



# Sanctuary Advisors, LLC

## Form ADV 2A: Firm Brochure

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04/2026

This brochure provides information about the qualifications and business practices of SA, LLC ("SA, LLC"). If you have any questions about the contents of this brochure, please contact us at [compliance@sanctuarywealth.com](mailto:compliance@sanctuarywealth.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration does not imply a certain level of skill or training. Additional information about SA, LLC, is also available on the SEC's website at <https://adviserinfo.sec.gov/firm/summary/226606>.

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## Item 2: Summary of Material Changes

This Firm Brochure is Sanctuary Advisors, LLC's ("SA, LLC") disclosure document prepared according to regulatory requirements and rules. Material changes that have been made to this Firm Brochure since its annual amendment dated March 2025 are described below. You can obtain a complete copy of our Firm Brochure by contacting your Investment Advisory Representative or by contacting the Firm and requesting one.

1. Item 6: Performance-Based Fees and Side by Side Management: SA, LLC may charge performance-based fees (fees based on a share of capital gains or on capital appreciation of the assets of a client) with a client that is a Qualified Institutional Buyer ("QIB") that owns and invests at least \$100 million in securities. SA, LLC may allow clients that are QIB to participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.
2. Item 10: Other Financial Industry Affiliations: tru Independence LLC ("**tru Independence**"), a service platform for investment professionals and the owner of two SEC-registered investment advisers - tru Independence Asset Management, LLC and tru Independence Asset Management 2, LLC. All are wholly owned by Sanctuary Wealth. tru Independence provides access to services related to reporting, custody, investments, compliance, trading, technology, transition support, and other related services to TIAM and TIAM 2 as well as investment professionals within the tru partner firm network.
3. Item 12: Brokerage Practices: Goldman Sachs Custody Solutions is now one of our qualified custodians. SA, LLC does not maintain custody of your funds or securities. SA, LLC requires that clients select and establish accounts with one or more of the following qualified custodians: Schwab, Fidelity, Pershing LLC, Pershing Advisors Services, or Goldman Sachs Custody Solutions ("Goldman").

Item 12: Cash Sweep: Cash is swept automatically into the default cash sweep vehicle designated for the applicable account type. Clients do not select the default sweep vehicle; The overflow money market fund (DGUXX) is not a bank deposit and is not FDIC insured. Compensation and Conflict of Interest The structure of that compensation varies by sweep vehicle and may take the form of a spread between rates paid by program banks and the yield credited to clients, a fixed fee arrangement, or a combination thereof depending on the applicable program. For DIDS specifically, fee information is updated quarterly and is available at [<https://sanctuarywealth.com/insured-cash-sweep-program>]. Sweep as a Liquidity Vehicle, Not an Investment The sweep program is designed to preserve principal, facilitate settlement, advisory fee debits, withdrawals, and other short-term liquidity needs. It is not intended as a long-term investment option. Yields available through the sweep program are often lower than those available through other cash alternatives – including certain non-sweep money market mutual funds, Treasury securities, or brokered certificates of deposit – which may involve different risk profiles, liquidity terms, and fees. Clients who expect to maintain material or ongoing cash balances should contact us to discuss available alternatives. How We Address This Conflict We address this conflict of interest through written disclosure of program economics, periodic review of available sweep vehicles and program terms, related policies and procedures, and our investment adviser fiduciary obligation to act in your best interest under the Investment Advisers Act of 1940

4. Item 17: Voting Client Securities: Class Action Lawsuits: Securities held in a client's managed accounts may be subject to class action lawsuits. SA, LLC has engaged with a third-party independent service (the service) to provide a review of possible settlement claims involving a class action lawsuit with the exception of matters related to the Fair Funds for investors provision of Section 308 of Sarbanes-Oxley Act of 2002. The service seeks out open and eligible class action lawsuits. The service files, monitors, and expedites the distribution of settlement proceeds in compliance with SEC guidelines on the client's behalf. The service's filing fee is contingent upon the successful completion and distribution of the settlement proceeds from a class action lawsuit. Client agrees that any fees charged by the third-party independent service for the class services may be deducted from Client's recovery of any compensation received from a class action settlement or judgement in connection with such services. The settlement proceeds are distributed to eligible clients. Clients are automatically included in this service after the account has been established or transferred to an account custodian. Clients can opt-out by notifying SA, LLC in writing or by indicating in Section 3 of the Advisory Agreement. If a client opts out, neither SA, LLC nor the Service will monitor class action filings for the client.

Other minor clarifications and edits were made in the document where deemed warranted.

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# Item 4: Advisory Business

## 4.A. Description of Advisory Firm

Sanctuary Advisors, LLC, an Indiana limited liability company (“SA, LLC” or the “Firm”), was formed in 2015 and is a registered investment advisor firm with the United States Securities and Exchange Commission (the “SEC”). SA, LLC is a wholly owned subsidiary of Sanctuary Wealth Group, LLC (“Sanctuary Wealth”). SA, LLC’s principal business is offering investment advisory services to entities, institutions, and individuals. SA, LLC has an affiliated FINRA member broker-dealer, Sanctuary Securities, Inc (“Sanctuary Securities”). When describing arrangements that include both SA, LLC and Sanctuary Securities, the more inclusive name “Sanctuary Wealth” will be used.

SA, LLC offers its services through its network of investment advisor representatives (“IARs”). IARs are independent contractors and may organize their own business entity (“IAR Business Entities”) to provide certain support services to the IAR and their team as they perform investment advisory services for clients and such entity may provide services other than investment advisory services. However, all investment advisory services are provided through SA, LLC. IARs may also conduct or market advisory services under a trade name (“DBA”) other than SA, LLC. The name and logo of the IAR Business Entities and/or DBAs may appear on marketing materials, as approved by SA, LLC. or client statements, as approved by the custodian. For a full list of DBAs under SA, LLC, please refer to SA, LLC’s ADV Part 1A.

Most of Sanctuary’s IARs are dually licensed (i.e., they are licensed as both broker-dealer representatives and IARs) which means that they can offer investment advisory services through SA, LLC and brokerage services through Sanctuary Securities. Your IAR will disclose to you whether he or she is dually licensed and if there are any limitations on services offered due to their registrations and qualifications.

The following information in this Brochure is meant to provide a detailed description of SA, LLC, its various services, associated fees and compensation, important customer disclosures, as well as conflicts of interest disclosures. Clients should carefully review information regarding conflicts of interest as these conflicts can have an effect on services, costs, and investment advice provided by SA, LLC and its IARs. SA, LLC has policies and procedures in place to ensure that recommendations are made in the best interest of the client and, when possible, to eliminate conflicts altogether.

### 4.A.1. Client Assets Under Management

As of December 31, 2025, total client assets under management are approximately \$34,879,400,000.00, of which approximately \$33,249,300,000.00 is managed on a discretionary basis and \$1,630,100,000.00 is managed on a non-discretionary basis.

## 4.B Description Of Advisory Services Offered

SA, LLC menu of advisory services is designed to address many different types of investors and their particular styles, needs, and preferences. Through SA, LLC, clients will have access to a variety of services, which include financial planning services, portfolio management for individuals and businesses, portfolio management for institutional clients other than investment companies, and selection of other advisors.

When clients engage with SA, LLC in an investment advisory account relationship, SA, LLC acts as a “fiduciary” with respect to the investment advisory services it provides. SA, LLC acts as your investment advisor only when SA, LLC has entered into a written advisory agreement with you that describes the advisory relationship and the Firm’s obligations to you.

SA, LLC renders discretionary and non-discretionary investment advisory services to clients that consists of programs sponsored by us, as well as advisory services offered through unaffiliated third-party investment managers. Client accounts are managed pursuant to the client’s advisory agreement with SA, LLC.

Advisory services may include but are not limited to: (i) Advisor Directed, (ii) Separately Managed Accounts (“SMAs”), (iii) Unified Managed Accounts (UMAs). All programs can be implemented in either a wrap or non-wrap fee structure. Please refer to the chart located in Item 5 for further details. SA, LLC investment recommendations are not limited to any specific product or service and will generally include advice regarding the securities and transactions further described in Item 8. Methods of Analysis, Investment Strategies and Risk of Loss. For additional information about our wrap fee programs, please see the Wrap Fee Brochure 2A Appendix 1.

IARs, subject to SA, LLC supervision, can develop their own investment philosophies and strategies. Investment philosophies and strategies can differ considerably between and among IARs. There is no guarantee, stated or implied, that a strategy or client’s investment goals or objectives will be achieved.

Clients have access to a wide range of securities products, including common and preferred stocks, municipal, corporate, and government fixed income securities; mutual funds; exchange traded funds (ETFs), options, variable annuity products, as well as a wide range of other investment products. IARs offer advice on these and other types of investments based on the individual circumstances of each client.

## **Advisor Directed**

The Advisor Directed program offers advisors the ability to implement a fee-based asset management program using a large selection of investments. The investments are all within one consolidated account. The advisor creates his or her own investment strategies that are designed to help clients achieve their investment goals. There are two options within the Advisor Directed program. In one, the advisor is responsible for placing his or her own trades to implement the strategy. In the second, an overlay manager is responsible for placing the trades. All accounts in the Advisor Directed program are discretionary with the exception of where the advisor acts as the portfolio manager and enters his/her own trades.

## **Separately Managed Account**

Separately Managed Account (“SMAs”) program offers the advisors the ability to offer a multitude of solutions to meet their clients fee-based asset management objectives. SMA solutions are discretionary asset management with the choice of external third-party managers or Sanctuary’s affiliate Sanctuary Asset Management. SMA solutions include a wide range of security portfolios that they manage for our Advisors and clients. They include but are not limited to: ETFs, Mutual Funds, Equities, ADRs, Cash, and several Fixed Income securities. Sanctuary also provides offshore SMA solutions to our non-US resident clients. The SMA solutions have minimum investments which may vary depending upon the selected solution. Please see the Chart in Item 5 for additional detail.

## **Unified Managed Account**

The Unified Management Account (“UMAs”) program provides the advisor fee-based asset management solutions that are managed on a discretionary basis. UMAs incorporate SMAs, Models, Mutual Funds, ETFs, and Equities in a single account to help our Advisors meet their clients' objectives. UMA solutions do have a minimum investment; please refer to the Chart in Item 5 for additional details.

The Advisor Directed Program can be provided on either a discretionary or non-discretionary basis. The Advisor Direct Model as well as SMA and UMA solutions are provided on a discretionary basis only.

When SA, LLC provides non-discretionary advice or recommendations, you decide whether to implement the recommendation and, if approved and requested by the client, SA, LLC implements the recommendation. This may result in a delay in executing recommended trades, which could adversely affect the performance of your account. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to client’s account.

