

# Global Brokerage Services, Inc.

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## Form ADV Part 2A: Appendix 1

### Wrap Fee Platform Brochure

November 15, 2022

This Wrap Fee Brochure provides information about the qualifications and business practices of Global Brokerage Services, Inc. (GBS). This information should be considered before becoming a client of one of these programs.

This Form ADV Disclosure Brochure applies to all of our wrap fee program advisory accounts at GBS, including any advisory accounts you may open in the future. We may not provide another copy of the Form ADV Disclosure Brochure when you establish new advisory accounts unless there are material changes to the document we originally provided to you. Annually we will provide you with a copy of our updated Form ADV Disclosure Brochure or a summary of material changes from the brochure previously provided to you.

Please retain all these documents for future reference as they contain important information if you decide to add services or open new advisory accounts with our Firm.

If you have any questions about the contents of this Brochure, please contact us at 410-785-4990 or email [tjohnson@globalbrokers.net](mailto:tjohnson@globalbrokers.net). 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.

GBS is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about GBS also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2- Material Changes since Last Update**

This Item of the Brochure will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. This Brochure dated November 15, 2022 is a new document and is materially different in structure and requires certain new information that our previous Brochure did not require. In the future, this Item will discuss specific material changes that are made to the Brochure and provides clients with a summary of such changes. We will also referenced the date of our last annual update of our Brochure.

### **Annual Update**

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

### **Brochure Availability**

Currently, our Brochure may be requested by contacting Thomas Johnson, President at 410-785-4990 or [tjohnson@globalbrokers.net](mailto:tjohnson@globalbrokers.net). Our Brochure is also available on our web site [www.globalbrokers.net](http://www.globalbrokers.net), also free of charge.

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

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## Item 4- Services, Fees, and Compensation

### Description of Services

#### **Firm Description**

Founded in 1995, Global Brokerage Services, Inc. (“GBS”) (Advisor), a Maryland Corporation, is a Fully Disclosed Registered Broker/Dealer with Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). In 2005, in order to provide a hybrid financial services platform for dually registered representatives, GBS became a State Registered Investment Adviser licensed in various states. The firm’s principal shareholders are Thomas W. Johnson and William B. Sweigart.

In comparing account types and managed account programs (“Programs”) and their relative costs, you should consider various factors, including, but not limited to, the range of investment products available in each Program, preference for an advisory or brokerage relationship, and preference for a fee-based or commission-based relationship.

As of June 30, 2022 Global Brokerage Services manages approximately **\$91,900,000** of assets on a non-discretionary basis. GBS does not manage any discretionary accounts.

#### **Services, Fees and Compensation**

GBS sponsors a number of Programs that are designed to help clients meet their investment objective and goals. The accounts managed by GBS are generally not intended to provide you with a complete investment program as GBS expects that the assets it manages for you do not represent the entire value of your investment portfolio. The service begins with a consultation between you and your Investment Advisor Representative (“IAR”) to review your investment objectives, financial circumstances and risk tolerance. You will complete a Risk Tolerance Questionnaire (“RTQ”) to document the results of this assessment. After reviewing the results of the RTQ, your IAR will recommend a specific advisory program. By reviewing your RTQ and recommending a specific advisory platform, your IAR seeks to appropriately balance your financial objectives with your risk tolerance as part of an investment strategy. You agree to immediately notify your IAR of any changes in your financial situation or risk objectives. In some cases, these Programs cost you more or less than purchasing the services separately. You should be aware that Program fees charged in some cases are higher than those otherwise available if you were to select a separate brokerage service or negotiate commissions in the absence of the extra advisory services provided.

Our fee schedules are subject to negotiation, depending upon a range of factors including, but not limited to, account values and overall range of services provided. GBS acts on a fully disclosed basis with Hilltop Securities, Inc. (“HTS”) acting as Custodian and clearing of transactions.

Services provided as part of the wrap fee for advisory accounts include, but not limited to:

- Access to an IAR for personal service and financial advice
- Review of suitability based on client provided information in advisory agreements, new account forms and client interviews
- Portfolio Management services
- Quarterly and/or monthly account statements
- Performance reports available on demand
- Execution of client portfolio transactions
- Custodial Services
- Advisory Fee Billing

## Advisory Accounts available through Investnet Asset Management, Inc.

GBS advisory programs and services are available through Investnet Asset Management, Inc (“Investnet”) (Platform Manager), a non-affiliate investment adviser registered under the Investment Advisers Act, through its web-based platform and Hilltop Securities, Inc. (“HTS”) (Platform Provider), a non-affiliate Custodian. These services in part or whole apply to GBS’ Partner-Adviser as Portfolio Manager (“APM”), Premier Advisors Separately Managed Accounts (“SMA”), and Unified Managed Accounts (“UMA”). The services from Investnet include:

- Providing access to a variety of SMA, UMA, and FSP strategies and risk-based asset allocation models available for GBS programs;
- Portfolio trading as directed by Investnet and or Investnet Manager;
- Providing billing for all GBS Advisory Accounts;
- Providing account reporting including but not limited to performance, realized/unrealized gains and losses, account holdings etc.;
- Account rebalancing;
- Accepting and acting on reasonable account restrictions

Additional services can be provided base on the Program selected. Fees and additional services for each Program are listed below:

### A. Partner-Adviser as Portfolio Manager (“APM”)

The Partner-APM Program is an investment advisory program which enables your IAR to provide investment advice through an account with access to a wide spectrum of investment choices to help achieve portfolio diversification, all for a single fee. Within the Partner-APM Program, your IAR assists you in developing a personalized investment portfolio using a variety of security types. Your IAR obtains the necessary financial data from you and assists you in determining the suitability of the advisory services and selecting the appropriate investment objective. Your IAR provides ongoing investment advice and management that is tailored to your individual needs.

GBS offers a Non-Discretionary service in the Partner-APM Program only available to IARs who meet certain eligibility standards.

#### Partner-APM Program Fees

Fees for the Partner-APM program are offered on a wrap fee basis, covering all of GBS’s Consulting fees and HTS (Custodian) execution and custodial services. The maximum Partner-APM program fee schedule, shown in the table below, is based on the total account value and is negotiable. The fee schedule is not applied incrementally; the corresponding rate is applied to the entire total account value in the determination of the fee. The fee does not cover the fees and expense of any underlying exchange trade funds (“ETFs”), closed-end funds, mutual funds, unit investment trusts or exchange trade notes (“ETNs”). The fee is calculated using the market value of the account on the last day of the preceding quarter. The fee is applied to the account each calendar quarter, on a pro-rated quarterly basis, and is billed in advance (calculated and processed through Investnet). Your program fee will not be adjusted for no or low trading activity.

Total Account Value	Maximum Annualized Fee for Individual Securities Accounts	Maximum Annualized Fee for Mutual Fund/ETF/UIT Only Accounts
Up to \$ 249,9000	2.25%	1.75%
\$ 250,000 to \$ 499,999	2.00%	1.50%
\$500,000-\$ 999,999	1.75%	1.25%
\$ 1,000,00 and over	1.50%	1.00%

If you make any single deposit or any single withdrawal of \$ 10,000 or more of cash and/or securities, you will be debited or credited a pro-rate fee on the market value of the assets. The pro-rated amount will be due and charged to your account as of the date you deposited the additional assets, or you will receive a pro-rated adjustment or refund of any prepaid fee as of the date of withdrawal.

### Cash and Securities Concentrations

Advisory Programs are not appropriate for clients who want to maintain a high level of cash and/or highly concentrate positions that will not be sold regardless of market conditions. If you continue to hold high level of cash and/or highly concentrated positions then you do so against our recommendation and with the understanding that the value of those securities will be included for the purposes of calculation the Program fee, resulting in a higher fee to us. Please note that you may hold excess cash or concentrated position in a brokerage account without incurring the Advisory Program Fee. If your account continues to be outside of the cash and concentration guidelines, over a specified period of time, then your account will be subject to removal from the Program.

### Unsolicited Transactions

The advice and counsel of your IAR is a critical service of the Partner-APM Program account. Solicited transactions will be made based on the recommendations that they make to you. Unsolicited transactions are made when you direct the trades without advice or counsel from your IAR. For these unsolicited trades, your IAR did not act as your IAR and these transactions are your responsibility.

An unsolicited trading pattern may indicate that the Partner-APM program account is no longer appropriate for you as you are not leveraging the advice of your IAR. In these situations, GBS has the right to terminate your Account from the Program. After you have executed an unsolicited transaction without our advice, for so long as you hold that position in your Partner Account, we will take that asset into consideration:

- As part your overall account assets;
- When we give you periodic asset allocation advice;
- When we value your account holdings;
- When we provide you with analysis and reports on your account's performance, and
- We can also make recommendation that you consider selling the asset, if and when we deem it appropriate.

We will include any security you acquire in an unsolicited transaction as part of your account assets for calculating your advisory fee. If you continue to hold the asset in your account, it will continue to be part of the calculation during each fee cycle.

### Inactive Accounts

Partner Program accounts are reviewed on a quarterly basis for trading inactivity for accounts that have been in the Program for over 12 months. If your accounts have had zero trades for the trailing 12 months, your IAR will be notified of the inactivity and if your account does not have trading activity by the end of the next quarter review, the account will be subject to conversion to a brokerage account due to the continued inactivity. The reinvestment of Dividends and Capital Gains are not considered trades for this purpose.

### Employee Benefit Plan or IRA Accounts

The following provisions apply to an employee benefit plan or account subject to the Title I Part 4 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and a plan or account subject to Section 4975 of the Internal Revenue code of 1986, as amended (the "Internal Revenue Code"), all such plans or accounts hereinafter referred to as a "Plan," and the portion of such Plan held in a Program account is hereinafter referred to as the Client's "Plan Account."

To the extent that GBS, HTS, IARs provide investment advice with respect to the Client's Plan Account for a fee, each acknowledges that it is a "fiduciary" within the meaning of Section 3(21) for ERISA and Section 4975(3) of the Internal Revenue

Code. In connection with the maintenance of the Client's Plan Account, GBS relies on one or more prohibited transaction exemptions under ERISA and/or the Internal Revenue Code to comply with the requirements of such exemptions. Plan Clients are required to provide GBS with certain requested information or acknowledgements as necessary to comply with the conditions or such exemptions. None of GBS, HTS, or IARs will have or exercise any discretionary authority or control over the assets in a Client's Plan Account, have any duty or obligations with respect to the administration/operation of the Plan, or have the duty or obligation to diversify the Plan's overall investments.

The Client remains solely responsible for (i) determining whether and to what extent the Plan Account is appropriate for the Client and the Plan; (ii) compliance with the Plan's governing documents; and (iii) compliance with the requirements, duties and obligations under ERISA and/or the Internal Revenue Code, including, without limitation, the duty to diversify the assets in the Plan Account. The Client should carefully review this brochure and evaluate the services provided by GBS, HTS, IARs, and their affiliates, the reasonableness of the overall fees charged for such services, and the effect of any conflicts of interest.

