

TFB ADVISORS, LLC

a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of TFB Advisors, LLC (hereinafter “TFB Advisors” or the “Firm”). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

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Material Changes

TFB Advisors is required to discuss any material changes that have been made to the brochure since the last annual amendment.

- TFB Advisors assigns proxy voting responsibility to their clients, unless otherwise requested in writing by a client.
- TFB Advisors retains the responsibility to complete any Corporate Actions issued for securities held in clients' accounts..

Item 4. Advisory Business

TFB Advisors offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to TFB Advisors rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with TFB Advisors setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

TFB Advisors is a Registered Investment Adviser with the Security and Exchange Commission and is owned by David Wentz, Bill Stapp, Paul Selzer, Tim Gaiglas, Dan Dolan, and Adam Bettis. As of December 31, 2024, TFB Advisors had \$859,559,702 in assets under management, all of which was managed on a discretionary basis.

While this brochure generally describes the business of TFB Advisors, certain sections also discuss the activities of its Supervised Persons, which refer to TFB Advisors officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on TFB Advisors’s behalf and are subject to TFB Advisors supervision or control.

Financial Planning and Consulting Services

TFB Advisors offers clients a broad range of financial planning and consulting services, which include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Distribution Planning
- Tax Planning
- Education Planning

While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, TFB Advisors is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. TFB Advisors recommends certain clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists for the Firm to recommend that clients engage TFB Advisors or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and

are under no obligation to act upon any of the recommendations made by TFB Advisors under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising TFB Advisors's recommendations and/or services.

Investment and Wealth Management Services

TFB Advisors manages client investment portfolios on a discretionary basis. In addition, TFB Advisors provides certain clients with wealth management services which include a broad range of financial planning and consulting services as well as discretionary management of investment portfolios.

TFB Advisors primarily allocates client assets among various mutual funds, exchange-traded funds ("ETFs"), individual debt and equity securities, and independent investment managers ("Independent Managers"), real estate investment trusts ("REITs"), options and structured notes, in accordance with their stated investment objectives.

Where appropriate, the Firm can also provide advice about any type of legacy position or other investment held in client portfolios, but clients should not assume that these assets are being continuously monitored or otherwise advised on by the Firm unless specifically agreed upon. Clients can engage TFB Advisors to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, TFB Advisors directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

TFB Advisors tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. TFB Advisors consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify TFB Advisors if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if TFB Advisors determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

Retirement Plan Consulting Services

TFB Advisors provides various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and

optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and includes any or all of the following services:

- Plan Design and Strategy
- Plan Review and Evaluation
- Executive Planning & Benefits
- Investment Selection
- Plan Fee and Cost Analysis
- Plan Committee Consultation
- Fiduciary and Compliance
- Participant Education

As disclosed in the Advisory Agreement, certain of the foregoing services are provided by TFB Advisors as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of TFB Advisors’s fiduciary status, the specific services to be rendered and all direct and indirect compensation the Firm reasonably expects under the engagement.

Use of Independent Managers

As mentioned above, TFB Advisors can select Independent Managers to actively manage a portion of its clients’ assets. The specific terms and conditions under which a client engages an Independent Manager are set forth in a separate written agreement with the designated Independent Manager. That agreement can be between TFB Advisors and the Independent Manager (often called a subadvisor) or the client and the Independent Manager (sometimes called a separate account manager). In addition to this brochure, clients will typically also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

TFB Advisors evaluates a variety of information about Independent Managers, which includes the Independent Managers’ public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, TFB Advisors seeks to assess the Independent Managers’ investment strategies, past performance and risk results in relation to its clients’ individual portfolio allocations and risk exposure. TFB Advisors also takes into consideration each Independent Manager’s management style, returns, fees, reputation, financial strength, reporting, pricing and research capabilities, among other factors. These Independent Managers' may employ their own management fee cycle, monthly instead of quarterly, that differs from TFB Advisors.