When a discretionary investment solution is selected, it allows SA, LLC to buy and sell investments in your advisory account without contacting you in advance (a “discretionary advisory account”).

SA, LLC requires clients to participate in the formation of the investment plan, investment advice, and recommendations by discussing, among other things, the client's investment experience, financial circumstances, investment objectives, tolerance for risk, and identifying goals. However, clients are obligated to immediately inform SA, LLC in writing of any changes in the foregoing.

SA, LLC is held to a fiduciary standard with respect to its investment advisory clients; however, clients should be aware that SA, LLC is not a fiduciary in certain situations, including (but not limited to):

Recommendations with respect to brokerage, or commission-based, accounts you maintain with Sanctuary Securities.

Communications that are educational or informational and not intended to be viewed or construed as an individualized/personalized suggestion for you to take a particular course of action with respect to your investment assets. Examples include:

Information SA, LLC provides about the performance of a security in your account.

Information and education about alternatives you have when deciding whether to roll out of an employer plan or transfer assets from one IRA to another (including between brokerage and advisory accounts or among different advisory accounts).

Information we provide regarding our products and services when you are considering whether to leave one financial institution, including (but not limited to) when you are considering leaving to follow your financial professional to Sanctuary Wealth.

Marketing materials, including information, education, or general descriptions of our services, the products that we make available to you, the fees we charge, and the reasons we think you should hire us to provide services to you for your retirement and other accounts.

Transactions (including rollovers) or trades you execute without a recommendation from us, such as an unsolicited trade.

Recommendations and interactions that are episodic or sporadic or are not provided as part of an ongoing or regular basis advice relationship, or recommendations made when there is no mutual understanding that our investment advice will serve as a primary basis for your investment decision.

### **4.B.1. Client-Tailored Services and Client-Imposed Restrictions**

As outlined above, SA, LLC will develop an investment portfolio plan with asset allocations to meet the client's specific investment needs and goals. Additionally, clients may, with written notice to SA, LLC, request reasonable restrictions on the management of their accounts, such as prohibiting investing in certain securities or types of securities.

Clients must promptly notify SA, LLC in writing of any changes in such restrictions. All restrictions must be communicated clearly and accurately. In addition to providing your written communication, a review of your restriction should be conducted with your Advisor. Each client should note, however, that restrictions, if accepted by SA, LLC, may adversely affect the composition and performance of the client's investment portfolio.

### **4.C. Financial Planning Services**

SA, LLC makes available financial planning services including but not limited to wealth accumulation, wealth distribution, cash flow analysis, higher education planning, retirement planning, estate planning, and legacy planning.

If a client chooses to implement the financial plan through an IAR, the IAR and SA, LLC will receive additional compensation which creates a conflict of interest. A client has no obligation to implement any financial planning recommendation through SA, LLC or its affiliated entities.

SA, LLC is not an accounting firm, is not a law firm, and does not provide accounting, tax, or legal advice through its financial planning services. Accordingly, clients are advised to consult with their tax advisor or legal counsel for tax, estate planning, and other recommendations made by SA, LLC.

## 4.D Sub-Advisers

SA, LLC may delegate some or all of its investment advisory functions over a particular client account or accounts to another investment advisor (“Sub-Advisor”). Prior to delegating advisory functions, SA, LLC will perform due diligence on the Sub-Advisor, enter into a sub-advisory contract with the Sub-Advisor. Although SA, LLC retains authority to engage or terminate Sub-Advisors under a discretionary advisory agreement, SA, LLC typically informs clients prior to engagement or termination of the Sub-Advisor to which it delegates investment advisory functions and what portion of the client’s account is being given over to the Sub-Advisor to manage when it is practicable to do so.

Having access to various Sub-Advisors offers a wide variety of manager styles and provides the opportunity to utilize more than one adviser for the account. Factors that SA, LLC considers in recommending/selecting Sub-Advisors generally include, without limitation, the client’s stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

With respect to assets managed by Sub-Advisors, SA, LLC role will be to monitor the overall financial situation of the client, monitor the investment approach and performance of the Sub-Advisor, and to assist the client in understanding the investments in the client’s account.

Clients will be provided each Sub-Advisors Form ADV Part 2A Brochure, which contains important information regarding the strategies, fees, and risks of the Sub-Advisor.

## 4.E. Managed Account Platforms

SA, LLC has contracted with BNY Mellon Advisors, Inc. (“BNY”) and Adhesion, an affiliate of AssetMark Financial Holdings, Inc. (“Adhesion”, together the “Platforms”), for access to a managed account. The Platforms provide access to a variety of model portfolios created and managed by various investment advisers, including SA, LLC. The model providers and portfolios available to clients are reviewed and selected by each Platform. A subset is then selected by the investment committee of SA, LLC to offer to SA, LLC clients. The strategies of the model portfolios are not tailored to the particular needs or circumstances of a client. Instead, the strategies are provided by advisers to the Platforms as impersonal, generalized, non-discretionary advice that the Sanctuary IAR will implement as such IAR deems appropriate pursuant to the authority granted to them. When SA, LLC uses a Platform for a client account, SA, LLC will allocate all or a portion of the client’s account to one or more strategies selected for the client. The applicable adviser of the Platform strategy will then monitor the account and implement the strategy.

SA, LLC role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the Platform advisers, and to assist the client in understanding the investment of the model portfolio. Clients will be provided the applicable Sub-Advisors Form ADV Part 2A Brochure, which contains important information regarding the strategies, fees, and risks of the adviser.

## 4.F. Retirement Plan Services

SA, LLC offers services to qualified and non-qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. SA, LLC may act as a 3(21) advisor: Depending on the type of the plan and the specific arrangement with a plan sponsor, SA, LLC will provide one or more of these services. The plan sponsor will execute a Retirement Plan Services Agreement that outlines the specific services and fees.

**Limited Scope ERISA 3(21) Fiduciary.** SA, LLC acts as a limited scope ERISA 3(21) fiduciary that can advise, help, and assist plan sponsors with their investment decisions. As an investment advisor, SA, LLC has a fiduciary duty to act in the best interest of the Plan Sponsor. The Plan Sponsor is still ultimately responsible for the decisions made in their plan, though using SA, LLC can help the Plan Sponsor delegate liability by following a diligent process.

### 1. Fiduciary Services include:

- Providing investment advice to the Plan Sponsor about asset classes and investment alternatives available for the Plan in accordance with the Plan’s investment policies and objectives. Plan Sponsors will make the final decision regarding the initial selection, retention, removal, and addition of investment options. SA, LLC acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).

- Assisting the Client in the development of an investment policy statement (“IPS”). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Providing 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. The Plan Sponsor retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404© (5) and 404(a)-5.
- Assisting in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meeting with the Plan Sponsor on a periodic basis to discuss the reports and the investment recommendations.

2 Non-fiduciary Services include:

- Assisting in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Plan Sponsor understands SA, LLC assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor’s definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, SA, LLC is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. SA, LLC will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assisting in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

SA, LLC may provide these services or, alternatively, may arrange for the Plan’s other providers to offer these services, as agreed upon between SA, LLC and Plan Sponsor.

3 SA, LLC has no responsibility to provide services related to the following types of assets (“Excluded Assets”):

- Employer securities;
  - Real estate (except for real estate funds or publicly traded REITs);
  - Stock brokerage accounts or mutual fund windows;
  - Participant loans;
  - Non-publicly traded partnership interests;
  - Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
  - Other hard-to-value or illiquid securities or property.
- Excluded Assets will not be included in the calculation of Fees paid to SA, LLC on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure.

**3(38) Investment Manager.** SA, LLC offers ERISA 3(38) Investment Management through select IARs or a third party which has discretionary management and control of a given retirement plan's assets. The third-party or select IAR would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

Fiduciary Services include:

- Advisor has discretionary authority and will make the final decision regarding the initial selection, retention, removal, and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Plan Sponsor with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Plan Sponsor in the development of an investment policy statement. The IPS establishes the investment policies and objectives for the Plan.
- Provide 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. The Plan Sponsor retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c)(5).
- Assist in monitoring investment options by preparing investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Plan Sponsor on a periodic basis to discuss the reports and the investment recommendations.

Non-Fiduciary Services Include:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. The Advisor's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, the advisor is not providing fiduciary advice as defined by ERISA to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Sanctuary Wealth may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between the Advisor and Plan Sponsor.

## **4.G. Retirement Plan Advisory Services**

SA, LLC provides retirement plan consulting services to 401(k) Plan Participants. Ongoing investment management, monitoring of available investment options, rebalancing and implementation of investment strategies will be implemented in the same way we manage non-retirement advisory accounts, including at least annual reviews and allocation changes, as necessary. When applicable, we will have discretionary authority to make all decisions to buy, sell, or hold securities, cash or other investments for the designated retirement plan without first consulting with the plan participant.

For clients interested in using our advisory services with respect to their 401(k) accounts, we use a third-party platform, Pontera, to facilitate the management of 401(k) accounts that are "held away" from Sanctuary. We are not affiliated with the platform in any way and receive no compensation from Pontera for using their platform. In order to utilize the Pontera platform, a link will be provided to the Client by Pontera allowing the Client to connect their account(s) to the platform. Once a client's account(s) is/are connected to the platform, the IAR will review the current account allocations and, when necessary, will rebalance the account based on the Client's individual investment goals and risk tolerance.

The annual fee for advisory services is governed by the Advisory Agreement between SA, LLC and the client.

With respect to any account for which we meet the definition of a fiduciary under Department of Labor rules, we acknowledge that both the firm and its related persons are acting as fiduciaries.

## 4.H. IRA Rollover Considerations

If you decide to roll assets out of a retirement plan into a SA, LLC individual retirement account (“IRA”), SA, LLC and your IAR will be paid advisory fees based on the amount of assets in that account. Such fees are likely to be higher than those you pay through your employer-sponsored plan and may include custodial or other maintenance fees. A conflict of interest exists because SA, LLC and its IAR have a financial incentive to recommend that you rollover assets from a retirement plan to an IRA.

When we provide investment advice to you regarding your retirement plan account or IRA we are fiduciaries within the meaning of Title I of ERISA and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. Fiduciary status for this purpose does not necessarily mean we are acting as fiduciaries for purposes of other applicable laws. This acknowledgement of fiduciary status does not confer contractual rights or obligations on you, SA, LLC, or the IAR.