With respect to any service fees and sweep compensation that is payable to GBS, HTS, IARs, or their affiliates, unless an appropriate exemption applies or the compensation is otherwise permitted under applicable law, the Program fees charges to a Client's Plan Account will be reduced and offset by the respective amount of compensation received from the mutual funds and/or money market funds in connection with the investment of Plan Account assets in such mutual funds and money market funds.

If ERISA or other applicable law requires bonding with respect to the assets in the Plan Account, the Client will obtain and maintain at its expense any required bonding and will cover GBS, HTS, and IARs, as applicable.

## **B. Premier Advisors**

The Premier Advisors Program ("Premier Advisors Program") is an investment advisory program made available by Platform Provider ("HTS"), available through GBS (Co-Advisor) and its IARs (Co-Advisor IARs), that provides you access to a broad selection of Separately Managed Accounts ("SMA") and Unified Managed Account strategies ("UMAs").

Premier Advisors is made available with Envestnet Asset Management, Inc. ("Envestnet"), a non-affiliate investment adviser registered under the Investment Advisers Act, through its web-based platform. As manager of the web-based platform, Envestnet has entered into a sub-management agreement with investment managers ("Envestnet Managers"), to manage various types of portfolios offered through the platform and to develop model portfolios and research that is made available to Sponsor, IARs and IAR Clients. For certain Envestnet Managers, Envestnet has entered into a licensing agreement with the Manager, whereby Envestnet performs administrative and/or trading duties pursuant to the direction of the sub-manager. In such situations the Envestnet Manager is acting in the role of "Model Provider." The Model Providers are responsible for all investment selections made for the portfolios they create. It is up to the Client to select a third-party model portfolio. Unless Envestnet affirmatively cites the Model Providers as "approved" as described below in Methods of Analysis section, Envestnet does not collect and report data on investment style and philosophy, past performance and personnel of Model Providers.

In SMAs, you are offered access to actively manage investment portfolio managed by independent investment managers. Unlike a mutual fund, where funds are commingled, a separately managed account is a portfolio of individually owned securities that can be tailored to fit your investing preferences. IARs will work with you to complete a Statement of Investment Selection ("SIS") which includes a Risk Tolerance Questionnaire. The purpose of this statement is to establish an understanding between the Client, GBS, HTS and Envestnet regarding the investment objectives, goals, and guidelines for your investment management account. This will also assist you with the selection of the investment manager(s). The asset managers who are selected for these Programs employ different methods of analysis that are described in each manager's Disclosure Brochure.

A UMA is an investment program that provides you access to combine a broad selection of investment managers and fund strategists as well as a Partner-APM Program. Your IAR will provide you with recommendations regarding the appropriate asset allocation and underlying investment vehicles or investment strategies to meet your objectives, but you are making the selection of the investment managers/fund strategists and changes made to the UMA portfolio and ultimately responsible for the selection of the appropriate asset allocation and underlying investment strategies. Envestnet provides overlay management services for UMA accounts and implements trade orders based on the directions of the investment strategies contained in the UMA portfolio. Your IAR will assist you in creating a customized portfolio, providing you with recommendations regarding the asset allocation and underlying investment strategies. You shall select the asset allocation and the investment strategies. The asset managers who are selected for the Program employ different methods of analysis that

are described in each manager’s Disclosure Brochure. In addition, to the extent that other investment vehicles are utilized in your portfolio such as mutual funds or ETFs, you should read the offering documents (e.g. prospectus, offering memorandum, etc.) carefully to fully understand the various risks, investment objectives, expenses and other information about the company associated with the investment.

GBS and its IARs also provides you with monitoring and on demand reporting of portfolio performance on a periodic basis for your Premier Advisors accounts.

### Premier Advisors Program Fees

The Premier Advisors Program charges an annual fee, out of which GBS pays for all portfolio management and administration, including Envestnet, Envestnet Manger Fees, and fees payable to the Platform Provider and IARs. The sub-manager’s fee will generally fall within a range of .15% to .75% (annual rate) of assets under management. The fee payable to HTS, as the Platform Provider, will generally fall within a range of .10% to .38% (annual rate) of assets under management. The program fee will not be adjusted if the manager trades away from HTS.

The level of fee will vary with the amount of assets under advisement in the Premier Advisors Program and the particular investment styles and investment options chosen or recommended. Clients could receive comparable services from other sources for fees that are lower than those charged by GBS.

The maximum fee schedule for the Premier Advisors Program services is set forth below and is negotiable in individual cases:

Total Account Value	Maximum Annualized Fee for Equity/Balanced SMA Portfolios	Maximum Annualized Fee for Fixed Income SMA Portfolios	Maximum Annualized Fee for UMA Account
First \$ 250,000	2.90-3.00%	1.55-1.65%	2.35%
Next \$ 250,000	2.4-2.5%	1.4-1.5%	2.30%
Next \$ 500,000	2.15-2.25%	1.25-1.35%	2.10%
Next \$ 4,000,000	1.9-2.00%	1.05-1.15%	1.90%
Over \$ 5,000,000	1.75-1.85%	0.9-1.00%	1.70%

\* The total fee actually charged to Client’s accounts will vary depending upon the selection of sub-managers and allocation of total portfolio assets thereto, the total amount of the portfolio assets in the Premier Advisors Program and other factors.

### Additions and Withdrawals from a Premier Advisors Account

If you make any deposit or withdrawal of \$ 10,000 or more during a fee period, you will be debited or credited a pro-rated fee on the market value of the assets deposited or withdrawn. The pro-rated amount will be due and charged to your account on the date you deposit the additional assets, or you will receive a pro-rated adjustment of refund of any prepaid fee.

### **Investment Strategies; Eligible and Ineligible Assets**

This Section describes our general policies regarding eligible assets in our Advisory programs. The Partner-AGM program provides the greatest level of flexibility than the other Advisory programs offered as it pertains to eligible assets-i.e., those assets held in your account that are subject to our advice.



Specifically, the program prohibits you to hold or purchase, certain assets deemed ineligible in other programs such as the following:

- B share class and C share class mutual funds and other classes deemed ineligible;
- Open-end mutual funds not approved for the Program;
- UITs not approved for the Program;
- ETFs and closed-end funds not approved for the program;
- Structured products not approved for the program;
- Alternative investments not approved for the Program, including hedge funds, hedge fund of funds, managed futures, and restricted stock.

We employ a variety of investment strategies in connection with our wrap fee and other investment Advisory services, depending upon:

- The type of client involved
- The Program chosen
- The objective and risk tolerance selected by the client

Some of these strategies involve the use of asset allocation models, long-term and short-term investments. GBS uses our discretion in some cases to expand the offerings in our program to include multiple style accounts and investment strategies that include:

- ETFs/ETNs
- The purchase and sale of mutual funds
- Non-Daily Trade Alternative investment vehicles
- Margin and short sales
- Option strategies

We have discretion to impose special suitability and investment requirements with respect to these portfolios.

### Eligible Assets and Ineligible Assets

We require that you hold and purchase only eligible assets in your Advisory accounts. Generally, with respect to most of the Programs described in the brochure, you or your IAR or SMA Manager has discretion to purchase and sell a broad array of different securities, including any of the following eligible assets:

- U.S. and foreign stocks-both common and preferred shares
- Government, Corporate and Municipal Bonds (agency transactions only)-Investment Grade only in certain retirement plan accounts
- Options (in certain programs)
- American Depositary Receipts
- Closed-end funds
- Open-end mutual funds (in certain programs) which in some cases include several share classes including Institutional, Advisory and other non 12g-1 fee paying share classes. In limited cases some funds used pay 12b-1 fees.
- Eligible wrap CUSIP UITs (in certain programs)
- Eligible ETFs/ETNs
- Money Market funds (in certain programs)
- Public REITs
- Approved Publicly Registered Non-Traded REITs ("Partner" program only) that price quarterly at a minimum
- Approved Eligible Structured Products ("Partner" program only) that price quarterly at a minimum
- Variable annuities that have cost structures designed for use in fee-based investment advisory programs

The following products/strategies are not eligible (“Ineligible Assets”) for our Advisory programs:

- Syndicate Issues/Initial Public Offerings/Brokered CDs
- Short Positions-unless approve
- Solicitation of Low-Priced Securities
- Fixed Annuities and certain other Insurance Products
- Non-publicly trade securities/Private Placements/Worthless Securities
- Non-networked mutual funds
- Share classes of mutual funds that pay 12b-1 fees or have CDSC charges unless approved
- Auction Rate Securities- Individual issues
- Leveraged and Inverse ETFs and ETNs. This also includes any derivative thereof, including, but not limited to, options, swaps or future contract on these inverse/leveraged ETFs/ETNs.
- Day Trading
- All other Non-Daily Trade Alternative investments including, but not limited to, brokerage share classes of Hedge Funds, Funds of Funds, Real Estate and Private Equity
- Alternative Investment funds that do not offer an Advisory or Institutional Share class
- Listed or OTC index warrants
- Commodities and futures (in certain programs)
- Non-Daily trade alternative investments-brokerage share classes

The list above describes the products which are usually (but not always) eligible or ineligible in our Programs. The list can change at any time in our discretion. Eligibility of investments can vary by program and strategy type. Please contact your IAR for the list of eligible investments in your specific program.

Our Advisory programs do not offer the ability to conduct principal trades. As such, in these accounts, you are not permitted to hold, purchase or sell securities that trade only on a principal basis. Currently, you have access to principal executions in your Advisory account only for tax loss sales transactions in worthless securities in all Programs.

## **Billing Practices for all Programs**

The billing process described below is subject to change upon prior written notice to you.

### **1. Relating Accounts for Billing Purposes**

You can request to have two or more eligible Advisory Accounts be treated as related accounts for purposes of taking their assets into consideration in order to calculate the Program Fee. This means that all eligible assets in those accounts will be considered together with determining breakpoints, if applicable, in the fee schedule.

Relating Advisory accounts can provide the opportunity for price reductions at certain breakpoints.

If you choose a breakpoint fee schedule for your account, you should review and consider the potential benefits of relating advisory accounts. The Program Fee for Advisory Accounts with a breakpoint fee schedule that are terminated prior to the quarterly billing process will be based on the contractual rate for the account, not the relationship rate. Please contact your IAR for more information on the definition of eligible accounts and how to choose this billing option. Retirement accounts cannot be linked where a prohibited transaction under ERISA or the Internal Revenue Code could result.

### **2. Initial Program Fee**

We will deduct your Initial Program Fee from your Account when your account is accepted for the Program. The fee will be calculated base on the value of the eligible assets on the date your account is accepted, pro-rate to cover the period from the date your account is accepted through the end of the calendar quarter.

### **3. Quarterly Fee**

After the assessment of the Initial Program Fee, your subsequent Program Fees will be assessed quarterly based on the net asset value (i.e., fair market value of the eligible assets including dividends and, where applicable, accrued interest, the value of margin loans) in the Account on the last business day of each calendar quarter. Fees will be charged directly to your account in the month following the closed of a calendar quarter unless you have designate

another eligible GBS account to pay the Program Fee. Your fee is an annual percentage of your account assets- and you will pay the fee quarterly in advance, pr-rate according to the number of calendar days in the billing period.