TFB Advisors continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, TFB Advisors monitors the fees charged and performance of those accounts being managed by Independent Managers. TFB Advisors seeks to ensure the Independent Managers’ strategies and target allocations remain aligned with its clients’ investment objectives and overall best interests.

Item 5. Fees and Compensation

TFB Advisors offers services on a fee basis, which includes fixed fees, as well as fees based upon assets under management. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, offers securities brokerage services and/or insurance products under a separate commission-based arrangement.

Financial Planning and Consulting Fees

TFB Advisors charges a fixed fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable, but range from \$500 to \$5,000 depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. The fee can be for a defined project, such as the delivery of a plan, or for ongoing services. If the client engages the Firm for additional investment advisory services, TFB Advisors can offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Advisory Agreement. For project-based services TFB Advisors requires one-half of the fee (estimated hourly or fixed) payable upon execution of the Advisory Agreement. The outstanding balance is due upon delivery of the financial plan or completion of the agreed upon services. Ongoing services are charged as described in the investment management section, below. The Firm does not, however, take receipt of \$1,200 or more in prepaid fees, six or more months in advance of services rendered.

Investment and Wealth Management Fees

TFB Advisors offers investment and wealth management services for an annual fee based on the amount of assets under the Firm's management. This management fee varies between 25 and 150 basis points (0.25% –1.5 %), depending upon the size and composition of a client's portfolio, the type and amount of services rendered and the individual(s) providing the services.

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by TFB Advisors on the last day of the previous quarter as determined by a party independent from the Firm (including the client's custodian or another third-party).

If assets are deposited into or withdrawn from an account totaling \$2,500 or more after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, from the effective date of termination to the end of the quarter

is the unearned portion of the management fee which is refunded to the client as appropriate.

Additionally, for asset management services TFB Advisors provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), TFB Advisors can negotiate a fee rate that differs from the range set forth above. Clients are advised that a conflict of interest exists for TFB Advisors to recommend that clients engage TFB Advisors for additional services for compensation, including rolling over retirement accounts or moving other assets to TFB Advisors management. Clients retain absolute discretion over all decisions regarding engaging TFB Advisors and are under no obligation to act upon any of the recommendations.

Retirement Plan Consulting Fees

TFB Advisors charges as fixed project-based fee or asset-based fee to provide clients with retirement plan consulting services. Each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the Agreement. These fees vary, based on the scope of the services to be rendered, the amount of assets to be advised on and the Supervised Persons providing the services.

Fee Discretion

TFB Advisors may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, pro bono activities, or competitive purposes.

Additional Fees and Expenses

In addition to the advisory fees paid to TFB Advisors, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges include securities brokerage commissions, transaction fees, custodial fees, fees charged by the Independent Managers, margin and other borrowing costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. The Firm’s brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients provide TFB Advisors and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to TFB Advisors. Alternatively, clients may elect to have TFB Advisors send a separate invoice for direct payment.

Use of Margin

TFB Advisors can recommend that certain clients utilize margin in the client's investment portfolio or other borrowing. TFB Advisors only recommends such borrowing for non-investment needs, such as bridge loans and other financing needs. The Firm's fees are determined based upon the value of the assets being managed gross of any margin or borrowing.

Account Additions and Withdrawals

Clients can make additions to and withdrawals from their account at any time, subject to TFB Advisors's right to terminate an account. The Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients can withdraw account assets on notice to TFB Advisors, subject to the usual and customary securities settlement procedures. However, the Firm designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. TFB Advisors may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Commissions and Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with TFB Advisors (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with TFB Advisors.

Under this arrangement, the Firm's Supervised Persons (as defined in the instructions to Form ADV), in their individual capacities as registered representatives of Ameritas Investment Company, LLC ("AIC"), can provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons are entitled to a portion of the brokerage commissions paid to AIC, as well as a share of any ongoing distribution or service (trail) fees from the sale of investments

including, but not limited to, mutual funds, and variable products. Prior to effecting any transactions, clients are required to enter into a separate account agreement with AIC.