# Item 5: Fees and Compensation

## 5A. Advisory Services Fees

This section provides information concerning fees and compensation for investment advisory services and programs available through SA, LLC. Additional information regarding fees and compensation related to the Wrap Fee Programs can be found in the applicable Wrap Fee Program Brochure.

### 5A1. Management Services

Fees for advisory services are generally calculated as a percentage of the total market value of the managed assets. SA, LLC offers its investment advisory services through a network of IARs that each create a fee schedule for accounts primarily serviced by such IAR, which will be provided to clients. In no event shall the maximum fee exceed 2.75% for the total portfolio assets committed to the IAR. Fees are negotiated on an individual basis at the time of the engagement for such services. Factors considered in determining the fees charged generally include, without limitation, complexity of the portfolio, amount of assets to be placed under management, related accounts, or other special requirements. The specific fee schedule will be identified in the advisory agreement between the client and SA, LLC. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

Clients may participate in SA, LLC wrap fee program sponsored by SA, LLC. The wrap fee program is an all-inclusive billing alternative. The fee paid to SA, LLC includes fees for the management, brokerage (e.g., commissions, ticket charges, etc.), custodial fees, and other related costs and expenses collectively. SA, LLC generally receives the total fee charged less the amounts paid by SA, LLC for all transaction and execution expenses. Inasmuch as SA, LLC pays the applicable broker-dealer the transaction and execution costs associated with client accounts, this may create a disincentive for SA, LLC to trade securities in accounts. Clients participating in the program will receive a copy of SA, LLC Wrap Fee Program Brochure.

### 5A1. Sub-Advisors

When one or more Sub-Advisors are utilized, the sub-advisory fees are generally incorporated into SA, LLC advisory services fee. SA, LLC typically deducts its advisory services fee from the client account and pays the Sub-Advisors fee. The advisory fee charged to the client by the third-party sub-advisor is disclosed in the sub-advisor’s Form ADV or related disclosure document.

## 5A2 Managed Account Services

Fees for services are generally calculated as a percentage of the total market value of all managed assets but excluding margin debit balance (if applicable). There may, however, be additional charges such as wire transfer fees or commissions for trades not executed through our qualified custodians: Schwab, Fidelity, Pershing LLC, Pershing Advisor Services, and Goldman. Services may cost you more or less than purchasing similar services separately, assuming the services could be purchased directly from the various providers thereof. In evaluating a managed account service, clients should consider several factors. A client may be able to obtain some or all the services available through a particular program on an “unbundled” or “bundled” basis through SA, LLC or through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower (or higher) than the fee charged in the model portfolio program. Payment of an asset-based fee may produce accounting, bookkeeping, or income tax results that differ from those resulting from the separate payment of (i) securities commissions and other execution costs on a trade-by-trade basis and (ii) advisory fees.

Revenues received by SA, LLC vary between the various managed account services. This presents a conflict of interest in that SA, LLC receives higher fee revenues from some programs than from others and, because IAR compensation is based, in part, on production (i.e., the amount of the net fee revenues and other revenues received by SA, LLC by client accounts), SA, LLC and IARs may have an incentive to recommend a higher-priced program when a comparable lower priced alternative is available. SA, LLC policies require IARs to only recommend those programs and services that are in the best interest of each client.

## 5A3 Payment

Generally, SA, LLC requires clients to authorize the direct debit of advisory service fees from their accounts. However, certain exceptions may be granted, subject to SA, LLC written consent, to permit clients to be billed directly for advisory service fees. The client may withdraw this authorization for direct debit of the advisory service fee at any time by notifying SA, LLC or the custodian in writing. If the cash portion of an account is insufficient to pay the advisory service fee, SA, LLC may direct the custodian to liquidate assets selected by SA, LLC to pay such fees.

The advisory service fee is typically paid in advance and is due and payable on the first day of each calendar month or quarter, as specified in the client’s advisory agreement. The advisory service fee for the first calendar month or quarter in which an account is opened will be due and payable in the month or quarter immediately following account funding. For the calendar month or quarter in which an advisory agreement is terminated, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to us from the client will be invoiced or deducted from the client’s account prior to termination. Upon termination of a client’s advisory agreement, the client will be charged all usual fees for transactions and services provided with respect to the client’s account.

## 5A4 Additional Client Fees

All additional client fees paid for are in addition to and separate and distinct from the cost of transactions, advisory fees, custodial platform fees and sub-manager fees per your advisory agreement. Such additional client fees are described by each of our qualified custodians, and disclosures of such fees are provided to you as part of your agreement with your custodian. Fees will differ depending on the custodian. The specific fees outlined below are not designed to be all-inclusive but rather, representative of examples of the “additional fees” you will incur. Please review all fees disclosures and contact your IAR with any additional questions.

Custodians and broker-dealers charge processing fees on purchases or sales of certain stocks, bonds, mutual funds, and exchange-traded funds. IRA accounts are charged an annual maintenance fee by the custodian. There is a conflict of interest in recommending clients to third parties who have agreed to share their fees with Sanctuary Wealth.

Transaction or ticket charges associated with the execution of trades are paid by the client in addition to management fees for clients not participating in a wrap fee program.

## **5.B. Financial Planning Fees**

SA, LLC offers either hourly or fixed fee arrangements to all clients for its financial planning services. Fixed fees are computed based upon a good faith estimate of the hours required to perform services. SA, LLC attempts to maintain parity with hourly and fixed charges while allowing some flexibility in estimation, considering case complexity and client-specific circumstances. Financial planning fees are negotiated on an individual basis at the time of the engagement for such services. Factors considered in determining the fees charged generally include, without limitation, the type of financial planning services provided such as retirement planning, legacy planning, tax planning, insurance, and special needs planning.

A portion of the financial planning fees will be paid upon the commencement of the financial planning services, and the remainder will be paid as soon as the financial plan has been delivered to the client. However, some clients may enter into alternative billing arrangements.

Generally, SA, LLC requires clients to authorize the direct debit of financial planning fees from their accounts. However, certain exceptions may be granted, subject to SA, LLC written consent, to permit clients to be billed directly for financial planning fees. The client may withdraw this authorization for direct debit of the financial planning fee at any time by notifying SA, LLC or the custodian in writing.

## **5.C. ERISA Plan Services Fees**

Fees for ERISA Plan Services are typically charged as a percentage of the total plan assets under management as set out in the ERISA Plan Advisory Agreement.

## **5.D. Conflicts Of Interest**

IAR compensation, in part, is based on the amount of fee revenue generated by the clients serviced by the IAR; therefore, a conflict of interest exists because IARs have an incentive to recommend investment products based on the compensation received, rather than on the client's needs. SA, LLC has implemented a Code of Ethics and internal policies and procedures to ensure that the interests of its clients are given priority to the interests of its IARs. See Item 11: Code of Ethics, Participation or Interests in Client Transactions and Personal Trading for details regarding the Code of Ethics and SA, LLC internal policies and procedures.

We have an incentive to advise you to invest in certain investments, such as fixed income products, alternative investments, structured notes, or sub-managed portfolios, because the manager or sponsor of those investments may share distribution fees, underwriting fees, manager fees, or a portion of their revenue with affiliates. To address any conflict of interest, SA, LLC has implemented a Code of Ethics and specific policies and procedures to ensure any transaction is in the client's best interest.

Summary of Programs Offered by SA, LLC :

Program Name	Product Name	Discretionary Program	Types of Securities Offered Include	Maximum Client Advisory Fee*	Minimum Investment
Advisor Directed	Advisor Directed Discretionary	Yes	Equities, ADRs, Mutual Funds, UITs, ETFs, and Cash	2.75%	\$10,000
	Advisor Directed Non Discretionary	No	Equities, ADRs, Mutual Funds, UITs, ETFs, and Cash	2.75%	\$10,000
	Advisor Model Discretionary	Yes	Equities, ADRs, Mutual Funds, UITs, ETFs, and Cash	2.75%	\$10,000
SMA Solutions	Advisor Flex Portfolios	Yes	ETF, Mutual Fund Portfolios	2.75%	\$50,000
	Asset Allocation Portfolios	Yes	ETF, Mutual Fund Portfolios	2.75%	\$50,000
	American Funds Core Portfolios	Yes	ETF, Mutual Fund Portfolios	2.75%	\$10,000
	WealthStart Portfolios	Yes	ETF, Mutual Fund Portfolios	2.75%	\$10,000
	SMA Equity and Balanced Strategists	Yes	Equities, ADRs, Mutual Funds, ETFs, Cash	2.75%	\$100,000
	SMA Direct Indexing	Yes	Equities, ADRs, Mutual Funds, ETFs, Cash	2.75%	\$250,000
	SMA Fixed Income Strategists	Yes	U.S. Treasury, U.S. Agency, Cash, Residential /Commercial CMOs, Investment Grade and High Yield Corporate and Municipal Bonds, Asset-Backed Securities, Fixed Income ETF or Mutual Fund	2.75%	\$100,000
	SMA Mutual Funds and ETF Strategists	Yes	ETF, Mutual Fund Portfolios	2.75%	\$10,000
UMA Solutions	UMA	Yes	SMA's, Models, Mutual Funds, ETFs, Equities	2.75%	\$100,000
	SAM Equity Strategies	Yes	Equities, ADRs, Mutual Funds, ETFs, Cash	2.75%	\$50,000

Sanctuary Asset Management	SAM Fixed Income Strategists	Yes	U.S. Treasury, U.S. Agency, Cash, Residential /Commercial CMOs, Investment Grade and High Yield Corporate and Municipal Bonds Asset-Backed Securities, Fixed Income ETF or Mutual Fund	2.75%	\$250,000
	SAM Model Strategists	Yes	ETF, Mutual Fund Portfolios	2.75%	\$10,000 ETF Only \$50,000 ETF and Mutual Fund
International SMA	Offshore SMA Equity and Balanced Strategists	Yes	UCIT Equities, UCIT ADRs, UCIT Mutual Funds, UCIT ETFs, Cash	2.75%	\$100,000
	Offshore SMA Fixed Income Strategists	Yes	U.S. Treasury, U.S. Agency, Cash, Residential/Commercial CMOs, Investment Grade and High Yield Corporate and Municipal Bonds Asset-Backed Securities, Fixed Income ETF or Mutual Fund	2.75%	\$100,000
	Offshore SMA Mutual Funds & ETF Strategists	Yes	UCIT ETF, UCIT Mutual Fund Portfolios	2.75%	\$10,000
	Onshore SMA Equity and Balanced Strategists	Yes	Equities, ADRs, Mutual Funds, ETFs, Cash	2.75%	\$100,000
	Onshore SMA Fixed Income Strategists	Yes	U.S. Treasury, U.S. Agency, Cash, Residential /Commercial CMOs, Investment Grade and High Yield Corporate and Municipal Bonds Asset-Backed Securities, Fixed Income ETF or Mutual Fund	2.75%	\$100,000

\* Please see the information provided in this Item 5 for further discussion of Client Advisory Fees.

