Fidelity. These qualified custodians will hold Client assets in an advisory account and buy and sell securities when we instruct them to. While we recommend that Clients use one of these custodians, the Client will decide whether to establish an account with them by entering into an account agreement directly with TD, Schwab or Fidelity as the custodian of their assets. We seek to recommend a custodian/broker who will hold Client assets and execute transactions at our direction, on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, but not limited to the following:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Willingness to commit capital
- Capability to execute, clear and settle trades (buy and sell securities for Client accounts)
- Availability of investment research and tools that assist us in making investment decisions
- Breadth of investment products made available (stocks, bonds, mutual funds, ETFs etc.)
- Quality of services
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Reputation, financial strength, and stability of the provider

With this in consideration, RFG Advisory has an arrangement with TD, Schwab and Fidelity whereby they offer, to independent registered investment advisors, services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD, Schwab and Fidelity and participate in their custodial programs.

Clients pay a transaction fee to TD, Schwab or Fidelity that may be higher than fees charged by another qualified broker-dealer to affect the same transaction, where we determine in good faith that the transaction fee is reasonable in relation to the value of the brokerage and other 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 broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, we will seek competitive rates, to the benefit of all Clients, we may not necessarily obtain the lowest possible transaction rates for specific Client accounts.

RFG Advisory participates in the TD Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors, services which include custody of securities, trade execution, clearance and settlement of transactions. RFG Advisory receives benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.) There is no direct link between our participation in the program and the investment advice we provide to Clients, although we do receive economic benefits through our participation in the program that is typically not available to TD Ameritrade's retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have our advisory fees deducted directly from Client accounts; access to an electronic communications network for order entry and account information; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by Third-Party Vendors.

TD Ameritrade may pay for business consulting and professional services received by RFG Advisory's related persons. TD Ameritrade may also pay for software systems to assist our firm in managing and administering Client accounts. Some of the products and services made available by TD Ameritrade through the program may benefit our firm but may not benefit Client accounts. These products or services may assist us in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop its business enterprise.

The benefits received by our firm or its personnel through participation or its personnel through participation in this program are directly tied to the amount of Client assets we maintain with TD Ameritrade and thus creates an incentive for us to recommend their custodial services for Client assets. As part of our fiduciary duties to Clients, we endeavor to always put their best interest first, including to seek best execution of trades for Client accounts. Clients should be aware, however, that the receipt of economic benefits by RFG Advisory or its related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and execution services.

We also receive from TD Ameritrade certain additional economic benefits (“Additional Services”) that may or may not be offered to any other independent Investment Advisors participating in the program. Specifically, the Additional Services include Orion Advisor Services, Bloomberg Finance, Money Guide Pro, Salesforce, LiquidHub and FastSlow Motion. TD Ameritrade provides the Additional Services to us in its sole discretion and at its own expense, and we do not pay any fees to TD Ameritrade for the Additional Services. RFG Advisory and TD Ameritrade have entered into a separate agreement (“Additional Services Addendum”) to govern the terms of the provisions of the Additional Services.

Our receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to RFG Advisory, TD Ameritrade considers the amount and profitability to TD Ameritrade of the assets in, and placed for, Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with RFG Advisory, in its sole discretion, provided certain conditions are met.

Consequently, to continue to obtain Additional Services from TD Ameritrade, we have an incentive to recommend that Client assets under management with us be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. RFG Advisory’s receipt of Additional Services does not diminish our duty to act in our Clients best interest, including to seek best execution of trades for their account(s).

RFG Advisory participates in Schwab Advisor Services (formerly called Schwab Institutional) which is Schwab’s business serving independent investment advisory firms like ours. They provide us and our Clients with access to its institutional brokerage-trading, custody, reporting and related services, many of which are not typically available to Schwab retail customers. Services that benefit Clients include access to a broad range of investment products, execution of securities transactions and custody of Client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. Schwab’s services described in this paragraph generally benefit the Client and their account.

Schwab generally does not charge Clients separately for custody services but is compensated by charging Clients commissions or other fees on trades that it executes or that settle into their Schwab advisory account(s). For some accounts Schwab may charge Clients a percentage of the dollar amount of the assets in the account in lieu of commissions (asset-based pricing). Schwab’s commission rates and asset-based fees applicable to our Client accounts were negotiated based on our commitment to maintain \$150 million of our Client’s assets statement equity in accounts at Schwab. This commitment benefits RFG Advisory’s Clients because the overall fees they pay are lower than they would be if we had not made the commitment. In addition to the commissions/transactions fees or asset-based fees Schwab charges Clients a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the

securities bought or the funds from the securities sold are deposited into their Schwab account. These fees are in addition to the commissions or other compensation Clients pay the executing broker-dealer. Because of this, to minimize Client's trading costs, we have Schwab execute most trades for Client accounts if they are the custodian of the Client assets.