A conflict of interest exists to the extent that a Supervised Person of TFB Advisors recommends the purchase or sale of securities through a brokerage relationship where that Supervised Person receives commissions or other additional compensation as a result of that recommendation (the “Brokerage Relationship”). Because the Supervised Persons receive compensation in connection with the sale of securities in the Brokerage Relationship, a conflict of interest exists as such Supervised Persons, have an incentive to recommend more expensive securities or services to clients if such Supervised Persons earn more compensation with respect to the sale of such securities through the Brokerage Relationship rather than through an advisory relationship with the Firm. The Firm has procedures in place to ensure that recommendations made by such Supervised Persons to engage in the Brokerage Relationship are in the best interest of that client. Clients should understand that the investments made in the Brokerage Relationship are not receiving advisory services from the Firm. Therefore, the Firm does not have a fiduciary duty over the Brokerage Relationship recommendations.

Item 6. Performance-Based Fees and Side-by-Side Management

TFB Advisors does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client’s assets).

Item 7. Types of Clients

TFB Advisors offers services to individuals, trusts, estates, charitable organizations, corporations and other business entities, pension and profit sharing plans.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

TFB Advisors engages in an in-depth planning process which takes into consideration, among other things, cash flow analysis, retirement, education, business planning, investments, insurance, and the tax needs of the client. The Firm’s planning process also includes both qualitative and quantitative analysis of the client’s current position and future goals. Each of the Firm’s investment adviser representatives (“IAR”) has the independence to take the approach that he or she believes is most appropriate when

analyzing investment products and strategies for clients. The IAR chooses his or her own research methods, investment style and management philosophy. It is important to note that no methodology or investment strategy is guaranteed to be successful or profitable. When developing recommendations for clients, IARs compare the client's financial goals with their investment risk tolerance and the risk and potential return of a specific investment. IARs have wide latitude in designing investment strategies.

TFB Advisors constructs portfolios using what it believes to be the best investments available. Generally, TFB Advisors believes using *Independent Managers* is the most effective strategy for managing client assets. In these cases, TFB Advisors has discretionary authority to select the *Independent Managers*, and then monitors and reviews the client's account performance and investment objectives. When selecting an *Independent Manager* for a client, TFB Advisors reviews information about the *Independent Manager* such as its disclosure statement and/or material supplied by the *Independent Manager* or independent third parties for a description of the *Independent Manager's* investment strategies, past performance and risk results to the extent available. Factors that TFB Advisors considers in recommending an *Independent Manager* include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research.

TFB Advisor's portfolio review processes allow it to monitor and review clients' goals, investments and overall financial health on a regular basis. If circumstances change in the financial markets, a client's life, or both, TFB Advisors discusses the changes to the portfolio it considers prudent with the client, and then implements the changes promptly.

Risk of Loss

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with respect to TFB Advisor's investment management activities. Clients should consult with their legal, tax, and other advisors before engaging TFB Advisors to provide investment management services on their behalf.

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of TFB Advisors's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that TFB Advisors will be able to predict these price movements accurately or capitalize on any such assumptions.

Volatility Risks

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Cash Management Risks

TFB Advisors may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

Equity-Related Securities and Instruments

The Firm may take long positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S., stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, mid-capitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

Fixed Income Securities

While TFB Advisors emphasizes risk-averse management and capital preservation in its fixed-income bond portfolios, clients who invest in bond portfolios can lose money, including losing a portion of their original investment. The prices of the securities in our portfolios fluctuate. TFB Advisors does not guarantee any particular level of performance. Below is a representative list of the types of risks clients should consider before investing in this fixed income securities.

- Interest rate risk. Prices of bonds tend to move in the opposite direction to interest rate changes. Typically, a rise in interest rates will negatively affect bond prices. The longer the duration and average maturity of a portfolio, the greater the likely reaction to interest rate moves.
- Credit (or default) risk. A bond's price will generally fall if the issuer fails to make a scheduled interest or principal payment, if the credit rating of the security is downgraded, or if the perceived creditworthiness of the issuer deteriorates.