Advisory fees are calculated on the fair market value of the assets, as determined by Envestnet, on the last business day of the preceding calendar quarter. If the manage of the account commences or is terminated at any time other than at the beginning or end of a calendar quarter, the fee is prorated based on the initial account value and the number of days the account was open in that quarter. For calculation purposes the fee is based on 365 actual days in a year (366 for leap year). The calculation is as follows:  $(\text{market Value} \times \text{Rate} \times ((\text{Days}/3645))$  with the Rate being the agreed upon fee within the Advisory Agreement. For more complete information on the fee charged, please contact your IAR. If you would like a copy of the most recent form ADV or disclosure brokers document, which describes our programs, including services and fees, you may contact your IAR.

For the purposes of calculating the Program Fee, the value of the account is calculated as the sum of the long and short market value of all Billable Securities held in the account, plus accrued interest, minus any margin loan balances, as of the last day of the prior quarter. For mutual funds, we will use the fund's net asset value, as computed by the mutual fund company. HTS and Envestnet prices securities based on information we believe to be reliable. If any prices are unavailable or believed to be unreliable, we will determine prices in good faith to reflect our understanding of fair market value.

If the Agreement is terminated prior to the end of the quarter, you will receive a pro-rata refund of the prepaid unearned fees from the date the account is removed from the Program through the end of the quarter. Please see the "Account Termination" section of this Disclosure Brochure for additional information.

When fees are calculated, certain assets are excluded from the market value of the Account. These are called "Unbillable Assets" and will not be included in the "billable" Market Value. Unbillable Assets are generally securities that are not considered approved for the Program or that the IAR and client have agreed should be held only and not included in Account rebalancing, performance tracking and management of Account. Cash and cash equivalents are included in the Program Fee calculations.

#### 4. Fee Rate Changes

Charges to fee rate on a Advisory account, whether an increase or a decrease in the Annual rate, must be received by HTS no later than the 20<sup>th</sup> of the month prior to the quarter end. If there request is received after the cutoff date, the new rate will not go into effect until the next quarter billing cycle. The changes will also apply to any contributions or withdrawals over \$ 10,000 made after the rate change request.

#### 5. Alternative Investments Valuation and Redemptions

The valuation of alternative investments held at HTS reflect the records of the issuers and administrators of the funds. GBS does not guarantee the accuracy of the information. The value shown is not necessarily the value you would receive from the issuer if you sold the assets. Funds activity sold by GBS are subject to ongoing research, although the level performed varies. In very limited circumstances, a closed fund could be subject to no ongoing research. A fund that you purchased elsewhere could never have been subject to GBS research.

The NAV is primarily based on estimated portfolio values provided by the underlying fund sponsor. Reported estimates sometimes do not reflect resale, liquidation or repurchase value, if any, and sometimes do not reflect distributions of capital until the next valuation is reported, generally on an annual or semi-annual basis. These valuation practices are important because we calculate the Program Fee for alternative investment you hold in Advisory Accounts based on these estimates.

For purposed of calculating the Program Fee, we will use the valuation of alternative investments available/reported to us as of the billing date. Valuation for alternative investments is often delayed, so only those investments that have at a minimum quarterly valuations will be eligible for the program. In addition, for Program Accounts holding eligible alternative investments (nondaily traded alternative funds), initial cash proceeds from redemptions sometimes are not received into the account for a period that can extend over several months. Proceeds from "hold back" promissory notes are usually received within 18 months of issuance.

Redemption and "Hold Back" Promissory Notes: For accounts holding eligible alternative investments, proceeds from redemptions are not to be received into the Advisory Account for a period that can extend over sever months after a redemption request is submitted and is effective. As a result, the Program Fees charged originally are based on the

value of the alternative investment fund inclusive of the value of the alternative fund pending redemption.

You will receive a credit of the Program Fee imposed on alternative investments you redeem in whole or in part while you hold these investments in Advisory Programs. Credits will be based on the effective date of the redemption.

## **Fees and Compensation-All Programs**

For all Programs, the fees do not cover the fees and expenses of any underlying ETFs, Closed-end funds, UITs, ETNs or mutual funds, fees for ancillary services such as wire transfers, returned checks, etc., nor does it cover all applicable exchange fees or option reporting fees.

You should be aware that commissions or Program fees charged could be higher than those otherwise available if you were to select a separate brokerage service and negotiate commissions in the absence of the extra advisory services provided. Our fee schedules are subject to negotiation, depending upon a range of factors including, but not limited to, account sizes and overall range of service provided.

You should consider the value of these advisory services when making such comparisons. The combination of custodial, advisory, and brokerage service sometimes are not available separately or could require multiple accounts, documentation, and fees. You should also consider the amount of anticipated trading activity when selecting among the Programs and assessing the overall costs. Advisory Programs typically assume a normal amount of trading activity and, therefore, under particular circumstances, prolonged periods of inactivity or asset allocations with significant fixed income or cash weightings can result in higher fees than if commissions were paid separately for each transaction.

If you liquidate securities prior to initiating or after terminating a Program service, you will be subject to customary brokerage charges with respect to the transaction, in addition to any Program fees that are applicable during the period.

Your IAR has a financial incentive to recommend a fee-based advisory program rather than paying for investment advisory services, brokerage, performance reporting and other services separately. A portion of the annual advisory fee is paid to the client's IAR, which generally is more than the IAR would receive under an alternative program or if you paid for these services separately. Therefore, your IAR has a financial incentive to recommend a particular account program over another. In addition, your IAR receives incentive compensation for utilizing a particular account program. Such incentive compensation is generally available as follows:

IARs utilizing any of the previously mentioned Programs offered by GBS generally receive compensation in the form of asset-based fees, and this compensation is typically credited to the IAR on a quarterly basis. Such compensation generally is more than the representative would receive if Clients participated in other program or paid separately for investment advice, brokerage and other services and, therefore, the representatives have a financial incentive to recommend the advisory program over other services.

IARs are typically compensated based on their annual gross production, whereby higher gross production will generally result in higher payouts. These compensation programs constitute a targeted payout increase to certain qualified IARs based on economies of scale achieved by GBS, its affiliates and IARs at increasing asset levels. However, such compensation arrangements represent a conflict of interest where an IAR is incentivized to recommend an asset-based fee account Program rather than recommending an alternative product or service, if comparable or if available separately to Clients. You should be aware of such arrangements and should consult with your IAR for additional details regarding your IAR's compensation levels in fee-based accounts.

While certain account minimums are set for each advisory account Program, your IAR can elect to recommend a Program based on his or her understanding of and familiarity with the various services offered within a particular Program. Because each Program is unique and offers a different bundle of services, the standard advisory fee you pay is allocated within the firm differently from one Program to another. The compensation received by the IAR is higher in some particular programs relative to others, and this compensation fluctuates based on certain minimum clearing or retention rates assigned by the IAR's broker-dealer, including HTS. These clearing and retention rates are a component of, and not in addition to, the overall advisory fee paid, and generally are higher as a percentage of the overall advisory fee paid by the Client for smaller accounts. As a result, an IAR has a disincentive to recommend certain of the aforementioned Programs to Clients with smaller accounts that otherwise would meet the standard account minimum for each respective Program. Therefore, this causes a conflict to exist with respect to the level of investment diversification a Client may achieve.

## Money Market and Sweep Information

For all Programs, cash or money market investments will be included in the determination of your Account Value. Excess cash balances will be invested, upon your affirmative written consent, in either (i) HTS Bank Insured Deposit (“BID”) program, which is an account at that participating bank whose deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”), or to (ii) a money market mutual fund. If you decline participation in the sweep account program, fail to make a selection by affirmative written consent, or if your account is otherwise ineligible to participate, your excess cash balances must be retained in an interest-bearing SIPC-insured credit interest program (“CIP”) account held a HTS.

The BID program is an FDIC-insured account that sweeps excess cash to participant banks in increments of \$ 250,000, to achieve FDIC insurance coverage up to \$ 5 million per account owner (for an individual account) or up to \$ 5 million per each individual owner of a joint account, up to two owners (e.g. for a joint account with two individual owners-up to \$10 million), depending on the number of participant banks in the program. However, the FDIC insurance limit at any bank applies to all the customer’s deposits in any capacity at that bank. As a result, you are responsible to monitoring the total amount of deposits your have with each participant bank in order to determine the extent of FDIC deposit insurance coverage available to you.

Beginning on or about June 1, 2022, HTS will implement certain changes to the BID program. Specifically, the BID program will switch from paying interest at a single rate, to a “tiered” interest rate system, which will pay different rates of interest based on five different deposit tiers. Generally speaking, higher cash deposit balances will receive higher rates of interest than deposits with lower balances. The amount of interest paid will be determined by the amount of interest paid by the banks participating in the program, minus the amount of fees charged by HTS, as custodian, in accordance with the following tiers:

Tier	Deposit Level
Tier 1	\$ 0 - \$ 49,999.99
Tier 2	\$ 50,000 to \$ 249,999.99
Tier 3	\$ 250,000 to \$ 499,999.99
Tier 4	\$ 500,000 to \$ 999,999.99
Tier 5	\$ 1,000,000 or more

The applicable interest rate tier will be determined based on the amount of cash available in your brokerage account on a per account basis. Cash available in one brokerage account will not be aggregated to include cash which may be contained in other brokerage accounts you hold with us for purposes of qualifying for a higher interest rate tier. In other words, the amount of cash available in each specific brokerage account can only be used to qualify for one individual interest rate tier under the BID program.

## Mutual Fund Investments Available through HTS (Custodian)

You should be aware that only mutual fund companies with which HTS has a selling agreement will be available for purchase with the Partner-APM and Advantage Program Products and that each mutual fund contain internal expenses which are apart from and in addition to Program account fees and which are described in the respective funds’ prospectus. Certain funds offered in the Program, while not having sales charges or having sales charges waived, assess distribution fees, such as those assessed pursuant to SEC Rule 12b-1 of the Investment Company Act of 1940, as amended (“12b-1”) which are paid to GBS. To the extent that GBS receives 12b-1 shareholder servicing fees in any Managed Accounts, they will be rebated to the client.

Eligibility for various share classes offered by mutual funds to be used as part of the Managed account programs, is determined by the mutual fund and disclosed in the fund’s prospectus. Rule 12b-1 fees will be rebated to client accounts as they are

received. Use of a more costly share class will reduce the performance of a client's account. Any recommendation to use a more costly share class when a lower cost share class of the same fund is available is a conflict of interest. The firm mitigates this conflict in that advisors do not have an incentive to recommend or select share classes that have higher expense ratios because their compensation is not affected by the share class selected. In addition, these 12b-1 fees, too, will be rebated to client accounts.

Shareholders considering transferring mutual fund share to or from HTS (custodian) should be aware that if the firm from or to which the shares are to be transferred does not have a selling agreement with the fund company, the shareholder must either redeem the shares (potentially incurring a tax liability) or continue to maintain an investment account at the firm where the fund shares are currently being held. Client's should inquire as to the transferability, or "portability", of mutual fund shares prior to initiating such a transfer.