## 5.E. Compensation Received from Securities and Investment Products

SA, LLC may make available to clients certain investment products issued or sponsored by various third-party providers ("Third-Party Provider Products") in the ordinary course of business. SA, LLC will receive compensation from third-party providers in connection with the sale or recommendation of Third-Party Provider Products to clients. The amount of compensation SA, LLC receives will generally increase as the volume of Third-Party Provider Products purchased or held by clients increases. Advisory fees are not reduced or offset by any compensation SA, LLC receives from third-party providers for the sale or recommendation of Third-Party Provider Products.

The compensation SA, LLC receives from third-party providers in connection with Third-Party Provider Products creates a conflict of interest, as SA, LLC has a financial incentive to recommend Third-Party Provider Products to clients. The more Third-Party Provider Products that are purchased or held by clients, the greater the compensation SA, LLC will receive from third-party providers.

SA, LLC has adopted policies and procedures designed to ensure that any recommendations to purchase Third-Party Provider Products are made in the best interest of clients, and not influenced by the compensation SA, LLC receives from third-party providers, and investment adviser representatives (“IARs”) do not receive compensation or incentives for recommending Third-Party Products.

Clients are under no obligation to purchase Third-Party Products, and may choose among a variety of investment products offered by SA, LLC.

## Item 6: Performance-Based Fees and Side-By-Side Management

SA, LLC may charge performance-based fees (fees based on a share of capital gains or on capital appreciation of the assets of a client) with a client that is a Qualified Institutional Buyer (“QIB”) that owns and invests at least \$100 million in securities. SA, LLC may allow clients that are QIB to participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

## Item 7: Types of Clients

We offer investment advisory services to the following types of clients:

- Individuals;
- Corporations and other businesses;
- Trusts;
- Estates;
- Charitable organizations;
- Pension and Profit-Sharing Plans;
- Employee Benefits Plans.

SA, LLC does not impose minimum account sizes or a minimum investment amount; however, individual IARs or sub-advisors may require you to meet minimum asset thresholds for an account to be managed.

## Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss

### 8A. Methods of Analysis

SA, LLC develops a customized investment strategy for each client. In selecting investments for a client’s account in accordance with the client’s advisory agreement, SA, LLC may use any of the following types of analysis or a blend of these types of analysis.

#### 8A1. Fundamental Analysis

The attempt to measure the intrinsic value of a security by examining economic, financial, and other qualitative and quantitative factors. Fundamental analysis looks at revenues, earnings, profit margins, return on equity, and other data to determine a company’s potential for growth. It also considers the overall economy and industry conditions. Risk of fundamental analysis lies in that it does not attempt to predict or anticipate market movements.

## 8A2 Quantitative Analysis

The use of mathematical and statistical modeling to obtain more accurate measurements of a company's quantifiable data, such as historical price and volume statistics, performance data, standard deviation and related risk metrics, and a security's performance relative to the overall market. Quantitative analysis runs the risk of not taking into account qualitative factors that may affect the investment. Additionally, quantitative analysis heavily relies on the accuracy of underlying data.

## 8A3 Technical Analysis

The charting of price and volume data, as reported by the exchange on which the security is traded.

Technical analysis focuses on price trends and sector movements to recognize undervalued or oversold securities. Technical analysis does not consider the underlying financial condition of the company, so it runs the risk that a poorly-managed or financially unstable company may appear as a suitable investment for the client.

## 8A4 Mutual Fund, ETFs, and/or Manager Evaluation

The review of qualitative and quantitative information available on the mutual fund or manager to determine the appropriateness of the selection. The quantitative analysis includes consideration of performance history of a mutual fund or manager evaluated against that of its peers and other benchmarks; analysis of risk-adjusted returns; analysis of the manager's contribution to the investment return (e.g., manager's alpha), standard deviation of returns over specific time periods, sector, and style analysis; fund, sub-advisor, or manager's fee structure; and portfolio manager's tenure. SA, LLC will also consider qualitative factors including investment objectives and/or management style and philosophy of a mutual fund or manager, mutual fund, or manager's consistency of investment style, and employee turnover, efficiency, and capacity. The IAR will discuss relevant quantitative and qualitative factors pertaining to their recommendations with clients prior to a client's determination to retain or discharge a mutual fund or manager.

## 8.B. Investment Strategies and Material Risks

SA, LLC typically invests in the following types of securities:

- Equity securities
- Mutual fund securities
- Exchange Traded Funds
- Structured Products
- Fixed income securities
- Corporate debt securities, commercial paper, and certificates of deposit
- Corporate debt obligations
- Options
- Alternatives (including, without limitation, private equity, private credit, real estate, and venture capital)

However, SA, LLC does not restrict itself in the types of securities it may utilize, if appropriate for the client.

### Inherent Risks of Investing

All investments are subject to risks. Clients should be cognizant of the potential and inherent risks of investing in securities, including loss of capital. There is no assurance that SA, LLC will be able to attain your objectives, that any investment recommendation will be profitable, or a particular rate of return will be achieved.

### Market Risks

Market risk is the risk that the value of securities in a portfolio may decline due to daily fluctuations in the securities markets that are generally beyond SA, LLC control. In a declining stock market, stock prices for all companies may decline, regardless of their long-term prospects.

### Inflation Risks

Inflation risk: Inflation reduces the buying power of a dollar, and could cause uncertainty among individual investors, possibly resulting in corporations backing away from projects which could further reduce the value of corporate equities.

## **Long-Term Purchases**

SA, LLC investment strategy is generally long term in nature and predicated on a diversified portfolio of securities custom-tailored to the client's goals, investment objectives, risk tolerance, and personal and financial circumstances. A risk in a long-term investment strategy is that by holding the security for a year or longer, the client may not take advantage of short-term gains that could be profitable. Additionally, if predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

## **Short-Term Trading**

Although SA, LLC, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. Short-term trading involves the purchase of securities with the intent of selling them within a relatively short time (typically a year or less). There is an inherent risk for clients who utilize short-term trading, in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

## **Management Risks**

While SA, LLC manages client investment portfolios, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that SA, LLC allocates assets to asset classes that are adversely affected by unanticipated market movements, and the risk that SA, LLC specific investment choices could underperform their relevant indexes. SA, LLC makes no guarantee regarding the investment performance of any client portfolio. Clients should understand that the investment performance and asset value of the client's portfolio can and will fluctuate and that the portfolio may lose money.

## **Economic Conditions**

Changes in economic conditions, including, for example, interest rates, inflation rates, employment conditions, competition, technological developments, political and diplomatic events and trends, and tax laws may adversely affect the business prospects or perceived prospects of companies. While SA, LLC performs due diligence on the companies in whose securities it invests, economic conditions are not within the control of SA, LLC and no assurances can be given that SA, LLC will anticipate adverse developments.

## **Risks of Investments in ETFs, Mutual Funds, and Other Investment Pools**

As described above, SA, LLC may invest client portfolios in ETFs, mutual funds, and other investment pools ("Funds"). Investments in Funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, Funds' success will be related to the skills of their particular managers and their performance in managing their Funds. Registered Funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940, as amended.

## **Risks Related to ETF NAV and Market Price**

The market value of an ETF's shares may differ from its net asset value ("NAV"). This difference in price may be due to the fact that the supply and demand in the market for ETF shares at any point in time is not always identical to the supply and demand in the market for the underlying basket of securities. Accordingly, there may be times when an ETF trades at a premium (creating the risk that a portfolio pays more than NAV for an ETF when making a purchase) or discount (creating the risks that the portfolio's value is reduced for undervalued ETFs it holds and that the portfolio receives less than NAV when selling an ETF).

## **Large-Capitalization Company Risk**

SA, LLC may invest a portion of a client's portfolio in large-capitalization companies. Large-capitalization companies are generally more mature and may be unable to respond as quickly as smaller companies to new competitive challenges, such as changes in technology and consumer tastes, and also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

## **Small-Capitalization Company Risk**

SA, LLC may invest a portion of a client's portfolio in small-capitalization companies. Investing in small-capitalization companies involves greater risk than is customarily associated with larger, more established companies. Small-capitalization companies frequently have less management depth and experience, narrower market penetrations, less diverse product lines, less competitive strengths, and fewer resources than larger companies. Due to these and other factors, stocks of small-capitalization companies may be more susceptible to market downturns and other events, and their prices may be more volatile than larger capitalization companies. In addition, in many instances, the securities of small-capitalization companies typically are traded only over the counter or on a regional securities exchange, and the frequency and volume of their trading is substantially less than is typical of larger companies. Because small-capitalization companies normally have fewer shares outstanding than larger companies, it may be more difficult to buy or sell significant amounts of such shares without an unfavorable impact on prevailing prices. Therefore, the securities of small-capitalization companies may be subject to greater price fluctuations. Small-capitalization companies are typically subject to greater changes in earnings and business prospects than larger, more established companies and also may not be widely followed by investors, which can lower the demand for their stock.

## **Equity Market Risks**

SA, LLC will generally invest portions of client assets directly into equity investments, primarily stocks, or into Funds that invest in the stock market. As noted above, while Funds have diversified portfolios that may make them less risky than investments in individual securities, Funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

## **Fixed Income Risks**

SA, LLC may invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in Funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through Funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity). SA, LLC may invest portions of client assets into securities that are rated below investment grade (commonly known as "high yield" or "junk bonds"). Securities which are in the lower-grade categories generally offer a higher current yield than is offered by higher-grade securities of similar maturities, but they also generally involve greater risks, such as greater credit risk, greater market risk and volatility, and greater liquidity concerns. These investments are generally considered to be speculative based on the issuer's capacity or incapacity to pay interest and repay principal.

## **Option Strategies**

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities.

Investments in options involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) the risk that the counterparty to a transaction may not fulfill its contractual obligations; (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the option may not correlate perfectly with the underlying asset, rate, or index. Option prices are highly volatile and may fluctuate substantially during a short period of time. Such prices are influenced by numerous factors that affect the markets, including, but not limited to: changing supply and demand relationships; government programs and policies; national and international political and economic events, changes in interest rates, inflation and deflation and changes in supply and demand relationships. It is possible that certain options might be difficult to purchase or sell, possibly preventing a manager from executing positions at an advantageous time or price, or possibly requiring them to dispose of other investments at unfavorable times or prices in order to satisfy a portfolio's other obligations. In addition, options allow investors to hedge security positions held in the portfolio.