- Liquidity risk. Sectors of the bond market can experience a sudden downturn in trading activity. When there is little or no trading activity in a security, it can be difficult to sell the security at or near its perceived value. In such a market, bond prices may fall.
- Call risk. Some bonds give the issuer the option to call or redeem the bond before the maturity date. If an issuer calls a bond when interest rates are declining, the proceeds may have to be reinvested at a lower yield. During periods of market illiquidity or rising rates, prices of callable securities may be subject to increased volatility.
- Prepayment risk. When interest rates fall, the principal of mortgage-backed securities may be prepaid. These prepayments can reduce the portfolio's yield because proceeds may have to be reinvested at a lower yield.
- Extension risk. When interest rates rise or there is a lack of refinancing opportunities, prepayments of mortgage-backed securities or callable bonds may be less than expected. This would lengthen the portfolio's duration and average maturity and increase its sensitivity to rising rates and its potential for price declines.

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for index-based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares

or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

TFB Advisors can also invest in closed-end funds. Closed-end funds trade more like a stock than open-end funds. The trade on the secondary market and do not typically redeem or issue shares on a daily basis. Closed-end funds can be riskier than open-end mutual funds in that they can use more leverage and issue debt. Because closed-end funds trade on the open market, the price may not be equal to the NAV of the fund and could trade higher or lower than the NAV.

Use of Independent Managers

As stated above, TFB Advisors selects certain Independent Managers to manage a portion of its clients' assets. In these situations, TFB Advisors continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, TFB Advisors does not have the ability to supervise the Independent Managers on a day-to-day basis.

Options

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Real Estate Investment Trusts (REITs)

TFB Advisors recommends an investment in, or allocate assets among, various real estate investment trusts ("REITs"). REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle's shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

Management through Similarly Managed “Model” Accounts

TFB Advisors manages certain accounts through the use of similarly managed “model” portfolios, whereby TFB Advisors allocates all or a portion of its clients’ assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients’ net after tax gains. While TFB Advisors seeks to ensure that clients’ assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client’s individual tax ramifications. Clients should contact TFB Advisors if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

Currency Risks

An advisory account that holds investments denominated in currencies other than the currency in which the advisory account is denominated may be adversely affected by the volatility of currency exchange rates.

Interest Rate Risks

Interest rates may fluctuate significantly, causing price volatility with respect to securities or instruments held by clients.

Use of Structured Products

Structured products involve derivatives and a higher degree of risk factors that may not be suitable for all investors. Such risks include risk of adverse or unanticipated market developments, issuer credit quality risk, risk of counter party or issuer default, risk of lack of uniform standard pricing, risk of adverse events involving any underlying reference obligations, entity or other measure, risk of high volatility, and risk of illiquid/little to no secondary market. In certain transactions, investors may lose their entire investment, i.e., incur an unlimited loss.

Item 9. Disciplinary Information

TFB Advisors has not been involved in any legal or disciplinary events that are material to a client’s evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

Registered Representatives of a Broker-Dealer

Certain of TFB Advisors's Supervised Persons are registered representatives of AIC and provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

Affiliation with Other Investment Adviser

Certain IARs of TFB Advisors are also registered as IARs with Ameritas Advisory Services, LLC (“AAS”). Through AAS, the IARs may provide asset management services or financial planning and consulting fees and earn advisory fees for providing these services on behalf of AAS. Therefore, clients could receive advisory services from one individual acting as an IAR on behalf of two separate registered investment advisers. This dual registration is a conflict of interest because the IAR may receive more compensation as a result of his or her registration with AAS or TFB Advisors and may have access to different programs or services.