Schwab also makes available to RFG Advisory other products and services that benefit us but not necessarily directly benefit the Client or their account. Some of those services help us manage or administer our Clients' accounts while others help us manage and grow our business. Schwab's support services are provided to us on an unsolicited basis. RFG Advisory must reach certain asset thresholds to receive, and at no charge to us if we maintain a specified number of Clients' assets at Schwab. If we have less than \$10 million in Client assets at Schwab RFG Advisory may be charged a quarterly service fee.

Schwab support services include reimbursement of Client account transfer fees up to a specified dollar amount. Access to a broad range of investment products, execution of securities transactions, and custody of Client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. Schwab's services described in this paragraph generally benefit the Client and their account. We may use investment research, both Schwab's own and that of third parties to service all or some substantial number of our Clients' accounts, including accounts not maintained at Schwab.

Schwab makes available software and other technology that provides access to Client account data (such as duplicate trade confirmations and account statements); Facilitates trade execution and allocates aggregated trade orders for multiple Client accounts; Provides pricing and other market data; Facilitates payment of our fees from RFG Advisory Client accounts; and assist with back-office functions, recordkeeping and Client reporting.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include educational conferences and events; technology, compliance, legal, and business consulting; publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants and insurance providers.

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We receive up to \$60,000 in covered service expenses based upon total Client assets custodied at Schwab with a minimum of \$65 million. Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The minimum requirement may give us an incentive to recommend or require that

Clients maintain their account with Schwab based on our interest in receiving Schwab's support services.

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

For our Client accounts maintained at Schwab, Clients are generally not charged separately for custody services, but Schwab is compensated by charging Clients commissions or other fees on trades that it executes or that settle into their Schwab account. Schwab's commission rates and asset-based pricing fee applicable to Client accounts were negotiated based on our commitment to reach \$150 million of end Client statement equity in Schwab Client accounts by December 2018. This commitment benefits the Client because the overall commission costs and/or asset-based pricing fee they pay are lower than they would be if we had not made the commitment. In addition to commissions or asset-based pricing fees Schwab charges Clients a flat dollar amount as a "prime broker" or "trade away" fee for each trade that they have executed by a different broker-dealer where the securities bought or the funds from the securities sold are deposited (settled) into the Client's Schwab account. These fees are in addition to the transaction fees or asset-based pricing the Client pays the executing broker-dealer. Because of this, to minimize the Client's trading costs, we have Schwab execute most trades for their account.

Clients should understand that not all investment advisers recommend that Clients custody their accounts and trade through specific broker-dealers.

Soft Dollars

RFG Advisory does not receive soft dollars in excess than what is allowed by Section 28(e) of the Securities Exchange Act of 1934. The safe harbor research products and services obtained by our firm will generally be used to service all our Clients.

Brokerage for Client Referrals

RFG Advisory does not receive brokerage commissions for Client referrals.

Directed Brokerage

Neither we nor our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are affected. RFG Advisory routinely recommends that the Client direct us to execute through TD, Schwab, Fidelity or plan sponsor selected administrator. Not all advisers require their clients to use a specific broker to direct brokerage. Therefore, we may be unable to achieve most favorable execution of client transactions, and the directing of brokerage practice may cost clients more money.

Permissibility of Client-Directed Brokerage

We allow Clients to direct brokerage outside of our recommendation. However, we may be unable to achieve the most favorable execution of Client transactions. Client directed brokerage may cost Clients more money. For example, in a directed brokerage account, Clients may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or Clients may receive less favorable prices. Clients may also be unable to view their advisory account through our Client portal, Fetch Financial Life Hub ("Fetch").

Aggregation of Purchase or Sale

We perform investment management services for various Clients. There are occasions on which portfolio transactions are executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by RFG Advisory, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration Client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation. Plan participant investment accounts are not part of a trade allocation practice as their investment options are limited to those made available by the plan.