Option strategies that SA, LLC may typically employ as part of its investment strategy include, but are not limited to:

- Covered call writing

Covered call writing is the sale of in-, at-, or out-of-the-money call option against a long security position held in the client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

- Long call options purchases

Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

- Long put option purchases

Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long-put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

### **Lack of Diversification**

Client accounts may not have a diversified portfolio of investments at any given time, and a substantial loss with respect to any particular investment in an undiversified portfolio will have a substantial negative impact on the aggregate value of the portfolio.

### **Financial Planning Risks**

Financial planning is inherently speculative, and SA, LLC makes no guarantee regarding the success or feasibility of any financial plan. The information forming the basis of any financial plan will be derived from sources that SA, LLC believes are reliable, including information provided by the client, and the accuracy of such information is not guaranteed or independently verified by SA, LLC. Certain financial planning services may include educational information regarding the effect of taxes or recommendations with respect to insurance coverage types and amounts. Clients should understand that this tax and insurance information is general in nature. Nothing recommended or outlined by SA, LLC should be used by a client as a substitute for competent legal, accounting, or tax counsel provided by the client’s personal attorney, accountant, and/or tax advisor. Additionally, SA, LLC strongly recommends that each client review each area of potential and/or actual insurance coverage need with the client’s insurance agent to ensure that adequate coverage exists.

### **Security Leverage Risk**

Although SA, LLC, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, other separate account managers and, in very limited circumstances, SA, LLC will utilize leverage. The use of margin leverage entails borrowing which results in additional interest costs to the investor.

SA, LLC offers securities-based lines of credit through third parties which allow borrowers to access cash without liquidating their investment portfolios. The portfolio serves as collateral—qualified equities, bonds or funds that are already owned. Principal can be re-paid at any time during the life of the loan—only interest is due monthly. Securities-based loans may not be suitable for all loan parties (e.g., borrowers, pledgors, and guarantors) and carry a number of risks, including but not limited to the risk of a market downturn, tax implications if pledged securities are liquidated, and the potential increase in interest rates. If the value of pledged securities drops below certain levels, loan parties may be required to pay down the loan and/or pledge additional securities. The risks are described in the disclosures available through the third-party providers upon request. You should consider these risks and whether a securities-based loan is suitable before proceeding.

SA, LLC and its IARs do not give legal or tax advice. An attorney or tax advisor should be consulted for answers to specific questions. The purpose of a securities-backed line of credit must be for personal, family or household purposes and not for securities, investments or to purchase or carry margin securities, which include (1) stocks that are registered on a national securities exchange, or any over-the-counter security designated for trading in the national market system; (2) debt securities (bonds) that are convertible into margin stock; and (3) shares of most mutual funds.

### **Short Selling**

SA, LLC generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is affected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be affected at a significantly lower price. The primary risks of effecting short sales are the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

### **Information Risk**

All investment professionals rely on research in order to make conclusions about investment options and select investments. This research is generally a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Particular third-party data, or outside research, is utilized, in part, because of its perceived reliability, but there is no guarantee that the data or research will be completely accurate, and SA, LLC will not seek to independently verify its accuracy. Failure in data accuracy or research may cause SA, LLC to select investments that perform poorly and fail to help clients meet investment objectives and goals.

### **Cybersecurity Risk**

As technology becomes more integrated into SA, LLC operations, SA, LLC will face greater operational risks through breaches in cybersecurity. A breach in cybersecurity refers to both intentional and unintentional events that may cause SA, LLC to lose proprietary information, suffer data corruption, or lose operational capacity. This in turn could cause SA, LLC to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cybersecurity threats may result from unauthorized access to SA, LLC digital information systems (e.g., through “hacking” or malicious software coding), but may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, because SA, LLC works closely with third-party service providers (e.g., administrators, transfer agents, and custodians), cybersecurity breaches at such third-party service providers may subject SA, LLC to many of the same risks associated with direct cybersecurity breaches. While SA, LLC and their third-party service providers have established information technology and data security programs and have in place business continuity plans and other systems designed to prevent losses and mitigate cybersecurity risk, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified or that cyber-attacks may be highly sophisticated.

### **Quantitative Model Risk**

Certain strategies may rely heavily on quantitative models and the analysis of specific metrics to construct a client’s portfolio. The impact of these metrics on a stock’s performance can be difficult to predict, and stocks that previously possessed certain desirable quantitative characteristics may not continue to demonstrate those same characteristics in the future. In addition, relying on quantitative models entails the risk that the models themselves may be limited or incorrect, that the data on which the models rely may be incorrect or incomplete, and that SA, LLC may not be successful in selecting companies for investment or determining the weighting of particular stocks. Any of these factors could cause a client’s portfolio to underperform other portfolios with similar strategies that do not select stocks based on quantitative analysis.

## Item 9: Disciplinary Information

SA, LLC has no disciplinary event that is required by SEC rules to disclose.

Clients can refer to the investment advisor public disclosure located at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or FINRA Broker Check at [www.finra.org](http://www.finra.org).

## Item 10: Other Financial Industry Activities and Affiliations

### ***Sanctuary Securities and Registered Representatives***

Sanctuary Securities, Inc. ("Sanctuary Securities") is a related person of SA, LLC through common control. Management persons of SA, LLC may also be management persons of Sanctuary Securities. These relationships and any compensation received by SA, LLC, Sanctuary Securities, or their parent create a conflict of interest in the event Sanctuary Securities acts as a broker-dealer for a client of SA, LLC. To address any conflict of interest, SA, LLC has implemented a Code of Ethics and specific policies and procedures to ensure any transaction is in the client's best interest. See Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading for further details on addressing conflicts of interests in these situations. Any services provided by Sanctuary Securities are separate and distinct from SA, LLC services and are provided pursuant to separate client agreements.

Many IARs of SA, LLC are dually registered as investment advisor representatives of SA, LLC and registered representatives of Sanctuary Securities. As such, these dually registered persons are entitled to receive brokerage commissions in their capacity as a registered representative.

### ***Insurance Agents***

Certain IARs may be licensed insurance agents through Sanctuary Securities and may recommend or assist in the recommendation of an insurance-related product to a client. While acting in the capacity of an insurance agent, IARs can sell annuities and insurance products and earn commissions or other revenue for such sales depending on the product and the registrations they carry. The recommendation by IARs that a client purchase an insurance-related product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions received, rather than on a particular client's need. To address any conflict of interest, SA, LLC has implemented a Code of Ethics and specific policies and procedures to ensure any transaction is in the client's best interest. The client is not under any obligation to purchase an insurance product from or through Sanctuary Securities.

**Clients are under no obligation to purchase securities or insurance products through Sanctuary Securities or its affiliates.**

### ***Other Financial Industry Affiliations***

Sanctuary Wealth, which is the sole owner of SA, LLC, is affiliated with the following entities:

- **Azimut US Holdings, Inc.** ("AZ US Holdings"), a holding company, as a result of AZ US Holdings holding equity interests in Sanctuary Wealth that entitle AZ US Holdings to certain consent and board appointment rights with respect to Sanctuary Wealth. As a result of AZ US Holdings' equity interests in Sanctuary Wealth, SA, LLC is also affiliated with AZ US Holdings, as well as the following:
  - Azimut Group, a European investment manager, because AZ US Holdings is a subsidiary of Azimut Group;
  - Azimut Apice Advisors, LLC ("Azimut Apice"), a registered investment adviser, because AZ US Holdings holds a majority ownership interest in Azimut Apice;
  - Azimut Investment Advisors, LLC ("AIA"), a registered investment adviser, because AZ US Holdings holds a majority ownership interest in AIA. and
  - AZG Capital LLC ("AZG Capital" and together with AZ US Holdings, Azimut Group, Azimut Genesis, and their affiliates, "Azimut"), a registered investment adviser, because AZ US Holdings holds a majority ownership interest in AZG Capital

- **KL SWG AIV, LLC** (the “KL Fund”), a pooled investment vehicle, as a result of the KL Fund holding a convertible loan entitling the KL Fund and certain of its affiliates to certain consent and board appointment rights with respect to Sanctuary Wealth, both prior to and following conversion of the loan. As a result of the KL Fund’s convertible loan, SA, LLC is also affiliated with the KL Fund, as well as the following:
  - Kennedy Lewis Management LP (“KLM” and together with its affiliates, “Kennedy Lewis”), a registered investment adviser, is affiliated with the manager of the KL Fund; and
  - Generate Advisors, LLC (“Generate Advisors” and together with the KL Fund, KLM, and their affiliates, “Kennedy Lewis”), a registered investment adviser that manages collateralized loan obligation assets, because Generate Advisors is under common control with KLM.
- **Sanctuary Asset Management Solutions, LLC** is an integrated asset management solution, which provides IARs the opportunity to create scale and efficiency within their investment process.
- **Sanctuary Insurance Solutions, LLC** provides IARs with wealth and succession plans for high-net worth clients.
- **Sanctuary Global, LLC** provides services, solutions, and resources for IARs conducting business globally.
- **Sanctuary Global Family Office, LLC** advises on family office formation, needs assessment, and assessing governance and controls of the family office.
- **tru Independence LLC (“tru Independence”)**, a service platform for investment professionals and the owner of two SEC-registered investment advisers - tru Independence Asset Management, LLC and tru Independence Asset Management 2, LLC. All are wholly owned by Sanctuary Wealth. tru Independence provides access to services related to reporting, custody, investments, compliance, trading, technology, transition support, and other related services to TIAM and TIAM 2 as well as investment professionals within the tru partner firm network.
- **tru Independence Asset Management, LLC (“TIAM”)** is a SEC registered investment adviser based in Portland, Oregon which is wholly owned by Sanctuary Wealth Group, LLC (“Sanctuary Wealth”). The acquisition of TIAM by Sanctuary Wealth was completed on April 30, 2024. TIAM and SA, LLC, are under common control of Sanctuary Wealth.

TIAM has been a registered investment adviser since 2013. TIAM offers discretionary and non-discretionary investment management and investment advisory services, as well as financial planning and consulting.

- **tru Independence Asset Management 2, LLC (“TIAM2”)** is a SEC registered investment adviser based in Portland, Oregon which is wholly owned by Sanctuary Wealth Group, LLC (“Sanctuary Wealth”).

The acquisition of TIAM2 by Sanctuary Wealth was completed on April 30, 2024. TIAM2 and SA, LLC, are under common control of Sanctuary Wealth.

TIAM2 has been a registered investment adviser since 2020. TIAM2 offers discretionary and non-discretionary investment management and investment advisory services, as well as financial planning and consulting.

