

**Part 2A Appendix of Form ADV: Wrap Fee Program Brochure**

**Integrity Advisory Solutions, LLC**

1445 Ross Ave 55<sup>th</sup> Floor  
Dallas, TX 75202

(877) 886-1939

[www.integritywealthsolutions.com](http://www.integritywealthsolutions.com)

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of Integrity Advisory Solutions, LLC. If you have any questions about the contents of this brochure, please contact us at (877) 886-1939. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Integrity Advisory Solutions, LLC is available on the SEC's website at [www.adviserinfo.sec.com](http://www.adviserinfo.sec.com). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Integrity Advisory Solutions is 288817.

Integrity Advisory Solutions is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

## **Item 2. SUMMARY OF MATERIAL CHANGES**

This Item 2 of our Form ADV, Part 2A, Appendix 1, Wrap Fee Program Brochure ("Wrap Brochure"), will summarize specific material changes that are made to the Wrap Brochure from time to time. As required, should we make material changes to this Wrap Brochure we will, within 120 days of the end of our fiscal year, provide you with either: (i) a copy of the amended Wrap Brochure accompanied by a summary of material changes; or (ii) a summary of the material changes accompanied by an offer to provide a copy of the complete, current Wrap Brochure upon your request. Certain material changes will be communicated sooner, as required.

We urge you to carefully review summaries of material changes, if any, as they will contain important information, which can impact the advisory relationship between you and Integrity Advisory Solutions. These can include significant changes to our firm, advisory services, fee structure, business practices, conflicts of interest, and/or disciplinary history, among others.

### **MATERIAL CHANGES SINCE THE LAST UPDATE**

The following material changes have been made to this Wrap Brochure since our last annual updating amendment. Please note, only material amendments made since our last annual amendment filing are summarized below.

- We changed our main office location from 8223 S. Church St., Burlington, SC 27215 to 1445 Ross Ave. 55<sup>th</sup> Fl., Dallas, TX 75202.
- The name of our affiliate has changed from "Brokers International Financial Services, LLC" to "Integrity Alliance, LLC".
- Items 4 and 9 have been updated to provide disclosure regarding a new unaffiliated third-party line of credit program offered by our affiliate, Integrity Alliance. The updates also disclose that financial advisors have a financial incentive to recommend this lending program.
- Item 4 was amended to disclose that, as appropriate, alternative investments can be recommended for inclusion in the accounts of clients enrolled in the IAS Aspire Program and that the assets of such alternative investments are typically held with a custodian selected by the investment's sponsor. Item 4 was also amended to provide disclosure regarding the Wealth Solutions SMA Program, a new wrap fee program offered to Integrity Advisory Solutions clients, which is sponsored by our affiliate, Integrity Alliance, and which provides access to the management services of independent investment advisers (each a "Portfolio Manager"). Item 4 was also amended to disclose that certain investment adviser representatives have financial incentive to recommend the Aspire Program, and/or Edge Program (a non-wrap fee program) and/or the Retirement Ally Program over other investment programs offered by the firm and how the firm seeks to address these conflicts of interest.
- Item 9 was amended, under sub-heading *Economic Benefits from Others*, to disclose certain benefits received by our affiliate, Integrity Alliance, from BNY Mellon Advisors, an affiliate of Pershing, in connection with the Wealth Solutions SMA Program. Disclosure was also added regarding conflicts of interest that result from the receipt of such benefits and how the firm seeks to address them.
- Item 9 was amended to provide disclosure that our affiliate, Integrity Alliance, receives additional compensation when client accounts are custodied at Pershing. Pershing's Schedule A outlines service fees for certain services, which are charged directly to client accounts. Integrity Alliance marks up these service fees above the rates set by Pershing, and the difference between the fee charged to the client and Pershing's fee is retained by Integrity Alliance as additional compensation. This practice creates a conflict of interest, as Integrity Alliance earns more when accounts are custodied at Pershing.
- As appropriate, other non-material amendments and cross references to the detailed disclosures have also been added throughout the Brochure.

**FULL BROCHURE AVAILABLE**

At any time, you can view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD No. 288817. To request a complete copy of our Disclosure Brochure, contact us by telephone at (877) 886-1939 or by email at [compliance@integritywealthsolutions.com](mailto:compliance@integritywealthsolutions.com).

### **Item 3. TABLE OF CONTENTS**

Item 2. SUMMARY OF MATERIAL CHANGES.....	2
Item 3. TABLE OF CONTENTS .....	4
Item 4. SERVICES, FEES AND COMPENSATION.....	5
Item 5. ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS.....	12
Item 6. PORTFOLIO MANAGER SELECTION AND EVALUATION .....	12
Item 7. CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS .....	18
Item 8. CLIENT CONTACT WITH PORTFOLIO MANAGERS .....	18
Item 9. ADDITIONAL INFORMATION .....	19

## **Item 4. SERVICES, FEES AND COMPENSATION**

### **INTRODUCTION**

Integrity Advisory Solutions, LLC (referred to as “we,” “our,” “us,” “Firm,” “Adviser,” or “Integrity Advisory Solutions”) is a Delaware Limited Liability Company, founded in 2017, with its principal office located in Dallas, TX. Integrity Advisory Solutions has provided investment advisory services since March 2018 as a state-registered investment adviser and was approved as a U.S. Securities and Exchange Commission (“SEC”) registered investment adviser on January 20, 2022. The Firm provided investment advisory services under the name “Burlington Alliance Capital Management, LLC” until September 2023, when its name was legally changed. The Firm is a wholly owned, indirect subsidiary of Integrity, LLC (“Integrity”).