## **Funding your Account**

You may fund your account by depositing cash and/or eligible securities designated as "eligible" for the Advantage and "Partner" Programs.

Class A shares used to fund accounts subsequent to the Share Class conversion will be converted, on a tax-free exchange basis (subject to availability of that service by the mutual fund sponsor), to the new share class available for the relevant fund.

If you fund your account with securities, you authorize and direct GBS, as applicable given the terms of your program, to liquidate those securities on your behalf and to allocate the proceeds in accordance with your selected investment style.

We will not advise you regarding the liquidation of these securities. We will execute those transactions free to commission charges; however, depending on the type of security involved, those liquidations can result in you incurring redemption charges and taxable gains or losses. You should review the potential tax consequences of these liquidation with your tax advisor before funding your account with securities.

When liquidating these securities for purposes of establishing your account, we will be acting as your broker, not your investment adviser. Liquidations will be affected promptly after acceptance of your account at the then prevailing market prices.

We will not be responsible for the liquidations and any consequences due to your failure to notify us of other existing security holdings, the overall effect of the liquidations once effected, or the loss of potential gains due to movements in the market prices or changes in market conditions.

## **Account Termination**

Investment advisory services may be terminated by either party at any time. Upon termination, you are responsible for monitoring and managing the securities in your portfolio, and you will be subject to the customary brokerage charges. GBS, your IAR, and any outside investment managers will have no further obligation to act or advise with respect to those assets. Any unused portion of the pre-paid quarterly fee will be refunded and credited to your account. Such refunds will be pro-rated based on the number of days remaining in the calendar quarter for which you prepaid a fee.

If you choose to terminate your participation in any of our Program, we can liquidate your account at that time if you instruct us to do so. If so instructed, we will liquidate your account in an orderly and efficient manner. We do not charge for such redemption; however, you should be aware that certain mutual funds impose redemption fees as state in their fund prospectus. You should also keep in mind that the decision to liquidate security issues or mutual funds has tax consequences that should be discussed with your tax advisor.

## **Wrap Fee Program Disclosures**

You should be aware that participating in a wrap fee program may cost more or less than the cost of purchasing advisory, brokerage, and custodial services separately and/or from other advisers or broker/dealers.

Our firm and associated person receive compensation as a result of your participation in the wrap-fee program. This compensation may be more than the amount our firm or our associated persons would receive if your paid separately for investment advice, brokerage , and other services. Accordingly, a conflict of interest exists because our firm and our associated persons may have a financial incentive to recommend the Programs.

## **Additional Fees, Compensation and Expenses**

GBS's fees are inclusive of brokerage commissions and transaction fees. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Various securities (i.e. ETFs, ETNs, MFs, UITs etc.) also charge internal management fees, which are disclosed in the fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to GBS's fee and GBS shall not receive any portion of these commissions, fees and/or cost.

## **Negotiation of Fees and Compensation**

Fees are negotiated on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, your relationship with GBS and our Representative, the size of the Account, the potential for other business or clients, the amount of work anticipated and the attention needed to manage your account. Please note that the same or similar services to those described above may be available elsewhere to you at a lower cost.

## **Potential Conflicts of Interest**

HTS, our clearing firm, may share a portion of the fees earned on money market/bank savings account balances with GBS and such fees may be passed, in whole or in part, to IARs. These fees are nominal; however, this could amount to an incentive to retain assets in money market/bank savings accounts.

In addition to providing advisory services, our IARs will likely also sell you securities products and other investment and insurance products in their capacity as registered representatives of GBS and as licensed insurance agents. We will receive additional compensation in connection with this activity and the amount of compensation will depend on the type of product purchased. We will have a greater financial incentive to sell certain products as opposed to others (for example, in the case of mutual funds those that have a higher 12b-1 fee than others). While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain security products and are encouraged to ask us about any conflicts presented. Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory service that we offer. As a dually licensed broker/dealer, advisory clients may be offered commissionable products, but this source of revenue makes up less than 50% of the revenue earned as a Firm. In addition, GBS does not charge advisory accounts any commissions or markups fees.

If a conflict of interests exists between a GBS representative, employee or related entity and a client or client's holdings, representatives are responsible to disclose such conflicts to the GBS Compliance Department. The Compliance Department will determine the materiality of such conflicts. All material conflicts will be disclosed to the clients involved. Such clients will be offered an opportunity to waive such conflicts, to work with another representative, or to move their assets to another investment advisory firm.

GBS looks for potential conflicts of interest during account review. Any individual knowingly placing their own interest above that of clients may be subject to termination.

## **Brokerage Practices**

**In addition to GBS being the Advisor, the firm also acts as Introducing Broker/Dealer to all accounts. Other Advisory firms may permit their clients to use outside Brokerage Firms. GBS believes that it is in the best interest of the client to utilize GBS's Brokerage Services due to the ease of trading & record keeping. Since the Brokerage Firm does not charge any transactional fees, GBS feels there is no advantage in utilizing another Brokerage Firm. Client should note that other Brokerage Fees (other than transactional cost) charged by other Broker/Dealers may be less than fees charged by GBS.**

GBS requires that its clients select HTS (**Custodian/Clearing Firm**) to hold their managed accounts. The client should be aware that this is GBS' Policy and that not all investment advisers require clients to use a specific broker/dealer or clearing firm. Client

understands and acknowledges that, by directing HTS to execute transactions, the client may not receive the best execution on transactions effected for the account.

HTS, in its capacity as custodian/clearing firm, shall hold physical custody of the assets in the account. All transactions effected for the client's program account(s) shall be cleared and settled through HTS. HTS will provide the client with prompt confirmation of each security transaction affected with respect to the Account and with monthly brokerage account statements, unless there has been no activity in the account, in which a quarterly statement will be delivered. Information contained in confirmations and statements will be deemed conclusive unless client objects in writing within ten (10) days after being transmitted to client. Related customer accounts are not aggregated for the purpose of the breakpoints and/or fee reduction.

Client will individually own the Account and all assets therein. Nothing contained herein shall restrict the client's right to withdraw (in whole or in part) assets in the account for the purpose of hypothecation or pledging. Any withdrawal of assets in the account will be affected only after instruction by the client to HTS or Adviser.

In no event will HTS or Adviser be obligated to effect any transaction for the client that they believe would violate any applicable state or federal law, rule, or regulation, or the rules of regulations of any regulatory or self-regulatory body.

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

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

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

The minimum initial account values for the Programs described in this Disclosure Brochure are listed below. GBS has discretion to terminate any Program account if they fall below the minimum Account Value guidelines established by GBS. Under certain circumstances, GBS has discretion to grant an exception to the minimum Account Value

Program Name	Minimum Account Size
APM Partner	\$ 30,000
Premier Advisors-SMA	\$ 100,000 (subject to Managers Minimum)
Premier Advisors-UMA	\$ 100,000 (subject to Managers Minimum)

### Types of Clients

GBS generally provides investment advisory services for Individuals, individual retirement accounts ("IRAs"), pension and profit-sharing plans, including plans subject to ERISA, and trust.

GBS can prohibit anyone or any account type from establishing a Program Account for any reason, including if we believe it is not an appropriate investment strategy for your.



## **Item 6- Methods of Analysis and Investment Strategies and Risk of Loss**

Your IAR is the sole portfolio manager available with respect to the Programs. Please refer to your IAR's Supplement to this Brochure for information about his or her education and business experience. Your IAR must be properly registered and approved by Global Brokerage Services, Inc.'s senior management as a Portfolio Manager prior to the solicitation of the Wrap Accounts.

Affiliated and unaffiliated service providers may develop asset allocation models. Your IAR may also develop asset allocation models or use others from outside independent sources. Each representative develops his or her own methods of analysis, sources of information, and investment strategies. As such, recommendations by representatives, individual investment portfolios and performance will differ.

Your IAR will manage accounts on a periodic basis as outlined in the Management Agreement and will review accounts at least annually with you (or more frequently upon your request). The purpose of the review is to review the portfolio and its performance; to discuss any changes in your financial profile and investment goals; and , to recommend changes that may be warranted. You may contact your IAR or Global Brokerage Services, Inc.'s Home Office when you have questions or concerns about your account, financial situation, or investment needs. Please note that your IAR may not be readily available for unscheduled or unannounced visits or calls.

### **Manager/Strategist Selection and Evaluation:**

The Methods of Analysis used, and Investment Strategies for each Program are described here and below.

We use the following investment strategies, as appropriate, when managing client assets

### **Long-Term Purchases:**

Where appropriate, GBS employs a long-term investment strategy when formulating the investment advice give to clients. This entails the purchase of securities with the idea of holding them in your account for a year or longer. We do this when we believe the securities to be currently undervalued. We also do this when we want exposure to a particular asset class over time, regardless of the current projection for the class.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, GBS does not take advantages of short-term gains that could be profitable to you. Moreover, if our predictions are incorrect, a security could decline sharply in value before we make the decision to sell.

### **Short- term Purchases:**

Where appropriate, GBS also purchases securities with the idea of selling them within a relatively short time, typically a year or less. We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term strategy is that, should the anticipated price swing not materialize, GBS is left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and results in increased in transaction-related cost, as well as less favorable tax treatment of short-term capital gains.

## Options:

Certain types of option trading are permitted in order to generate income or hedge a security held in the Partner-APM program; namely, the selling (writing) of covered call options or the purchasing of put options on a security held in the Program account. You should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the option counterparty has the right to call away the security and the Program account will no longer hold the security. The risk of buying long puts is limited to the loss of the premiums paid for the purchase of the put if the option is not exercised or otherwise sold by the program account. Options involve risk and are not suitable for all investors. You should read "Characteristics and Risk of Standardized Option" brochure provide by your IAR. There are cost associated with options trading, and you agree to pay such costs.

## Partner APM-Methods of Analysis

Each IRA has the independence to take the approach he or she believes is the most appropriate when analyzing investment products and strategies for Clients in the Partner Program. There are several sources of information the GBS and/or IARs use as part of the investment analysis process. These sources include, but are not limited to:

- Financial publications
- Research materials prepared by third parties
- Corporate rating services
- SEC Filings (annual reports, prospectus, 10-K, etc)
- Company press releases
- Regulatory and self-regulatory reports
- Other public sources

As a firm, GBS does not favor any specific method of analysis over another and therefore would not be considered to have one approach deemed to be a "significant strategy." There are, however, a few common approaches that GBS or your IAR, often use individually or collectively, in the course of providing advice to Clients. Please note that there is no investment strategy that will guarantee a profit or prevent loss. The following are some common strategies employs in the management of Client accounts:

- Dollar Cost Averaging ("DCA"): The technique of buying a fixed dollar amount of a particular investment on a regular schedule, regardless of the share price. More shares are purchased when prices are low, and fewer share are bough when prices are high. Periodic investment programs cannot guarantee a profit or protect against a loss in a declining market,. Dollar cost averaging is a long-term strategy that involves continuous investing, regardless of fluctuating price levels, and , as a result, you should consider your financial ability to continue to invest during periods of fluctuating price levels.
- Asset Allocation: An investment strategy that aims to balance risk and reward by allocation assets among a variety of asset classes. At a high level, there are three main asset classes-equities (stocks), fixed income (bonds), and cash/cash equivalents-each of which has a different risk and reward profiles/behaviors. Asset classes are often further divided into domestic and foreign investments, and equities are often divided into small, intermediate, and large capitalization. The general theory behind asset allocation is that each asset class will perform differently from the others in different market conditions. By diversifying a portfolio of investment among a wide range of asset classes, IARs seek to reduce the overall volatility and risk of a portfolio by avoiding overexposure to any one asset class during various market cycles. Asst allocation does not guarantee a profit or protect against loss.