From time to time, SA, LLC or its affiliates will make certain investment products (including, without limitation, business development companies and private funds), sponsored or managed by or services provided by Kennedy Lewis or Azimut or other SA, LLC affiliates (such products, “Affiliate Products and Services”) available to SA, LLC clients through Sanctuary Wealth’s platform, and SA, LLC may recommend that its clients invest in Affiliate Products and Services. In such instances, SA, LLC will be subject to conflicts of interest because the KL Fund’s and AZ US Holdings’ interests in Sanctuary Wealth create an incentive for Sanctuary Wealth and its affiliates (including SA, LLC) to increase clients’ investments in products that, like the Affiliate Products, and Services financially benefit Kennedy Lewis and Azimut. SA, LLC believes that these conflicts are mitigated by the fact that investment products, including Affiliate Products and Services, are generally subject to investment committee review prior to being included on Sanctuary Wealth’s platform, and because SA, LLC requires that investment recommendations be in the client’s best interest.

SA, LLC may provide investment advisory services to its affiliates.

# Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

## 11A Code of Ethics Description

In accordance with Rule 204A-1 under the Investment Advisers Act of 1940 (“Advisers Act”), SA, LLC has adopted a Code of Ethics, which includes written procedures governing the conduct of SA, LLC IARs. The Code of Ethics’ objectives are to:

- Provide standards of honest and ethical conduct;
- Promote compliance with applicable federal and state laws, rules, and regulations;
- Facilitate prompt internal reporting of violations of the Code of Ethics; and
- Deter wrongdoing.

All IARs of SA, LLC are required to sign and return an acknowledgement of the Code of Ethics, attesting that they have read and understand it. The Code of Ethics and applicable securities transactions are monitored by the SA, LLC Compliance Department.

SA, LLC will provide a copy of its Code of Ethics to any client or prospective client upon request.

## 11B Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

From time to time, SA, LLC and/or a related person may recommend to clients, or buy or sell for client accounts, securities in which it or a related person has a material financial interest. Such practices may present a conflict of interest. SA, LLC and its related persons have implemented specific policies and procedures on conducting these practices to: (i) comply with the Advisers Act; and (ii) uphold SA, LLC fiduciary duties to its clients by prioritizing the client’s interests above all others.

### 11B.1 Principal Trading

SA, LLC does not engage in principal trading.

### 11B.2 Agency Cross Trading

An agency cross trade is a securities transaction between clients, where one client buys from, or sells securities to, another client. Agency cross trading presents a conflict of interest because the advisor/broker-dealer is obligated to act in the best interest of two clients with conflicting interests. SA, LLC will only engage in an agency cross trade if such trade is in the best interest of the participating clients, and neither is disadvantaged by such trade. Additionally, in the event SA, LLC executes a cross trade, SA, LLC will also do so in compliance with Rule 206(3)-2 of the Advisers Act.

## 11C Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

From time to time, SA, LLC and its IARs may purchase the same securities that it recommends to clients. This may raise potential conflicts of interest when an IAR trades in a security that is owned by a client or considered for purchase or sale by a client. Such conflict generally refers to the practice of front-running (trading ahead of the client), which the firm specifically prohibits.

It is the policy of SA, LLC that no IAR may purchase or sell any security prior to a transaction being implemented for a client account, thereby preventing such IAR from benefiting from transactions placed on behalf of clients. SA, LLC has adopted specific policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- Require IARs and employees to act in the client’s best interest;
- Prohibit front-running; and
- Provide for the review of transactions to discover and correct any trades that result in an IAR or employee benefiting at the expense of a client.

However, IARs may purchase or sell a security for his or her own account at the time that the same security or related security is being purchased or sold by a client. IARs will receive the same price for purchases or sales of securities as clients when an average price account is used.

The Code of Ethics also addresses personal trading by IARs and is designed to ensure that the personal securities transactions, activities, and interests of IARs will not interfere with making decisions in the best interest of clients and implementing such decisions.

## Item 12: Brokerage Practices

### 12A. Factors Used to Select Broker-Dealers for Client Transactions

SA, LLC does not maintain custody of your funds or securities. SA, LLC requires that clients select and establish accounts with one or more of the following qualified custodians: Schwab, Fidelity, Pershing LLC, Pershing Advisors Services, or Goldman Sachs Custody Solutions (“Goldman”). Your IAR will typically recommend the use of a specific custodian. You will enter into a separate custodial/clearing agreement with the applicable custodian for your account. SA, LLC will effect trades for client accounts at the selected custodian. SA, LLC is independently owned and operated and is not affiliated with any of the qualified custodians.

SA, LLC will endeavor to seek best execution when placing trades for clients. In attempting to achieve best execution, the lowest commission is not determinative; instead, SA, LLC will seek the best overall qualitative execution. SA, LLC review of its custodians will include one or more of the following: (i) financial stability of the custodian; (ii) its capabilities of handling various size and type transactions; (iii) execution capability; (iv) ability to provide services in addition to execution services that enhance SA, LLC portfolio management capabilities; (v) additional transaction fees; and (vi) responsiveness. In general, all accounts are traded with one of the four custodians/clearing brokers listed above.

When trades in client accounts are executed by a Sub-Advisor, the best execution policies of the Sub-Advisor will apply. Clients will be provided each Sub-Advisors’ Form ADV Part 2A Brochure, which contains important information regarding policies and procedures regarding best execution.

SA, LLC has arrangements with each of its custodians in order to effect trades for your account(s). These arrangements can include benefits in the form of other products and services that benefit SA, LLC but not its clients’ accounts. Some of these other products and services assist SA, LLC in managing and administering client accounts. These can include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), facilitate payment of Sanctuary Advisor’s fees from client’s accounts, and assist with back-office functions, record keeping and client reporting. **For further understanding of the brokerage services provided by these custodians as well as other benefits to SA, LLC provided through our custodial arrangements, please see the detailed custodian descriptions below and Section 12 of this ADV2A.**

#### ***Charles Schwab & Company***

For clients accounts maintained at Charles Schwab & Co., Inc. (“Schwab”), Schwab generally does not charge separately for custody services but is compensated by charging clients commissions or other fees on trades that it executes or that settle into the client’s Schwab account. Certain trades (for example, mutual funds and ETFs) do not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in the client’s account in Schwab’s Cash Features Program. This commitment benefits clients because the overall commission rates and asset-based fees clients pay are lower than they would be otherwise. In addition to commissions and asset-based fees, Schwab charges clients a flat dollar amount as a “prime broker” or “trade away” fee for each trade that SA, LLC executes by a different broker-dealer but 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 commissions or other compensation the client pays the executing broker-dealer.

Schwab provides SA, LLC with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor’s clients’ assets are maintained in accounts at Schwab. Schwab’s services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For SA, LLC client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into accounts maintained at Schwab.

Schwab also makes available to SA, LLC other products and services that benefit SA, LLC but may not benefit its clients' accounts. These benefits may include national, regional or SA, LLC specific educational events organized and/or sponsored by Schwab. Other potential benefits may include occasional business entertainment of personnel of SA, LLC by Schwab personnel including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist SA, LLC 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 (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of SA, LLC 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 some substantial number of SA, LLC accounts, including accounts not maintained at Schwab. Schwab also makes available to SA, LLC other services intended to help SA, LLC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to SA, LLC by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Sanctuary Advisors. While, as a fiduciary, SA, LLC endeavors to act in its clients' best interest, SA, LLC recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to SA, LLC of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

## ***Fidelity***

SA, LLC has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides SA, LLC with Fidelity's "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like SA, LLC in conducting business and in serving the best interest of their clients, but that may also benefit SA, LLC..

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions. The commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers.

As part of the arrangement, Fidelity makes available to SA, LLC, at no additional charge to SA, LLC, certain research, and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by SA, LLC (within specified parameters). These research and brokerage services presently include services such as reimbursing SA, LLC for expenses related to IARs and their respective clients to the Fidelity platform for custodial and other services including managing accounts for which SA, LLC has investment discretion. Without this arrangement, SA, LLC might be compelled to purchase the same or similar services at its own expense.

As a result of receiving such services for no additional cost, SA, LLC may have an incentive to continue to use or expand the use of Fidelity's services. SA, LLC examined this potential conflict of interest when it chose to enter the relationship with Fidelity and has determined that the relationship is in the best interest of SA, LLC clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the SA, LLC determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. Accordingly, although SA, LLC will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by SA, LLC will generally be used to service all of SA, LLC clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. SA, LLC and Fidelity are not affiliates, and no broker-dealer affiliated with SA, LLC is involved in the relationship between SA, LLC and Fidelity.

## ***Pershing, LLC and Pershing Advisor Services***

Pershing LLC (“Pershing”) is the clearing firm for SA, LLC brokerage business and is a custodial option for its accounts. Pershing offers their broker-dealer clients substantial financial strength and stability, economies of scale, and reliable, state-of-the-art technology. As part of this business relationship, SA, LLC pays Pershing various execution and clearing charges and fees in connection with Pershing maintaining custody and effecting the purchase and sale of securities for SA, LLC clients. Pershing’s execution and clearing charges are included in the commissions and transaction charges or fees that SA, LLC charges its clients. Pershing pays SA, LLC the portion of commissions and transactions fees that exceed its execution and clearing charges. SA, LLC does not share any of this revenue received from Pershing for investment advisory accounts with our IARs.

Pershing charges SA, LLC for certain account services for accounts custodied with Pershing (including advisory accounts), including clearing and executing transactions, outgoing transfers, wired funds, direct registration of securities, paper statements and confirms, margin extensions, ticket charges, and IRA custodial maintenance and termination. SA, LLC sets its own price for its services, which are designed to cover its costs of doing business (including overhead and other costs) as well as provide for a profit to SA, LLC. SA, LLC charges clients more for certain services than it pays Pershing, which is sometimes called a “markup,” and the markups vary by product and the type of service and can be substantial. SA, LLC keeps the difference between the fees and charges our clients pay and the amount paid to Pershing to cover the costs associated with processing transactions and providing other services. The receipt of this income presents a conflict of interest because the revenue received creates an incentive to recommend Pershing as a custodian.

The economic arrangements between SA, LLC and Pershing (including the fees charged by Pershing) can be renegotiated and change from time to time, including in circumstances where SA, LLC realizes net savings or increased profits from the changed arrangements and SA, LLC does pass on any net savings or increased profits in the form of reduced fees and charges to clients. This practice creates a conflict of interest for us since we have a financial incentive to recommend Pershing since we receive substantial compensation for the services we provide. IARs do not receive a portion of these fees.