ITEM 13. REVIEW OF ACCOUNTS OR FINANCIAL PLANS

Financial Advisors review accounts on at least an annual basis for our Clients subscribing to the following services: Comprehensive Portfolio Management, Portfolio Monitoring, and Third-Party Money Management services. The nature of these reviews is to learn whether Clients' accounts are in line with their investment objectives, risk tolerance and are appropriately positioned based on

market conditions and investment policies, if applicable. We provide written reports to Clients, upon request. Clients also have access to their advisory account(s) through our Client portal, Fetch Financial Life Hub (“Fetch”). The custodians provide Clients with account statements on at least a quarterly basis. Statements are sent to the postal mailing address that the Client has provided to the custodian or can be accessed via a secured link emailed to the Client. Clients should carefully review these statements promptly upon receipt. We also urge Clients to compare the statements received from the custodian with what they receive from us or see on the “Fetch” Client portal. Plan participants are subject to the statement delivery and reporting requirements established under their respective plan.

We may review Client accounts more frequently than described above. Among the factors which could trigger an off-cycle review are major market or economic events, the Client’s life events, requests by the Client, etc.

Financial planning Clients do not receive written or verbal updated reviews of their written financial plans unless they act to schedule a post-financial plan consultation with their Financial Advisor. Financial Advisors are willing to meet with such Clients upon request to discuss updates to their plans, changes in their circumstances, etc. Financial Advisors are also willing to connect their Financial Plan created in Money Guide Pro to their “Fetch” Client portal.

Financial Advisors will meet with Retirement Plan Consulting Clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

As described in Item 12 – Brokerage Practices above, we receive some benefits from TD, Schwab and Fidelity as our primary custodians, through our participation in their custodial programs. The availability of these products and services is not based on our giving specific investment advice such as buying particular securities for our Clients.

We also receive from TD certain additional economic benefits (“Additional Services”) that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include Orion Advisor Services, Bloomberg Finance, Money Guide Pro, Salesforce, LiquidHub and FastSlow Motion. TD Ameritrade provides the Additional Services to us in its sole discretion and at its own expense, and we do not pay any fees to TD Ameritrade for the Additional Services. RFG Advisory and TD Ameritrade have entered into a separate agreement (“Additional Services Addendum”) to govern the terms of the provisions of the Additional Services.

In providing Additional Services to our firm, TD considers the amount and profitability to TD of the assets in, and placed for, Client accounts maintained with TD. TD has the right to terminate the Additional Services Addendum with RFG Advisory, in its sole discretion, provided certain conditions are met. Consequently, to continue to obtain Additional Services from TD, we have an incentive to recommend that Client assets under management with us be held in custody with TD and to place transactions for Client accounts with TD, which is a conflict of interest. RFG Advisory's receipt of Additional Services does not diminish our duty to act in our Client's best interest, including to seek best execution of trades for their account(s).

We may also qualify for travel expense reimbursements when participating in TD's Advisor Panel, an industry group organized by TD for the purpose of gathering information about the industry practices. Although receiving travel expense reimbursements is a potential conflict of interest, we feel that the firm's time commitment to the panel more than offsets any benefits received.

Additionally, RFG Advisory receives an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their Clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability of Schwab's products and services to RFG Advisory is not based on our giving specific investment advice, such as buying particular securities for our Clients.

Our Clients may pay more for investment transactions effected and/or assets maintained at TD or Schwab as result of these arrangements. The benefits received by RFG Advisory or its personnel through participation in the TD or Schwab programs do not depend on the amount of brokerage transactions directed to these qualified custodians, or any other institution. As part of our fiduciary duties to our Clients, we endeavor to always put their best interest first, including to seek best execution of trades for Client accounts. Clients should be aware, however, that the receipt of economic benefits by our firm or its related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD or Schwab for custody and execution services.

Referral Fees

RFG Advisory pays a recruiting bonus to our firm's Financial Advisors who refer another Advisor to RFG Advisory. This arrangement creates a potential conflict of interest as a recruiting bonus is paid on advisory assets only (otherwise referred to as assets under management), not on brokerage assets (otherwise referred to as assets under advisement). However, to the extent that Financial

Advisors recommend Clients use our firm's platform; it is because they believe that it is in the Clients' best interests to do so based upon achieving the Client's investment objectives.