- **Technical Analysis (a.k.a. “Charting”):** A method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysis do not attempt to measure a security’s intrinsic value. Instead, they use charts and other tools to identify patterns that can suggest future activity. When looking at the individual equities, a person using technical analysis generally believes that performance of the stock, rather than performance of the company itself, has more to do with the company’s future stock price. It is important to understand that past performance does not guarantee future results.
- **Fundamental Analysis:** A method of evaluating a security that entails attempting to measure its intrinsic value by examining relate economic, financial, and other qualitative and quantitative factors. Fundamental analysis attempt to study everything that can affect the security’s value, including macroeconomic factors (e.g., the overall economy and industry conditions) and company-specific factors (e.g, financial condition and management). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security’s current price, with the aim of figuring out what sort of position to take with the security (underpriced=buy, overprice-sell or short). This method of security analysis is considered to be the opposite of technical analysis.
- **Quantitative Analysis:** An analysis technique that seeks to understand behavior by using complex mathematical and statistical modeling, measurement, and research. By assigning a numerical value to variables, quantitative analyst try to replicate reality mathematically. Some believe that it can also be used to predict real-work events, such as change sin a share price.
- **Qualitative Analysis:** Securities analysis that uses subjective judgement base on no quantifiable information, such as management expertise, industry cycles, strength of research and development, and labor relations. This type of analysis technique is different from quantitative analysis, which focuses on numbers. The two techniques, however, are often used together.

Your IAR will research and recommend fuds from the Eligible Funds List for your account based on the state risk tolerance and investment objectives. Each adviser has a different philosophy or criteria in the review and selection of investment products.

Each quarter the list is reviewed by GBS. Mutual Funds and ETFs that are on the list that do not meet the initial qualifying parameters the following quarter typically are removed from the eligible funds list for new money. The IARs of GBS are notified of the status change and the reason for any change is made available to them. For mutual funds that are no longer open to new and/or additional investments, Clients that maintain a position are permitted to continue to do so as deemed appropriate by the IARs of GBS.

## Premier Advisors- Methods of Analysis

GBS relies on Investnet for analysis, information, asset allocation strategies and the identification, selection and monitoring of Investnet Managers. Investnet is responsible for the selection of Mangers and Strategies offered on the Premier Advisors Platforms. Investnet seeks Manager/Strategists with a variety of investment strategies available. Some strategies are high-risk strategies and such strategies are not intended for all clients who choose to follow higher-risk strategies should know that there is a possibility to significant loss. Please review Investnet’s Form ADV Part @A Appendix 1 for more information about its advisory business.

Mangers/Strategist offered by Investnet are considered “Approved” or “Available”, depending on the level of due diligence performed. “Approved Investnet Mangers/Strategists” are evaluated using data and information from several sources, including independent databases. Among the types of information analyzed are historical performance an volatility, and qualitative factors such as the Approve Investnet Manger/Strategist and investment vehicle’s reputation and approach to investing. Investnet also reviews the manage/strategies Form ADV Par 2A and portfolio holdings reports. To ensure accuracy, Investnet attempts to verify all information by comparing it to publicly available sources.

In addition to Approved managers/strategist, Envestnet also make available certain managers/strategist for which Envestnet has not performed Due Diligence. These Sub-Mangers are categorized as “available Sub-Managers” and Envestnet makes no recommendation concerning Available Sub-Mangers. Your IAR will recommend and perform their own research on sub-managers and investment vehicles that it believes are most appropriate for your individual circumstances.

Envestnet uses a quantitative process that measures risk and return measures for each portfolio versus its investment style peers via a ranking methodology. This ranking methodology is updated each quarter for all third-party separate account managers and strategists. The result of this review can result in the risk score being change to a higher or lower risk. You and your adviser should review this information, and in certain cases where the risk score materially changes, update paperwork may be required.

Before a manger/strategist is made available for the Premier Advisors/Direct Access FSP Program, general research is conducted by GBS to determine eligibility. This includes, among other things, assets under management, inception date of strategy, manager tenure, investment style and performance factors. We also review investment philosophy and process, trading practices, fundamental and quantitative statistics of the strategy. In some case, we also conduct interview with portfolio managers, principals and key staff members.

GBS conducts annual reviews of Envestnet and manger/strategist. This review is base on applicable information gathered from various sources that include, but are not limited to, disclosure documents, performance, assets under management and other applicable criteria. As a result of these review, GBS can request that Envestnet take corrective action to address such concerns. From time to time, these reviews also result in the removal of a manger/strategist being available to GBS clients.

For additional information, please refer to Envestnet Asset management’s disclosure brochure.

## **Client Tailored Services and Client Imposed Restrictions**

Each IAR develops and recommends a unique strategy base on his or her knowledge, experience and understanding of the client’s needs. This individualized approach allows the adviser and client to work together to achieve the client’s investment goals. GBS extends maximum latitude to the adviser and client, within this individualized approach as to the method in which the account will be managed. Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

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

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

## **Voting Client Securities**

As a matter of firm policy and practice, GBS does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. You should read through the information provided with the proxy voting documents to make a determination based on the information provided. In some instances, at your request, an IAR may give limited clarification based on their understanding of issues presented in the proxy-voting materials. However, you will have the ultimate responsibility for making all proxy-voting decisions. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent. At the discretion of the client, he/she may contact their IAR or GBS for guidance on such issues. Under no circumstances is the client required to follow the IAR’s or Firm’s advise is such matters.

## **Risk of Loss**

You should understand that all investments involve a certain amount of risk. Investment performance can never be predicted or guaranteed and that the values of your accounts will fluctuate due to market conditions and other factors. You should also understand that GBS makes no representations or warranties with respect to the present or future level of risk or volatility in,

or the future performance of, your account. You should further understand that you are assuming the risks involved with investing in securities and other investment products and should understand that you could lose all or a portion of the amount held in your account(s).

Below are some of the common risks you should consider prior to investing. This list is not a complete enumeration or explanation of the risks involved, and you should consult with your IAR and your legal and tax advisers before investing in any particular strategy.

- **Market Risks:** the prices of, and the income generated by, the common stocks, bonds, and other securities you own can decline in response to certain events taking place around the world, including those directly involving the issuers; conditions affecting the general economy; overall market changes; local, regional, or global political, social, or economic instability; governmental or governmental agency responses to economic conditions; and currency, interest rate, and commodity price fluctuations.
- **Asset Allocation and Diversification Risk:** The performance of Accounts is dependent on the allocation of securities among various asset classes and the selection of underlying Funds. There is a risk that IAR's decisions regarding asset allocation and the selection of investments will cause an Account's performance to lag relevant benchmarks or will result in losses. While allocation to multiple asset classes can reduce risk, risk cannot be completely eliminated with diversification. Asset allocation and diversification do not guarantee a profit or protect against loss.
- **Stock Investments Risk:** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments. In addition, stock investments are subject to risk related to market capitalization as well as company-specific risk.
- **Long-Term Purchases Risk:** IARs often recommends that clients purchase investments with the intention of holding them for one year or longer. This recommendation is often because the IAR believes the investments to be undervalued at the time of the Purchase and/or because IAR chooses to recommend exposure to a particular asset class over time, regardless of the current projection for such class. A risk of a long-term investment strategy is that by holding an investment for a longer period of time, the client is not to take advantage of potential short-term gains. Moreover, if the analysis is incorrect, an investment can decline sharply in value before it is sold.
- **Volatility and Correlation Risks:** Clients should be aware that the IAR's asset selection process is base in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes exhibit similar price changes in similar directions, which can adversely affect Client and become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns or probability projections do not reflect actual/future performance.
- **Small-Cap Risk:** Historically, small-cap stocks have been riskier than large and mid-cap stocks. Stock prices of smaller companies often are base in substantial part on future expectations rather than current achievements and can move sharply, especially during market upturns and downturns. Small-cap companies themselves often are more vulnerable to adverse business or economic events that larger, more established companies. During a period when small-cap stocks fall behind other types of investments-large-cap stocks, for instance- a client's small-cap holdings could reduce performance.
- **Fixed Income:** Bonds offer return of principal if held to maturity, but any bond remains subject to the creditworthiness of the guarantor and, prior to maturity, the bond is subject to interest rate, inflation and credit risks.

- **Credit Risk:** Changes in the financial condition of an issuer or counterparty and changes in specific economic or political conditions that affect a particular type of security or issuer can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value. Lower quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.
- **Municipal Bond Risk:** The municipal market can be affected by adverse tax, legislative, or political changes and the financial condition of the issuers of municipal securities. Municipal funds normally seek to earn income and pay dividends that are expected to be exempt from federal income tax. If a fund investor is a resident in the state of issuance of the bonds held by the fund, interest and dividends are sometimes exempt from state and local income taxes. Income exempt from regular federal income tax (including distributions from tax-exempt, municipal, and money market funds) are sometime subject to stat, local, or federal alternative minimum tax. Certain Funds normally seek to invest only in municipal securities generating income exempt from both federal income taxes and the federal alternative minimum tax; however, outcomes cannot be guaranteed, and the Funds sometimes generate income subject to these taxes. For federal tax purposes, a fund's distributions of gains attributable to a fund's sale of municipal or other bonds are generally taxable as either ordinary income or long-term capital gains. Redemptions, including exchanges, can result in a capital gain or loss for federal and/or state income tax purposes. Tax code changes could impact the municipal bond market. Tax laws are subject to change, and the preferential tax treatment of municipal bond interest income could be removed or phase out for investors at certain income levels.
- **International/Global Securities Risk:** Exposes the investor to currency risk and political, social and economic risks of the countries in which the securities are domiciled, in addition to the equity or debt nature of the securities involved.
- **Pooled Investments Risk:** Certain strategies invest in one or more pooled investment funds including mutual funds, EFTs, UITs, Real Estate Investment Trusts, etc. You should read the offering documents (e.g., prospectus, offering memorandum, etc.) carefully to fully understand the various risks, investment objectives, expenses and other information about the company associated with the investment.
- **Quantitative Investing Risk:** Securities selected in mutual funds using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, changes to the factors' behavior over time, market volatility, or the quantitative model's assumption about market behavior.
- **Derivatives Risk:** Some mutual funds selected contain derivatives, such as swaps and exchange-traded futures. Generally speaking, a derivative is a financial contract whose value is based on the value of a reference asset. Investments in derivatives subject these mutual funds to risks different from , and possibly greater than, those of the underlying securities, assets, or market indexes. Some derivatives involve leverage and provide investment exposure in an amount exceeding the initial investment. As a result, the use of derivatives causes these mutual funds to be more volatile, because leverage tends to exaggerate the effect of any increase or decrease in the value of a fund's portfolio securities.
- **Trading Frequency Risk:** Frequent trading can result in short-term capital gains which are taxes at a higher rate than long term capital gains.
- **Market Trading Risks:** ETF/ETN face various market trading risks. These include the potential lack of an active market for fund shares, losses from trading in the secondary markets, periods of high volatility and disruption in the creation/redemption process of the fund. As a result of any of these factors, among others, the Fund's shares can trade at a premium or discount to the NAV. For additional information please refer to the Fund's prospectus for more specific market trading risk.