Clients will be given the Disclosure Brochure and IAR brochure supplements of the firms the client has a relationship with. The disclosure brochures describe the services provided, fees charged, conflicts of interest and other important information. Clients are encouraged to read and review the disclosure brochures for both firms as well as client agreements and other disclosure documents provided. If clients have questions regarding how these conflicts of interests impact them, they should direct questions to their IAR.

Affiliated Licensed Insurance Agency

TFB Advisors is under common control with Tax Favored Benefits, Inc. which is a duly licensed insurance agency. A number of the TFB Advisors Supervised Persons are licensed insurance agents through Tax Favored Benefits, Inc. and other insurance agencies and offer certain insurance products on a commission basis. A conflict of interest exists to the extent that any party including TFB Advisors, Tax Favored Benefits, Inc. and/or the Supervised Persons (together, the “parties”) recommends the services of the other where the parties are entitled to compensation for the services.

Affiliated Third-Party Administrator

As discussed above, TFB Advisors is under common control with Tax Favored Benefits, Inc. which also acts as a third-party administrator for retirement plans. A number of TFB Advisors Supervised Persons are affiliated with Tax Favored Benefits. A conflict of interest exists to the extent that any of the parties, including TFB Advisors, Tax Favored Benefits, Inc. and/or the Supervised Persons recommends the services of the other where the parties are entitled to compensation for the services.

Item 11. Code of Ethics

TFB Advisors has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. TFB Advisors’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by TFB Advisors or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of TFB Advisors’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, TFB Advisors Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with TFB Advisor’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When TFB Advisors is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase

agreements; (iii) shares issued by money market funds; and iv) shares issued by other unaffiliated open-end mutual funds.

Clients and prospective clients may contact TFB Advisors to request a copy of its Code of Ethics by contacting the Firm at the phone number on the cover page of this brochure.

Item 12. Brokerage Practices

Recommendation of Broker-Dealers for Client Transactions

TFB Advisors recommends that clients utilize the custody, brokerage and clearing services of Charles Schwab & Co, Inc. through its Schwab Advisor Services division (“Schwab” or also referred to as “Custodians” because the Firm can recommend others when it is in the client’s best interest) for investment management accounts. The final decision to custody assets with Custodians is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. TFB Advisors is independently owned and operated and not affiliated with Custodians. Custodians provide TFB Advisors with access to its institutional trading and custody services, which are typically not available to retail investors.

Factors which TFB Advisors considers in recommending Custodians or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Custodians enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Custodians may be higher or lower than those charged by other Financial Institutions.

The commissions paid by TFB Advisors’s clients to Custodians comply with the Firm’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where TFB Advisors determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates and responsiveness. TFB Advisors seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

The receipt of any benefits from Custodians poses a conflict of interest because TFB Advisors does not have to produce or pay for the products or services. TFB Advisors periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

TFB Advisors receives without cost from Custodians administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow TFB Advisors to better monitor client accounts maintained at Custodians and otherwise conduct its business. TFB Advisors receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Custodians. The Support benefits TFB Advisors, but not its clients directly. Clients should be aware that TFB Advisors's receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits will influence the Firm's choice of broker-dealer over another that does not furnish similar software, systems support or services. In fulfilling its duties to its clients, TFB Advisors endeavors at all times to put the interests of its clients first and has determined that the recommendation of Custodians is in the best interest of clients and satisfies the Firm's duty to seek best execution.

Specifically, TFB Advisors receives the following benefits from Custodians: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

Custodians also makes available to the Firm, at no additional charge, certain research and brokerage services, including research services obtained by Custodians directly from independent research companies, as selected by TFB Advisors (within specified parameters). These research and brokerage services are used by the Firm to manage accounts for which it has investment discretion. Without this arrangement, the Firm might be compelled to purchase the same or similar services at its own expense.

These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain amount of the advisor's clients' assets are maintained in accounts at Custodians. Custodians' 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 client accounts maintained in its custody, Custodians generally do 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 Custodians or that settle into Custodians accounts.