SA, LLC has an arrangement with Pershing Advisor Services (“PAS”) through which PAS provides SA, LLC with PAS’s “platform” services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like SA, LLC in conducting business and in serving the best interest of their clients, but that may also benefit SA L L C .

PAS charges brokerage commissions and transaction fees for effecting certain securities transactions. The commissions and transaction fees charged by PAS may be higher or lower than those charged by other custodians and broker-dealers.

As part of the arrangement, PAS makes available to SA, LLC, at no additional charge to SA, LLC, certain research, and brokerage services, including research services obtained by PAS directly from independent research companies, as selected by SA, LLC (within specified parameters). These research and brokerage services presently include services such as reimbursing SA, LLC for expenses related to IARs and their respective clients to the PAS platform for custodial and other services including managing accounts for which SA, LLC has investment discretion. Without this arrangement, SA, LLC might be compelled to purchase the same or similar services at its own expense.

As a result of receiving such services for no additional cost, SA, LLC may have an incentive to continue to use or expand the use of PAS’s services. SA, LLC examined this potential conflict of interest when it chose to enter the relationship with PAS and has determined that the relationship is in the best interest of SA, LLC clients and satisfies its client obligations, including its duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where the SA, LLC determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. Accordingly, although SA, LLC will seek competitive rates, to the benefit of all clients, it may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by SA, LLC will generally be used to service all of SA, LLC clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client’s account. SA, LLC and PAS are not affiliates, and no broker-dealer affiliated with SA, LLC is involved in the relationship between SA, LLC and PAS.

## **Goldman Sachs Custody Solutions**

SA, LLC has an arrangement with Goldman Sachs Custody Solutions and certain of its affiliates (collectively, “Goldman”) pursuant to which Goldman provides custodial services intended to support intermediaries like SA, LLC in conducting business and serving clients, but that may also benefit SA, LLC. Clients whose accounts are maintained at Goldman enter into separate custodial and account agreements directly with Goldman and are responsible for the fees associated with such agreements. These commissions and fees may be higher or lower than those charged by other custodians. Goldman may also be compensated by receiving other remuneration in connection with products or services available on its platform. SA, LLC is not affiliated with Goldman.

As part of SA, LLC’s arrangement with Goldman, SA, LLC will receive payments from Goldman based on the amount of client assets that are custodied with Goldman. The amount of the payments SA, LLC receives from Goldman Sachs will increase as the total amount of client assets custodied with Goldman increases. These payments are paid to SA, LLC by Goldman and are separate from any custodial fees that clients pay directly to Goldman under their own agreements with Goldman. While SA, LLC seeks to act in clients’ best interests, the availability of these services and arrangements creates an incentive for SA, LLC to recommend that clients maintain accounts at Goldman rather than at another custodian, and to utilize services through Goldman, which presents a conflict of interest.

Separate from the client-paid custodial fees described above, SA, LLC receives compensation from Goldman that is based on the overall relationship between SA, LLC and Goldman. This compensation is based on the aggregate amount of client assets custodied at Goldman, and it may increase as assets or activity with Goldman increase. The compensation is paid by Goldman to SA, LLC pursuant to a separate agreement and is not charged to clients as part of the custodial or advisory fee. This arrangement presents a conflict of interest because SA, LLC has a financial incentive to recommend Goldman as a custodian, and to recommend that clients increase assets and maintain the relationship with Goldman in a manner that could increase such compensation. The terms of these arrangements, including the compensation to SA, LLC, may be modified from time to time. SA, LLC does not share this compensation with its investment adviser representatives (“IARs”), and IARs do not receive additional compensation for recommending Goldman or for client assets held at Goldman.

While, as a fiduciary, SA, LLC endeavors to act in its clients’ best interests, you should expect that SA, LLC’s recommendation that clients maintain their assets in accounts at any of these custodians is based in part on the benefit to SA, LLC of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost, or quality of custody and brokerage services provided by each custodian, which creates a conflict of interest.

### **12A1. Soft Dollar Benefits**

SA, LLC currently has soft dollar arrangements with our qualified custodians pursuant to the safe harbor of Section 28(e) of the Securities Exchange Act of 1934. The term “soft dollars” refers to the receipt by an investment adviser of products and services provided by our custodians, without any cash payment by the investment adviser, based on assets held with the custodians. The products and services available from brokers include both internally generated items (such as research reports prepared by employees of the broker) as well as items acquired by the broker from third parties (such as quotation equipment). As such, SA, LLC at times has an incentive to conduct soft dollar trades based on SA, LLC interest in receiving the research or other services, rather than on clients’ interest in receiving the lowest commission. SA, LLC may use research or soft dollar benefits to service accounts that do not necessarily pay for the benefits.

### **12A2 Brokerage For Client Referrals**

In selecting or recommending broker-dealers, SA, LLC does not consider whether SA, LLC or a related person receives client referrals from a broker-dealer or third party.

### **12A3 Directed Brokerage**

SA, LLC does not allow directed brokerage discretion from any client. Clients must choose from one of the custodians listed above in order to have their account managed by SA LLC.

## **12B. Aggregating Securities Transactions for Client Accounts**

Orders for the same security entered on behalf of more than one client managed by the same IAR may be aggregated (i.e., blocked or bunched) to reduce transaction costs, subject to the aggregation being: (i) in the best interest of each client participating in the order; (ii) consistent with SA, LLC duty to obtain best execution; and (iii) consistent with the

terms of the advisory agreement of each participating client. All clients participating in an aggregated order will receive the average price. The aggregation practices of any third-party managers or sub-advisors that we recommend to you are disclosed in the respective third-party manager/sub-advisors disclosure documents.

## **12C. Trade Errors**

Occasionally, a trade error can occur where either we, or our IAR, are at fault for affecting one or more erroneous securities transactions. If this occurs, the error will be corrected and your account will be made whole, if such trading error resulted in a loss to your account. Neither losses nor gains realized will be passed on to you.

## **12D. Margin Accounts**

For certain accounts, SA, LLC permits clients to establish a margin account pursuant to a margin agreement with the custodian. Margin allows a client to borrow money to buy additional investments by using existing investments as security collateral. In addition, margin allows a client to withdraw funds from an account and pledge securities owned in the account as collateral. In such situations, SA, LLC or its affiliated broker-dealer may receive compensation from the custodian that is a percentage of the total margin interest charged to clients by the custodian. Clients should carefully read the margin disclosure statement provided by the custodian that describes the risks associated with margin prior to entering a margin agreement.

Margin loans are provided by the custodian of record and charged an interest rate, which SA, LLC, or its affiliated broker-dealer may markup above the custodian's margin rate to cover the risks associated with margin trading. The receipt of additional compensation creates a conflict of interest because it could influence the advice provided. To mitigate the conflict, SA, LLC does not share revenue earned from margin interest with its IARs. You are encouraged to evaluate the interest rates you pay by borrowing on margin and compare those interest rates to other available sources of credit (or lenders) from which you can borrow, as the interest you could be charged by borrowing on margin may be greater than loans available elsewhere.

## **12E. Securities Backed Loans and Lines of Credit**

In addition to the revenue sharing arrangements stated above, Sanctuary Wealth also enters into arrangements with certain banking institutions that enable clients to collateralize certain investment accounts in order to obtain secured loans in a securities-backed lending program. Depending on the arrangement with the banking institution chosen, a portion of the revenue earned by the lender is paid to Sanctuary Wealth for making the respective loan programs available on our platform and to cover various administrative costs. This compensation varies and Sanctuary Wealth can earn more or less depending on the lender chosen. Not all accounts or clients qualify for a securities-backed lending program. As it relates to securities backed loans and priority lines of credit, should Clients enter into an arrangement with Sanctuary Wealth, Sanctuary Wealth will be paid compensation from the proceeds of that loan. This creates a conflict of interest as Sanctuary Wealth, and indirectly SA, LLC, will benefit financially from these loans. To mitigate the conflict, Sanctuary Wealth does not share this compensation with SA, LLC IARs, and therefore, your IAR does not have a financial incentive to recommend one banking institution over another. The IARs do have an incentive to recommend that clients borrow money rather than liquidating some of their account assets so that the IAR can continue to receive brokerage commissions and fees on those assets. Accordingly, we monitor and supervise these activities to ensure recommendations of financial products are suitable based upon your financial needs, investment objectives, and risk tolerance.

## **12F. Cash Sweep Accounts**

Uninvested cash in advisory accounts maintained through our affiliated broker-dealer, Sanctuary Securities, Inc , is generally swept automatically into the default cash sweep vehicle designated for the applicable account type. Clients are enrolled in this option at account opening. If a client prefers an alternative to the default cash sweep option, they should discuss their choice with their Investment Advisor Representative. Depending on the account, the applicable sweep vehicle will be the Dreyfus Insured Deposits Sweep Product ("DIDS"), the Dreyfus Insured Deposits Sweep Product ("DIDH") and Dreyfus Insured Deposits E ("DIDE"). When balances exceed available program bank capacity or applicable insurance limits, an overflow money market fund (currently the Dreyfus Government Cash Management Fund, "DGUXX"). Available sweep vehicles are subject to change.

## FDIC Coverage and Overflow

DIDS, DIDH and DIDE are designed to place available cash into interest-bearing deposit accounts at participating FDIC-insured program banks. FDIC deposit insurance applies to the underlying bank deposits, subject to applicable limits and conditions, including aggregation with other deposits you maintain at the same program bank directly or through other intermediaries. The overflow money market fund (DGUXX) is not a bank deposit and is not FDIC insured.

## Compensation and Conflict of Interest

Sanctuary Securities receives compensation in connection with client cash balances held in the sweep program. The structure of that compensation varies by sweep vehicle and may take the form of a spread between rates paid by program banks and the yield credited to clients, a fixed fee arrangement, or a combination thereof depending on the applicable program. In all cases, Sanctuary Securities and its affiliates receive additional revenue as a result of assets being held in the sweep program rather than in other positions, and this creates a conflict of interest. Where compensation is derived from a spread between program bank rates and the yield credited to your account, that compensation directly reduces the interest paid to you. Additional bank sweep information is available at <https://sanctuarywealth.com/insured-cash-sweep-program/>.

Our advisory fee is calculated based on the total value of assets in your advisory account, including cash held in the sweep program. Sweep-related compensation is retained by Sanctuary Securities and is not shared with your investment adviser representative.