- **Legislative and Regulatory Risk:** Investments in your account can be adversely affected by new (or revised) laws or regulations. Changes to laws or regulations can impact the securities markets as a whole, specific industries and individual issuers of securities. The impact of these changes is not always known for some time.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many trades are interested in standardized products. There is a greater degree of illiquidity in those non-standardized products such as Alternatives, Structured and other products that are redeemed by the issuer's acceptance of a tender offer.
- **Cybersecurity Risk:** With the increase use of technologies to conduct business, corporate and personal technology are susceptible to information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and arise from external or internal sources. Cyberattacks include but are not limited to: gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information; corrupting data, equipment or systems; or causing operational disruption. Cyberattacks are also carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting GBS, its affiliates or IARs, or any other service providers (including, but not limited to accountants, custodians, transfer agents, and financial intermediaries used by a fund or an account) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate net asset value ("NAV"), impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which an Account invests, counterparties with which an entity engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers), and other parties.

Client should understand that investing in any security involves a risk of loss of both income and principal. There can be no assurance that the IAR's or GBS's investment advice and recommendation will be successful or that the Client's investment objective will be achieved.

**“Investing in securities involves risk of loss that clients should be prepared to bear.”**

## **Item 7- Client Information Provided To Portfolio Managers**

Information Provided to Envestnet:

When you establish an Advisory Service Group Program, GBS will send various information about you and your account to Envestnet (including your name, address, date of birth, account assets, whether or not your account is taxable, state/county of residence, your Statement of Investment Selection, any applicable restrictions and the account activity). Upon acceptance of your account, Envestnet will forward the foregoing information on to the Envestnet Manger in order for the Envestnet Manger to effectively manage your account. Model Providers are not provided with your specific information, except for the brokerage number, account size and information about your IAR. In some cases, HTS (custodian) sends the Envestnet Manger duplicate brokerage statements and/or confirmations.

## Item 8- Client Contact with Portfolio Managers

Your IAR will be your primary point of contact for addressing any questions or concerns relating to your manage account. If you are enrolled in a program that employs an unaffiliated third-party Investment Manager or Strategist, GBS imposes no limitations on your ability to consult your Investment Manager(s) and/or Portfolio Strategists(s) directly, but you are encouraged to first contact your IAR.

## Item 9- Additional Information

### Disciplinary Action

Financial Industry Regulatory Authority (FINRA) have taken certain disciplinary actions against Global Brokerage Services, Inc. for alleged violations of certain security regulations, rules, and/or statutory provisions. The matters have been settled, and Global Brokerage Services, Inc. has paid fines with respect to such violations.

On September 10, 2014, GBS reached a settlement with FINRA, without admitting or denying the findings, that the firm failed to establish, maintain and enforce a reasonable supervisory system regarding the use of consolidated reports by its registered representatives. The firm agreed to censure and a \$ 25,000 fine.

More information concerning Global Brokerage Services, Inc's disciplinary disclosures can be obtained from FINRA's BrokerCheck link at: [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

### Other Financial Industry Activities and Affiliations

GBS also operates as a broker-dealer registered with Financial Industry Regulatory Authority (FINRA). Individuals affiliated with GBS may be both investment advisory agents and registered representatives. GBS, as a broker-dealer, is a full service organization offering securities transactions which include general securities, load and no-load mutual funds, fixed and variable annuities, variable life insurance and direct participation programs. GBS estimates it devotes less than 50% of its time to activities as a broker-dealer. Many representatives associated with GBS are also licensed to sell insurance products with the states in which they are licensed, and are appointed by various insurance companies. GBS acts as General Agent.

In addition to association with GBS broker/dealer and Insurance Agency, we are or have Related Persons (as defined below) that are accountants with another firm.

Related Persons are defined as entities that we control or control us or are under common control with us.

Clients are under no obligation to purchase insurance products, securities products or other products or services through GBS and its associated persons. While GBS and its representatives endeavor at all times to put the interest of the clients first as part of GBS's fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may potentially affect the judgment of these individuals when making recommendations.

### Portfolio Mangers and Strategists Trade Rotation

Portfolio Managers and Strategists participating in the Premier Advisory typically participate in other wrap fee program sponsored by other Advisor/Broker-Dealers, institutional accounts and even advise on mutual funds. When a Manger/Strategist directs a transaction (buy/sell) for a security for all accounts within a particular strategy, the Manger/Strategist may have to possible direct similar transactions through a substantial number of firms. In



this case the Manger/Strategists will employ a trade rotation process. This occurs when a group of clients may have a transaction executed before or after another group of the manager/Strategist's clients in other wrap fee programs. This trade rotation seeks to limit the potential market impact of the transactions. The trade rotation process can result in GBS clients being the first accounts in which a trade is aggregated and executed. Once completed, the Mange/Strategist will "rotate" to the next set of clients or firms in the rotation; it is expensed that GBS clients will eventually be last in the rotation. The rotation process is developed and administered at the Manger/Strategist's sole discretion. The selection process is generally random and is intended to create a fair way allocate transactions to all participants. Over time, each group of participants should expect to receive executions at the beginning, middle and the end of the rotation. This can result in transactions being executed in their account near or at the end of the rotation. There can be a market price impact on trades executed later versus trades executed earlier in the rotation. Typically, the trade rotation process is also used to enable the Manger/Strategists to meet their best execution obligations. This can result in some of the Manager/Strategist to decide to employ a trade rotation process for all securities in their portfolio and trade only through the respective firms' sponsoring the wrap fee programs, while others may choose to employ a rotation process that includes making a determination to trade away from the sponsors frequently or on a majority basis. For additional information regarding each Manger/Strategist's trade rotation, please refer to the specific Manger/Strategist's Form ADV Part 2A.

### **Code of Ethics**

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

GBS anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which GBS has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which GBS, its affiliates and/or clients, directly or indirectly, have a position of interest. GBS's employees and persons associated with GBS are required to follow GBS's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of GBS and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for GBS's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of GBS will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of GBS's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between GBS and its clients.

### **Participation or Interest in Client Transactions**

GBS does not act as a principal in any account for which it is also an investment adviser. GBS is not a market maker in any security, nor does the firm carry positions in securities for resale. GBS does not hold any customer funds or securities.

## **Personal Trading**

GBS or individuals associated with GBS may buy or sell securities identical to those recommended to customers for their personal accounts but may do so only after trades have been placed for clients. In addition, any related person(s) may have a pre-existing interest or position in securities that may be recommended to a client. This practice may create a situation where the IAR or representative of the IAR are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as “scalping” (i.e. a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Advisory Firm did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front running” (i.e. personal trades executed prior to those of the Advisory Clients) and other potentially abusive practices.

GBS has a policy in place to monitor the personal securities transactions & holdings of each of the IARs. Any IAR brokerage account held with GBS' clearing firm is reviewed for all activity, and any IAR wishing to have an account outside the Firm must receive approval by the Chief Compliance Officer prior to opening the account. Each account held away from the firm will be required to have duplicate statements and confirms sent to the Home Office for review. The Chief Compliance officer or his/her designee will be responsible for monitoring of all IAR account activity in order to detect any potential conflicts of interest. It is the expressed policy of GBS that IARs and other associated persons may not purchase or sell any security for their own account immediately prior to a transaction being implemented in the same or related security for an advisory account.

GBS' clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Thomas Johnson (410-785-4990 or [tjohnson@globalbrokers.net](mailto:tjohnson@globalbrokers.net)).

## **Review of Accounts**

The IAR will be responsible for the collection of data, analysis, and advisement of the particular Advisory Program and securities funding such programs. As outlined in the Management Agreement, but no less than annually, the representative will be responsible for reviewing the client's account, evaluating any changes in the clients risk tolerance and/or financial conditions and the implementation of any changes needed. GBS's clearing firm and custodian (HTS) will provide the clients with brokerage account statements monthly, unless there has been no activity in the account, in which a quarterly statement will be delivered. The clearing firm will also send confirmations or transactions to clients when activity occurs in the account. GBS will review daily trading activity along with monitory customer activity for reverse churning.

## **Client Reports**

Clients receive written custodial monthly account statements from HTS if there is activity, or quarterly in the absence of activity. In addition, performance reports are available upon request.

## **Client Referrals and Other Compensation**

In its capacity as a broker-dealer, GBS and its registered representatives may earn brokerage commissions and/or fees from the sale of services of investment products such as stocks, bonds, mutual funds, ETFs, variable annuities, variable universal life products, and private placements. Commissions vary depending upon the type of security and service offered.

GBS may receive 12b-1 distribution fees and/or sales commission from investment companies in connection with the placement of client funds into investment company products as set forth in the prospectus or other disclosure document for the investment company and may distribute a portion of those fees to investment adviser representatives.

In certain instances, product sponsors, investment companies, and third party money managers (“product sponsors”) may participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and education programs, and by offsetting expenses that result from the cost of doing business. Additionally, GBS may enter into arrangements with product sponsors whereby GBS receives a marketing allowance or other financial benefit based on sales of the product sponsor's products or by providing access to registered representatives affiliated with GBS's broker/dealer. In return for assistance in facilitating the activities described above, GBS may receive additional compensation from product sponsors. However, GBS does not recommend these products over others. These companies may have greater access to our

representatives to provide training, education presentations and product information. Any additional compensation may give rise to a financial incentive for GBS to recommend these products over other where such financial incentives are not present.

While GBS and its registered representatives endeavor at all times to put the interest of the clients' first as part of GBS' fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may potentially affect the judgment of these individuals when making recommendations. Additionally, because of the revenue sharing arrangements referenced above, though they do not impact adviser compensation, advisers may prefer recommending products offered by a sponsor who is participating in the revenue sharing program over other mutual funds, variable products, DPPs, REITs, ETFs or third party money managers available through GBS. You should feel free to ask your adviser how he or she will be compensated for any transaction involving a product sponsor.

## **Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about GBS's financial condition. GBS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

GBS is not required to provide a balance sheet as it does not serve as a custodian for customer funds or securities, and does not require prepayment of fees of more than \$500 per customer and six months or longer in advance.

## **Custody**

GBS does not accept or permit the IAR or its associated persons from obtaining custody of Client assets including cash, securities or having password access to control account activity or any other form of controlling Client assets. GBS is a Fully Disclosed Broker/Dealer, and all securities and cash are held with our Custodian/Clearing Firm, HTS.