Custodians also make available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. These benefits may include national, regional or Firm specific educational events organized and/or sponsored by Custodians. Other potential benefits may include occasional business entertainment of personnel of TFB Advisors by Custodians 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 TFB Advisors 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 the Firm's fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at Custodians. Custodians also make available to TFB Advisors other services intended to help the Firm 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, Custodians may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. Custodians 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 the Firm. While, as a fiduciary, TFB Advisors endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Custodians may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Custodians, which creates a potential conflict of interest.

Brokerage for Client Referrals

TFB Advisors does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

The client may direct TFB Advisors in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by TFB Advisors (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, TFB Advisors may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Commissions or Sales Charges for Recommendations of Securities

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of AIC. These Supervised Persons are subject to FINRA Rule 3280 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless the registered representatives give prior notice of such transactions to AIC and, in most circumstances, AIC provides written consent. Therefore, clients are advised that certain Supervised Persons are restricted to conducting securities transactions through AIC if they have not secured written consent from AIC to execute securities transactions through a different broker-dealer.

Commission-based transactions done through the Firm's Supervised Persons in their individual capacities as registered representatives of AIC, must be conducted through AIC's clearing firm, NFS. AIC only permits its registered representatives to utilize custodians approved by AIC. The Firm is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

Trade Aggregation

Transactions for each client will be effected independently, unless TFB Advisors decides to purchase or sell the same securities for several clients at approximately the same time. TFB Advisors may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among TFB Advisors's clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which TFB Advisors's Supervised Persons may invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. TFB Advisors does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order

is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Item 13. Review of Accounts

Account Reviews

TFB Advisors monitors client portfolios on a continuous and ongoing basis and regular account reviews are conducted on at least an annual basis. Such reviews are conducted by the Firm's investment adviser representatives and the chief compliance officer. All investment advisory clients are encouraged to discuss their needs, goals and objectives with TFB Advisors and to keep the Firm informed of any changes thereto.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from TFB Advisors and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from TFB Advisors or an outside service provider.

Item 14. Client Referrals and Other Compensation

In the event a client is introduced to TFB Advisors by either an unaffiliated or an affiliated solicitor, TFB Advisors may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from TFB Advisors's investment management fee and does not result in any additional charge to the client. If the client is introduced to TFB Advisors by an unaffiliated solicitor, the client will receive a solicitor's disclosure statement containing the terms and

conditions of the solicitation arrangement. Any affiliated solicitor of TFB Advisors is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of TFB Advisors written brochure(s) at the time of the solicitation.

The Firm receives economic benefits from Custodians. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12.

Item 15. Custody

TFB Advisors is deemed to have custody of client funds and securities because TFB Advisors is given the ability to debit client accounts for payment of TFB Advisors fees. As such, client funds and securities are maintained at one or more Financial Institutions that serve as the qualified custodian with respect to such assets. Such qualified custodians will send account statements to clients at least once per calendar quarter that typically detail any transactions in such account for the relevant period.

In addition, as discussed in Item 13, TFB Advisors will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from TFB Advisors. Any other custody disclosures can be found in TFB Advisors Form ADV Part 1.

Item 16. Investment Discretion

TFB Advisors is given the authority to exercise discretion on behalf of clients. TFB Advisors is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. TFB Advisors is given this authority through a power-of-attorney included in the agreement between TFB Advisors and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). TFB Advisors takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

TFB Advisors does accept the authority to monitor and execute Corporate Actions solicited by issuers of securities held in client accounts. TFB Advisors' clients are responsible for directing the way proxies solicited by issuers of securities held in account(s) will be voted. Clients receive proxies directly from the Financial Institutions where their assets are custodied and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

Item 18. Financial Information

TFB Advisors is not required to disclose any financial information listed in the instructions to Item 18 because:

- TFB Advisors does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- TFB Advisor does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- TFB Advisor has not been the subject of a bankruptcy petition at any time during the past ten years.