RFG Advisory pays referral fees to independent solicitors for the referral of Clients to our firm in accordance with applicable federal and state securities laws related to such arrangements. Although we pay each Solicitor a referral fee which represent a share of our investment advisory fee charged to our Clients, the referral fee paid does not result in higher costs to the referred Client. For these referral arrangements, our firm maintains written Solicitor Agreements with each Solicitor and we provide a written disclosure describing the terms and fee arrangements between our firm and Solicitor(s) to Clients who have been referred. In cases where state law requires licensure of solicitors, our firm requires the solicitor to be registered as an investment adviser representative of our firm.

RFG Advisory may receive Client referrals from TD through its participation in TD AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, RFG Advisory may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, Client accounts maintained with TD. TD is a discount broker-dealer, independent of and unaffiliated with RFG Advisory and there is no employee or agency relationship between them. TD has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD does not supervise RFG Advisory and has no responsibility for RFG Advisory's management of Client portfolios or RFG Advisory's other advice or services.

RFG Advisory pays TD an on-going fee for each successful Client referral. For referrals that occurred through AdvisorDirect on or after June 9, 2017 the Solicitation Fee is an annualized fee based on the amount of referred Client assets that does not exceed 0.25%, unless such Client assets are subject to a Special Services Addendum. In the case of a Special Services Addendum, the Solicitation Fee is an annualized fee based on the amount of referred Client assets that does not exceed 0.10%. RFG Advisory will also pay TD the Solicitation Fee on any assets received by RFG Advisory from any of a referred Client's family members, which includes a spouse, child or any other immediate family member who resides with the referred Client and hired RFG Advisory on the recommendation of such referred Client. RFG Advisory will not charge Clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its Clients or otherwise pass on Solicitation Fees paid to TD to its Clients. For information regarding additional or other fees paid directly or indirectly to TD, please refer to the TD AdvisorDirect Disclosure and Acknowledgement Form. RFG Advisory's participation in AdvisorDirect raises potential conflicts of interest. TD will most likely refer Clients through AdvisorDirect to investment advisors that encourage their Clients to custody their assets at TD and whose Client accounts are profitable to TD. Consequently, in order to obtain Client referrals from TD, RFG Advisory may have an incentive to recommend to Clients that their assets under management by RFG Advisory be held in custody with TD and to place transactions for Client accounts with TD. In addition, RFG Advisory has agreed not

to solicit Clients referred to it through AdvisorDirect to transfer their accounts from TD or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. RFG Advisory's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for Client accounts.

ITEM 15. CUSTODY

Under government regulations, we are deemed to have custody of Client assets because Clients authorizes us to instruct their qualified custodians, where client assets are held, to deduct our advisory fees directly from their account. Clients will receive account statements directly from their custodians, Plan Sponsor and/or Mutual Fund companies at least quarterly. Statements are sent to the postal mailing address the Client provided to the custodian or can be accessed via a secured link emailed to the Client. Clients should carefully review those statement promptly upon receipt and compare them to any other account statements they may receive from either a financial advisor or the employer sponsored retirement plan. We also urge Clients to compare these account statements with the periodic reports received from their Financial Advisor or what they view through our Client portal, Fetch.

ITEM 16. INVESTMENT DISCRETION

The standard Client account agreements provide for Client accounts to be managed on a discretionary basis. We conduct at least one, but sometimes more than one meeting (in person, telephone or video conference, or via email) with Clients to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, the Financial Advisor will propose an investment approach to the Client and the Client will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio; if agreed upon by both the Client and the Financial Advisor the investment approach, guidelines and restrictions will form the investment objectives of the account. The Financial Advisor will independently manage the assets in the Client's account in accordance with the provisions of their RFG Advisory Discretionary Agreement, with the objective of achieving the financial goals of the Client as set out in the investment objectives. The Advisor shall have complete discretion in managing the assets for the Client and all decisions shall be final and binding.

ITEM 17. VOTING CLIENT SECURITIES

We do not and will not accept the proxy authority to vote Client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. If proxies are sent to RFG Advisory, we will forward them to the Client and ask the party who sent them to mail them directly to the Client in the future.

ITEM 18. FINANCIAL INFORMATION

We are not required to provide financial information to our Clients because:

- The Firm does not require the prepayment of more than \$1,200 in fees and six or more months in advance for services not rendered within 6 months.
- The Firm does not take custody of Client funds or securities.
- The Firm does not have a financial condition or commitment that impairs its ability to meet contractual and fiduciary obligations to Clients.

The Firm has never been the subject of a bankruptcy proceeding.