## **Account Statements**

Clients should receive at least quarterly statements from HTS or other qualified custodian that holds and maintains client's investment assets. Please refer to the Brokerage Practices Section of this document under Item 4 for a complete description of HTS' reporting obligations. GBS urges you to carefully review such statements and report to either GBS or HTS any discrepancies detected. Periodically, the IAR may provide you with their own Account/Performance Report. These reports are for informational purposes only and as a courtesy for the customer and should not be construed as a legal document.. These statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 10- Requirements for State-Registered Advisers**

The Principal Owners of GBS are Thomas W. Johnson & William B. Sweigart. Their formal Education and Business backgrounds are as follows:

### **Thomas W. Johnson**

Education: Bachelor of Science: George Mason University: 1985  
MBA: Marymount University: 1989

Business Background:  
7/1989 – Present: Partner: Johnson & Sweigart: Accounting  
2/1995 – Present: President/Principal: Global Brokerage Services, Inc.  
Registered Broker/Dealer/RIA

Other Business Activities: Providing tax and accounting services through Johnson & Sweigart. The approximate time spent is twenty percent

### **William B. Sweigart**

Education: Bachelor of Science: Penn State University: 1980  
MBA University of Baltimore: 1987

Business Background:  
7/1989 – Present Partner: Johnson & Sweigart: Accounting  
2/1995 – Present VP/Principal: Global Brokerage Services, Inc.  
Registered Broker/Dealer/RIA

Other Business Activities: Providing accounting and tax services through Johnson & Sweigart. The approximate time spent is sixty percent.

## Andrew Adler

532 S Division St  
Barrington, IL 60010

### Global Brokerage Service, Inc.

11350 McCormick Rd EP III Suite 901  
Hunt Valley, MD 21031

Telephone: 410-785-4990

September 1, 2021

## **Form ADV Part 2B Brochure Supplement**

This brochure supplement provides information about Andrew Adler that supplements the Global Brokerage Services, Inc. Brochure. You should have received a copy of that brochure. Please contact Thomas Johnson, Chief Compliance Office if you did not receive Andrew Adler's brochure or if you have any questions about the contents of this supplement.

Additional information about Andrew Adler is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Educational Background and Business Experience

Name: Andrew Adler

Year of Birth: 1976

Formal Education: University of Wisconsin-Madison, BS Personal Finance/Consumer Science: 1999  
Marymount University, MBA/Finance: 2001

Business Background: Global Brokerage Services, Inc. Reg. Rep: 2000- Present  
Adler Capital Management: Insurance: 2009 - Present

## Item 3: Disciplinary Information

We do not believe there are any material legal, financial or other “disciplinary” items to report for the above individual. You can obtain information regarding an adviser’s disciplinary history or disclosure events at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## Item 4: Other Business Activities

Andrew Adler is registered as a registered representative of Global Brokerage Services, Inc. (Broker/Dealer) which is the same as Global Brokerage Services, Inc (Investment Advisory Firm). Global Brokerage Services Inc. clients may be offered both Advisory Services along with commission based products. This may result in Andrew Adler receiving commission based compensation in addition to any advisory fee paid by the client. Global Brokerage Services, Inc. advisory clients are not obligated to purchase any securities products from Global Brokerage Services, Inc. (Broker/Dealer). Clients who implement Andrew Adler’s recommendation through the Broker/Dealer (Commission Based Securities) should be aware that there may exist various conflicts of interest. The ability to receive both commissions for selling insurance or security products gives the IAR an incentive to recommend investment products based on compensation received rather than on the client’s needs.

These conflicts are mitigated by our standard of conduct in the Code of Ethics Section of the ADV Part 2A Appendix 1: Wrap Fee Brochure.

Andrew Adler is the owner of Adler Capital Management, which provides non-securities related Insurance for individuals. This business activity provides a substantial source of income and time for Andrew Adler.

### **Item 5: Additional Compensation**

Andrew Adler cannot accept any type of economic benefits from anyone who is not a client for providing advisory services. Economic benefits include awards, other prizes, and bonuses that are based at least in part, on the number or amount of sales or client referrals, should be considered an economic benefits, but other regular bonuses should not. Economic benefits do not include the supervised person's regular salary.

In certain instances, product sponsors, investment companies, and third party money managers ("product sponsors") may participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and education programs, and by offsetting expenses that result from the cost of doing business. These companies may have greater access to the representative to provide training, education presentations and product information. These additional support mechanisms may give the IAR incentive to recommend these products over other where support services are not present.

### **Item 6: Supervision**

Andrew Adler is supervised by Thomas Johnson, President of Global Brokerage Services, Inc., from the offices at 11350 McCormick Rd EP III Suite 901, Hunt Valley, MD 21031, telephone number 410-785-4990. Andrew Adler will consider a client's risk tolerance by using a questionnaire to determine Asset Allocation and recommended models/strategies for investment planning based on the risk tolerance score results. Thomas Johnson reviews all accounts for suitability before they are opened. Thomas Johnson monitors all model/strategies offered by Andrew Adler on a regular basis.

In addition, GBS has developed a written supervisory manual to comply with all Federal & State regulations, which is updated as needed. To insure compliance with the written supervisory procedures manual, each IAR is delivered and required to review said manual upon initial registration and as amendments are made.

### **Item 7: Requirement for State-Registered Advisers**

Andrew Adler has never been involved in an award found liable in an arbitration claim in excess of \$2,500 or an award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following events:

- an investment or an investment related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices

Andrew Adler has never been the subject of a bankruptcy petition.

Thomas W. Johnson

**Global Brokerage Service, Inc.**

11350 McCormick Rd EP III Suite 901  
Hunt Valley, MD 21031

Telephone: 410-785-4990

September 1, 2021

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Thomas Johnson that supplements the Global Brokerage Services, Inc. Brochure. You should have received a copy of that brochure. Please contact Thomas Johnson, Chief Compliance Office if you did not receive Thomas Johnson's brochure or if you have any questions about the contents of this supplement.

Additional information about Thomas Johnson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## Item 2: Educational Background and Business Experience

Name:	Thomas Johnson
Year of Birth:	1958
Formal Education:	George Mason University, BS/Biology, 1985 Marymount University, MBA/Finance, 1989
Business Background:	Johnson & Sweigart, Partner: 1989 – Present Global Brokerage Services, Inc. President: 1995- Present

## Item 3: Disciplinary Information

We do not believe there are any material legal, financial or other “disciplinary” items to report for the above individual. You can obtain information regarding an adviser’s disciplinary history or disclosure events at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## Item 4: Other Business Activities

Thomas Johnson is registered as a registered representative of Global Brokerage Services, Inc. (Broker/Dealer) which is the same as Global Brokerage Services, Inc (Investment Advisory Firm). Global Brokerage Services Inc. clients may be offered both Advisory Services along with commission based products. This may result in Thomas Johnson receiving commission based compensation in addition to any advisory fee paid by the client. Global Brokerage Services, Inc. advisory clients are not obligated to purchase any securities products from Global Brokerage Services, Inc. (Broker/Dealer). Clients who implement Thomas Johnson’s recommendation through the Broker/Dealer (Commission Based Securities) should be aware that there may exist various conflicts of interest. The ability to receive both commissions for selling insurance or security products gives the IAR an incentive to recommend investment products based on compensation received rather than on the client’s needs.

These conflicts are mitigated by our standard of conduct in the Code of Ethics Section of the ADV Part 2A Appendix 1: Wrap Fee Brochure.

Thomas Johnson is a Partner of Johnson & Sweigart, which provides accounting and tax services for individuals and small businesses. This business activity provides a substantial source of income and time for Thomas Johnson.

### **Item 5: Additional Compensation**

Thomas Johnson cannot accept any type of economic benefits from anyone who is not a client for providing advisory services. Economic benefits include awards, other prizes, and bonuses that are based at least in part, on the number or amount of sales or client referrals, should be considered an economic benefits, but other regular bonuses should not. Economic benefits do not include the supervised person's regular salary.

In certain instances, product sponsors, investment companies, and third party money managers ("product sponsors") may participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and education programs, and by offsetting expenses that result from the cost of doing business. These companies may have greater access to the representative to provide training, education presentations and product information. These additional support mechanisms may give the IAR incentive to recommend these products over other where support services are not present.

### **Item 6: Supervision**

Thomas Johnson is supervised by William Sweigart, VP of Global Brokerage Services, Inc., from the offices at 11350 McCormick Rd EP III Suite 901, Hunt Valley, MD 21031, telephone number 410-785-4990. Thomas Johnson will consider a client's risk tolerance by using a questionnaire to determine Asset Allocation and recommended models/strategies for investment planning based on the risk tolerance score results. William Sweigart reviews all accounts for suitability before they are opened. William Sweigart monitors all model/strategies offered by Thomas Johnson on a regular basis.

In addition, GBS has developed a written supervisory manual to comply with all Federal & State regulations, which is updated as needed. To insure compliance with the written supervisory procedures manual, each IAR is delivered and required to review said manual upon initial registration and as amendments are made.

### **Item 7: Requirement for State-Registered Advisers**

Thomas Johnson has never been involved in an award found liable in an arbitration claim in excess of \$2,500 or an award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following events:

- an investment or an investment related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices

Thomas Johnson has never been the subject of a bankruptcy petition.

# Jerry D. Murphy

14514 Delcastle Dr  
Mitchellville, MD 20721

## Global Brokerage Service, Inc.

11350 McCormick Rd EP III Suite 901  
Hunt Valley, MD 21031

Telephone: 410-785-4990

September 1, 2021

## FORM ADV PART 2B BROCHURE SUPPLEMENT

This brochure supplement provides information about Jerry Murphy that supplements the Global Brokerage Services, Inc. Brochure. You should have received a copy of that brochure. Please contact Thomas Johnson, Chief Compliance Office if you did not receive Jerry Murphy's brochure or if you have any questions about the contents of this supplement.