## Sweep as a Liquidity Vehicle, Not an Investment

The sweep program is designed to preserve principal, facilitate settlement, advisory fee debits, withdrawals, and other short-term liquidity needs. It is not intended as a long-term investment option. Yields available through the sweep program are often lower than those available through other cash alternatives – including certain non-sweep money market mutual funds, Treasury securities, or brokered certificates of deposit – which may involve different risk profiles, liquidity terms, and fees. Clients who expect to maintain material or ongoing cash balances should contact us to discuss available alternatives.

## How We Address This Conflict

We address this conflict of interest through written disclosure of program economics, periodic review of available sweep vehicles and program terms, related policies and procedures, and our investment adviser fiduciary obligation to act in your best interest under the Investment Advisers Act of 1940.

# Item 13: Review of Accounts

IARs will monitor your accounts on an ongoing basis and will conduct account reviews with you on at least an annual basis or upon client request, to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or
- changes in your risk/return objectives.

# Item 14: Client Referrals and Other Compensation

SA, LLC offers a range of investments and services to its clients. As you work with your IAR to determine the most appropriate types of accounts, investments, and services to achieve your investment goals, it is also important to understand how Sanctuary Wealth, its IARs, and affiliates are compensated. Certain forms of compensation create conflicts of interest and it is important for you to assess these conflicts when making decisions about your services and investments. Such compensation is not shared or credited to client accounts unless specifically noted.

## 14A Solicitation Arrangements

SA, LLC pays referral fees to independent persons or firms (“Solicitors/Promoters”) for introducing clients to SA, LLC. All such arrangements are consistent with the rules under the Advisers Act as well as individual State requirements, including, without limitation, documenting such arrangement in a written agreement and providing certain disclosures to referral prospects/clients.

## 14.B. Client Referrals and Other Custodial Compensation

SA, LLC and IARs receive economic benefits from our qualified custodians in the form of support products and services that custodians make available to SA, LLC. Please see Item 5

- Fees and Compensation and Item 12 - Brokerage Practices for more information.

## 14.C. Event Sponsorship

Periodically Sanctuary holds advisor meetings or industry conferences which may be firm-only or include external attendees. These meetings provide sponsorship opportunities for vendors and other third-party providers. Sponsorship fees allow these companies access to SA, LLC IARs and employees to discuss ideas, products, or services. The sponsorship fees also supplement the payment of the meeting or future meetings. This presents a potential conflict of interest, as SA, LLC may refer business to a certain vendor following their attendance and sponsorship. To mitigate the potential conflict of interest, sponsorship fees are not dependent on assets placed with any specific provider, or the revenue generated by asset placement. Event Sponsors may or may not be members of the Strategic Alliance Program described below.

## 14.D. Strategic Alliance Program

Sanctuary Wealth receives compensation from certain product sponsors and unaffiliated investment advisors that sponsor, manage and/or promote the sale of certain products that are available to our clients. Product sponsors and third-party money managers (“Strategic Partners”) pay this compensation to Sanctuary Wealth in what we call our Strategic Alliance Program (the “Program”). The Program includes product partner tiers which differ in both costs to participate and the benefits received.

Strategic Partners are provided with more opportunities than other non-Strategic Partner companies to market and educate our professionals on investments and the products they offer. The compensation arrangements vary and are generally structured as a fixed dollar amount. You do not pay more to purchase Strategic Partner products through Sanctuary Wealth than you would pay to purchase them elsewhere. In some instances, Sanctuary Wealth has negotiated

more favorable pricing for products offered by its Strategic Partners. Additionally, revenue sharing payments are not paid to or directed to your IAR. Nevertheless, a conflict of interest exists, in that Sanctuary Wealth receives an economic benefit when you purchase products from its Strategic Partners. This conflict is mitigated by the fact that IARs do not receive any additional compensation for selling Strategic Partner products and are not required to recommend products offered by Strategic Partners.

We use the revenue from our Strategic Partners to support certain marketing, training, and educational initiatives, including our conferences and events. The conferences and training events provide a venue to communicate new products and services to our registered representatives and IARs, to offer training to them and their support staff, and to keep them abreast of regulatory requirements.

The benefits Strategic Partners receive may include but are not limited to:

- Information regarding the Sanctuary network of Partner Firms and training of sales personnel
- Promotion through our national conferences and regional road shows
- Comprehensive business mix intelligence on advisors and their sales growth
- Support from Sanctuary Investment Research

## 14.E. Other Cash and Non-Cash Compensation

In addition to reimbursement of training and educational meeting costs, our IARs may receive promotional items of nominal value, meals or entertainment or other non-cash compensation from representatives of mutual fund companies, insurance companies, third party money managers and other investment products, as permitted by regulatory rules.

## 14.F. Transition Assistance Benefits

When an IAR associates with SA, LLC after working with another financial services firm, the IAR can receive recruitment or transition compensation from SA, LLC in connection with the transition. This transition assistance includes payments that are intended to assist an IAR with certain defined costs associated with the transition; however, we do not verify that

any payments made are used for transition costs. These payments can be in the form of repayable or compensatory loans and are subject to favorable interest rate terms, as compared to other lenders. In the case of compensatory loans, the loans are subject to repayment if an IAR leaves SA, LLC before a certain period of time.

Funds advanced by SA, LLC to an IAR under a compensatory loan are not taxable to the IAR when received but represent taxable income as the principal and interest is forgiven by SA, LLC or the IAR is paid additional compensation to cover the principal and interest on the note. Transition assistance payments can be used for a variety of purposes such as providing working capital to assist in funding the IAR's business, offsetting account transfer fees payable to the custodian as a result of the clients transitioning to SA, LLC platforms, technology set-up fees, marketing, mailing and stationery costs, registration and licensing fees, moving and office space expenses, staffing support, and termination fees associated with moving accounts.

The amount of recruitment compensation is often significant in relation to the overall revenue earned or compensation received by an IAR at his or her prior firm. Such recruitment compensation is typically based on a percentage of the IAR's business established at their prior firm, for example, a percentage of the revenue earned, or assets serviced at the prior firm, or on the size of the assets that transition to Sanctuary Advisors.

## Item 15: Custody

Pursuant to Rule 206(4)-2, we are deemed to have limited custody of client account's funds and securities because we can debit fees directly from the accounts of such clients. Authorization to debit fees directly from a client account is granted by the client's signed SA, LLC Agreement or Sanctuary Financial Planning Agreement. We are also deemed to have custody of a client's funds and/or securities when a client has on file a standing letter of authorization (SLOA) with the account custodian to move money from the client's account to a third party and, pursuant to the SLOA, authorizes us

to designate, based on your instructions from time to time, the amount or timing of the transfers. We follow the procedural safeguards intended to alleviate a firm from being held to the full requirements of the SEC's Custody Rule in this regard.

All client assets will be held by a qualified custodian. Clients have access to their portfolio holdings and activity through their custodian's platform, which generally permits clients to log into their custodial account via secure login and password. In addition, qualified custodians will send, or make available, on a quarterly basis or more frequently, account statements directly to each client. We urge clients to carefully review these account statements from their qualified custodians and compare the information therein with any financial statements or information received or made available to clients through SA, LLC or any other outside vendor. Clients should contact SA, LLC and/or their custodian if there are any discrepancies regarding the reports/statements.

Sanctuary's qualified custodians will also provide clients with confirmations of trading activity, asset movement, and various tax forms. Trade confirmation suppression is available upon request. For accounts held at Pershing, unless the Client makes an election on the Advisory Agreement, you will not receive a separate confirmation for each transaction. In lieu of separate trade confirmations, the information will be provided in a quarterly confirmation report via e-delivery at no additional charge. You can obtain, by request, trade by trade confirmations. However, if Pershing delivers such to you via US mail, a paper delivery charge is assessed.

## Item 16: Investment Discretion

As described in Item 4 - Advisory Business, SA, LLC will accept clients on either a discretionary or non-discretionary basis. If required by the custodian, the client will execute a limited power of attorney ("LPOA") which allows SA, LLC to carry out trade recommendations and approved actions in, and give instructions to the custodian related to, the client's account.

Clients who engage SA, LLC on a discretionary basis may, at any time, request reasonable restrictions, in writing, on the Adviser's discretionary authority (e.g., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the use of margin, etc.).

Certain programs offered by SA, LLC are offered only on a full discretionary basis. In such instances, the account manager, whether it is an IRA or third-party manager, will make all decisions with respect to the accounts without prior consultation with the Client.

# Item 17: Voting Client Securities

## 17.A. Authority to Vote

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Advisers Act, SA, LLC has adopted and implemented written policies and procedures governing the voting of client securities. SA, LLC will be responsible for voting proxies on the client's behalf unless they opt out of proxy voting services.

Where SA, LLC votes proxies, SA, LLC seeks to vote in the best interest of the client. SA, LLC supplements its evaluation of client proxies with guidance from an independent corporate governance consulting firm.

There may be instances where issues or conflicts exist that prevent SA, LLC from voting client proxies. In cases where SA, LLC is aware of a proxy voting conflict between the interests of a client and the interests of SA, LLC or an affiliated person of SA, LLC, SA, LLC will either abstain from voting or vote the applicable shares in a way that seeks to mitigate such conflicts.

There are programs, such as our UMA Program, where the third-party money manager will exercise discretion in voting or otherwise act on all matters for which security holders vote, consent, or similar action is solicited by securities held by the Client. The Client reserves the right to revoke this authority at any time.

## 17.B. Class Action Lawsuits

Securities held in a client's managed accounts may be subject to class action lawsuits. SA, LLC has engaged with a third-party independent service (the service) to provide a review of possible settlement claims involving a class action lawsuit with the exception of matters related to the Fair Funds for investors provision of Section 308 of Sarbanes-Oxley Act of 2002.. The service seeks out open and eligible class action lawsuits. The service files, monitors, and expedites the distribution of settlement proceeds in compliance with SEC guidelines on the client's behalf. The service's filing fee is contingent upon the successful completion and distribution of the settlement proceeds from a class action lawsuit.

Client agrees that any fees charged by the third-party independent service for the class action services may be deducted from Client's recovery of any compensation received from a class action settlement or judgement in connection with such services. The settlement proceeds are distributed to eligible clients. Clients are automatically included in this service after the account has been established or transferred to an account custodian. Clients can opt-out by notifying SA, LLC in writing or by indicating in Section 3 of the Advisory Agreement. If a client opts out, neither SA, LLC nor the Service will monitor class action filings for the client.

A copy of SA, LLC proxy voting and class action lawsuits policies and procedures, as well as specific information about how SA, LLC has voted in the past for your account, is available upon request.

# Item 18: Financial Information

SA, LLC has not been the subject of a bankruptcy petition. SA, LLC does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and currently does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients, and therefore has no disclosure with respect to this item.