Additional information about Jerry Murphy's is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Educational Background and Business Experience

**Name:** Jerry Murphy

**Year of Birth:** 1967

**Formal Education:** Bowie State University, BS Business/Marketing: 1994  
College for Financial Planning: CFP Program: 1996

**Business Background:** Global Brokerage Services, Inc. Reg. Rep: 1996- Present  
JDM Financial, Owner, 1996 – Present  
Prince George’s Community College: Adjunct Instructor: 1999- Present

### **Certified Financial Planner: 1996**

Qualifications: In order to attain the CFP designation, candidates must complete a four step process:

- 1) Education Requirement:  
Before applying for the CFP Certification Examination, applicant needs to complete the education requirements set by the CFP Board, such as completion of a CFP Board Registered Education Program and/or completion of a Bachelor’s degree or higher in any discipline from an accredited college or university;
- 2) CFP Exam:  
Applicant must complete 3 separate exams totaling 10 hours covering all aspects of Financial Planning
- 3) Experience Requirement:  
Applicant must complete at least 3 years of qualifying full time work experience
- 4) Ethics and background check

Ongoing Requirements: CFP must complete at least 30 hours of CE every 2 years, with at least 2 hours in Ethics

## Item 3: Disciplinary Information

We do not believe there are any material legal, financial or other “disciplinary” items to report for the above individual. You can obtain information regarding an adviser’s disciplinary history or disclosure events at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

#### **Item 4: Other Business Activities**

Jerry Murphy is registered as a registered representative of Global Brokerage Services, Inc. (Broker/Dealer) which is the same as Global Brokerage Services, Inc (Investment Advisory Firm). Global Brokerage Services Inc. clients may be offered both Advisory Services along with commission based products. This may result in Jerry Murphy receiving commission based compensation in addition to any advisory fee paid by the client. Global Brokerage Services, Inc. advisory clients are not obligated to purchase any securities products from Global Brokerage Services, Inc. (Broker/Dealer). Clients who implement Jerry Murphy's recommendation through the Broker/Dealer (Commission Based Securities) should be aware that there may exist various conflicts of interest. The ability to receive both commissions for selling insurance or security products gives the IAR an incentive to recommend investment products based on compensation received rather than on the client's needs.

These conflicts are mitigated by our standard of conduct in the Code of Ethics Section of the ADV Part 2A Appendix 1: Wrap Fee Brochure.

Jerry Murphy is the owner of JDM Financial, which provides Tax Preparation Services for individuals and small businesses. Jerry Murphy is also an Adjunct Instructor for Prince George's Community College. These business activities provides a substantial source of income and time for Jerry Murphy.

#### **Item 5: Additional Compensation**

Jerry Murphy cannot accept any type of economic benefits from anyone who is not a client for providing advisory services. Economic benefits include awards, other prizes, and bonuses that are based at least in part, on the number or amount of sales or client referrals, should be considered an economic benefits, but other regular bonuses should not. Economic benefits do not include the supervised person's regular salary.

In certain instances, product sponsors, investment companies, and third party money managers ("product sponsors") may participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and education programs, and by offsetting expenses that result from the cost of doing business. These companies may have greater access to the representative to provide training, education presentations and product information. These additional support mechanisms may give the IAR incentive to recommend these products over other where support services are not present.

#### **Item 6: Supervision**

Jerry Murphy is supervised by Thomas Johnson, President of Global Brokerage Services, Inc., from the offices at 11350 McCormick Rd EP III Suite 901, Hunt Valley, MD 21031, telephone number 410-785-4990. Jerry Murphy will consider a client's risk tolerance by using a questionnaire to determine Asset Allocation and recommended models/strategies for investment planning based on the risk tolerance score results. Thomas Johnson reviews all accounts for suitability before they are opened. Thomas Johnson monitors all model/strategies offered by Jerry Murphy on a regular basis.

In addition, GBS has developed a written supervisory manual to comply with all Federal & State regulations, which is updated as needed. To insure compliance with the written supervisory procedures manual, each IAR is delivered and required to review said manual upon initial registration and as amendments are made.

**Item 7: Requirement for State-Registered Advisers**

Jerry Murphy has never been involved in an award found liable in an arbitration claim in excess of \$2,500 or an award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following events:

- an investment or an investment related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices.

Jerry Murphy has never been the subject of a bankruptcy petition.

William B. Sweigart

Global Brokerage Service, Inc.

11350 McCormick Rd EP III Suite 901  
Hunt Valley, MD 21031

Telephone: 410-785-4990

September 1, 2021

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about William B. Sweigart that supplements the Global Brokerage Services, Inc. Brochure. You should have received a copy of that brochure. Please contact Thomas Johnson, Chief Compliance Office if you did not receive William B. Sweigart's brochure or if you have any questions about the contents of this supplement.

Additional information about William Sweigart is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Educational Background and Business Experience

Name: William B. Sweigart

Year of Birth: 1958

Formal Education: Pennsylvania State University  
B. S. Finance, 1980

University of Baltimore  
M. B. A., 1987

Business Background: Johnson & Sweigart, Partner: 1989 – Present  
Global Brokerage Services, Inc. President: 1995- Present

## Item 3: Disciplinary Information

We do not believe there are any material legal, financial or other “disciplinary” items to report for the above individual. You can obtain information regarding an adviser’s disciplinary history or disclosure events at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## Item 4: Other Business Activities

William B. Sweigart registered as a registered representative of Global Brokerage Services, Inc. (Broker/Dealer) which is the same as Global Brokerage Services, Inc (Investment Advisory Firm). Global Brokerage Services Inc. clients may be offered both Advisory Services along with commission based products. This may result in William Sweigart receiving commission based compensation in addition to any advisory fee paid by the client. Global Brokerage Services, Inc. advisory clients are not obligated to purchase any securities products from Global Brokerage Services, Inc. (Broker/Dealer). Clients who implement William Sweigart’s recommendation through the Broker/Dealer (Commission Based Securities) should be aware that there may exist various conflicts of interest. The ability to receive both commissions for selling insurance or security products gives the IAR an incentive to recommend investment products based on compensation received rather than on the client’s needs.

These conflicts are mitigated by our standard of conduct in the Code of Ethics Section of the ADV Part 2A Appendix 1: Wrap Fee Brochure.

William Sweigart is a Partner of Johnson & Sweigart, which provides accounting and tax services for individuals and small businesses. This business activity provides a substantial source of income and time for William Sweigart.



### **Item 5: Additional Compensation**

William Sweigart cannot accept any type of economic benefits from anyone who is not a client for providing advisory services. Economic benefits include awards, other prizes, and bonuses that are based at least in part, on the number or amount of sales or client referrals, should be considered an economic benefits, but other regular bonuses should not. Economic benefits do not include the supervised person's regular salary.

In certain instances, product sponsors, investment companies, and third party money managers ("product sponsors") may participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and education programs, and by offsetting expenses that result from the cost of doing business. These companies may have greater access to the representative to provide training, education presentations and product information. These additional support mechanisms may give the IAR incentive to recommend these products over other where support services are not present.

### **Item 6: Supervision**

William Sweigart is supervised by Thomas Johnson, President of Global Brokerage Services, Inc., from the offices at 11350 McCormick Rd EP III Suite 901, Hunt Valley, MD 21031, telephone number 410-785-4990. William Sweigart will consider a client's risk tolerance by using a questionnaire to determine Asset Allocation and recommended models/strategies for investment planning based on the risk tolerance score results. Thomas Johnson reviews all accounts for suitability before they are opened. Thomas Johnson monitors all model/strategies offered by William Sweigart on a regular basis.

In addition, GBS has developed a written supervisory manual to comply with all Federal & State regulations, which is updated as needed. To insure compliance with the written supervisory procedures manual, each IAR is delivered and required to review said manual upon initial registration and as amendments are made.

### **Item 7: Requirement for State-Registered Advisers**

William Sweigart has never been involved in an award found liable in an arbitration claim in excess of \$2,500 or an award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following events:

- an investment or an investment related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices.

William Sweigart has never been the subject of a bankruptcy petition.

## David K. Heiges

22 E. Main St.  
Gettysburg, PA 17325

### Global Brokerage Service, Inc.

11350 McCormick Rd EP III Suite 901  
Hunt Valley, MD 21031

Telephone: 410-785-4990

September 1, 2021

## FORM ADV PART 2B BROCHURE SUPPLEMENT

This brochure supplement provides information about David K. Heiges that supplements the Global Brokerage Services, Inc. Brochure. You should have received a copy of that brochure. Please contact Thomas Johnson, Chief Compliance Office if you did not receive David K. Heiges' brochure or if you have any questions about the contents of this supplement.

Additional information about David K. Heiges is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Educational Background and Business Experience

Name: David K. Heiges

Year of Birth: 1958

Formal Education: Franklin & Marshall College  
B.A. Business, 1980

Penn State University  
Associates Electrical Engineering, 1983

Business Background: Global Brokerage Services, Inc. President: 1996- Present

## Item 3: Disciplinary Information

We do not believe there are any material legal, financial or other “disciplinary” items to report for the above individual. You can obtain information regarding an adviser’s disciplinary history or disclosure events at [www.finra.org/brokercheck](http://www.finra.org/brokercheck) or [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

## Item 4: Other Business Activities

David Heiges is registered as a registered representative of Global Brokerage Services, Inc. (Broker/Dealer) which is the same as Global Brokerage Services, Inc (Investment Advisory Firm). Global Brokerage Services Inc. clients may be offered both Advisory Services along with commission based products. This may result in David Heiges receiving commission based compensation in addition to any advisory fee paid by the client. Global Brokerage Services, Inc. advisory clients are not obligated to purchase any securities products from Global Brokerage Services, Inc. (Broker/Dealer). Clients who implement David Heiges’ recommendation through the Broker/Dealer (Commission Based Securities) should be aware that there may exist various conflicts of interest. The ability to receive both commissions for selling insurance or security products gives the IAR an incentive to recommend investment products based on compensation received rather than on the client’s needs.

These conflicts are mitigated by our standard of conduct in the Code of Ethics Section of the ADV Part 2A Appendix 1: Wrap Fee Brochure.

David Heiges also provides Tax Preparation Services for individuals and small businesses, sells Non-Variable Insurance Products to individuals, and provides Property Management services to a limited number of individual clients. These business activities provides a substantial source of income and time for David Heiges.

### **Item 5: Additional Compensation**

David Heiges cannot accept any type of economic benefits from anyone who is not a client for providing advisory services. Economic benefits include awards, other prizes, and bonuses that are based at least in part, on the number or amount of sales or client referrals, should be considered an economic benefits, but other regular bonuses should not. Economic benefits do not include the supervised person's regular salary.

In certain instances, product sponsors, investment companies, and third party money managers ("product sponsors") may participate in activities that are designed to help facilitate the distribution of their products, such as marketing activities and education programs, and by offsetting expenses that result from the cost of doing business. These companies may have greater access to the representative to provide training, education presentations and product information. These additional support mechanisms may give the IAR incentive to recommend these products over other where support services are not present.

### **Item 6: Supervision**

David Heiges is supervised by Thomas Johnson, President of Global Brokerage Services, Inc., from the offices at 11350 McCormick Rd EP III Suite 901, Hunt Valley, MD 21031, telephone number 410-785-4990. David Heiges will consider a client's risk tolerance by using a questionnaire to determine Asset Allocation and recommended models/strategies for investment planning based on the risk tolerance score results. Thomas Johnson reviews all accounts for suitability before they are opened. Thomas Johnson monitors all model/strategies offered by David Heiges on a regular basis.

In addition, GBS has developed a written supervisory manual to comply with all Federal & State regulations, which is updated as needed. To insure compliance with the written supervisory procedures manual, each IAR is delivered and required to review said manual upon initial registration and as amendments are made.

### **Item 7: Requirement for State-Registered Advisers**

David Heiges has never been involved in an award found liable in an arbitration claim in excess of \$2,500 or an award or otherwise being found liable in a civil, self-regulatory organization or administrative proceeding involving any of the following events:

- an investment or an investment related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices.

David Heiges has never been the subject of a bankruptcy petition.