As an investment adviser, Integrity Advisory Solutions is a fiduciary to our clients under the Investment Advisers Act of 1940 (“Advisers Act”), as interpreted. As a fiduciary, we seek to uphold a duty of loyalty, care, fairness and good faith towards each client and to disclose and mitigate conflicts or potential conflicts of interest.

Integrity Advisory Solutions primarily offers wrap and non-wrap, directly managed, and sub-advised portfolio management services (including the Wealth Solutions, Wealth Solutions SMA, and Retirement Ally wrap fee programs sponsored and sub-advised by our affiliate, Integrity Alliance, LLC (“Integrity Alliance”)) to individuals, high net-worth individuals, trusts, estates, or charitable organizations, corporations or other business entities (each referred to as a client or collectively as “clients”) as described below. This Form ADV, Part 2A, Appendix 1, Wrap Brochure summarizes the IAS Aspire Wrap Program developed and sponsored by the Firm. The Firm’s other services, which include financial planning, consulting, retirement plan consulting, and retirement plan participant consulting services, are summarized in our Form ADV, Part 2A, Disclosure Brochure. If you would like a copy of our Form ADV, Part 2A, Disclosure Brochure, please contact your investment adviser representative or Integrity Advisory Solutions at (214) 919-2165. (The Wealth Solutions and Retirement Ally wrap fee programs are summarized under a separate ADV Part 2A, Appendix 1 Wrap Brochure prepared by Integrity Alliance).

A wrap fee program is an advisory program under which a specified fee or fees not based directly upon transactions in a client’s account is charged for investment advisory services (which can include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. In other words, transactions in a client’s wrap fee account are generally effected without separate commission charge to the client and a portion of the wrap fee is generally considered as being in lieu of commissions. In a non-wrap program, a client will separately incur commissions and other transaction charges for each trade placed in the client’s account in addition to investment advisory fees.

When recommending an appropriate investment program, including whether to recommend a wrap or non-wrap fee program, the investment adviser representative will generally consider, among other circumstances, the client’s account size and advisory fees to be charged, the anticipated trading volume, the types and quantities of securities to be purchased or sold, and commission rates to be charged for transactions should a non-wrap account be selected. In general, a wrap fee account is more cost effective for the client when trading activity is anticipated to be high, though a wrap fee account can be more expensive than a non-wrap fee account when trading activity is low.

Recommendations presented to clients by Integrity Advisory Solutions and the implementation of such recommendations are dependent upon the information provided by the client to build the client’s financial profile, which outlines each client’s current situation (e.g., income, investment objectives, and risk tolerance levels) and is used to construct a client specific action plan to aid in the selection of an investment program, and portfolio, that matches their restrictions, needs, and targets.

Our business model is based on a network of investment adviser representatives with offices located throughout the United States. Investment adviser representatives generally operate their businesses as independent contractors of Integrity Advisory Solutions and are subject to our supervision and oversight from a centralized location. Many investment adviser representatives have their own business entities whose trade names and logos are used for marketing purposes and can appear on marketing materials and/or client statements. More information about the investment adviser representative servicing your account can be found in the individual investment adviser representative’s Form ADV, Part 2B, Brochure Supplement provided to you when you opened your account. If you have not received a copy of your investment adviser representative’s Form ADV Part 2B, Brochure Supplement, please contact your representative or Integrity Advisory Solutions by phone at (877) 886-1939.

When transferring your account to be invested, generally, existing positions in the account will be liquidated, and the cash transferred to a qualified independent custodian. The liquidation of your account likely will have tax consequences, which you should discuss with your tax adviser. Also, liquidating securities positions will likely incur one-time transaction charges that are not included in the wrap fee charged for the IAS Aspire Wrap Program. However, if there are certain securities you own that you do not want to liquidate, you must notify your investment adviser representative in writing and they will be transferred in-kind for custody, but we will not advise on those positions. Any transaction costs incurred in the liquidation of your transferred assets are not included in the wrap fee described below and will be the responsibility of the client.

## SERVICES

Integrity Advisory Solutions is the sponsor of the IAS Aspire Wrap Program (the “Aspire Program”). Through the Aspire Program, clients receive ongoing investment advice regarding the investment of their account from their investment adviser representative. The investment adviser representative is responsible for selecting an investment strategy fitting the client’s investment objectives and risk tolerance as well as the particular securities and the allocation among securities used within the selected strategy. Certain investment adviser representatives will develop models or strategies that are generally applied, as appropriate, in the management of their client accounts, while other investment adviser representatives will develop customized portfolios for each client to meet a client’s specific investment goals and objectives.

Investment strategies, models, and philosophies used within the Aspire Program will vary based on the investment adviser representative servicing your account. Models and strategies used by one investment adviser representative are likely to be different than the models and strategies used by other investment adviser representatives. Some investment adviser representatives limit their advice to mutual funds and exchange traded funds (ETFs) and others will provide advice on a full range of securities including but not limited to: exchange-listed securities, securities traded over the counter, foreign issues, ETFs, warrants, corporate debt securities, commercial paper, certificates of deposit, mutual fund shares, municipal securities, United States government securities, and options contracts on securities. If appropriate, based on investment objectives and risk profile, the representative can recommend that a portion of the client’s Aspire Program portfolio be allocated to alternative investments, such as hedge funds, private equity funds, private credit, real assets, and others. Because alternative investments are typically less liquid than publicly traded investments, and often involve different and/or increased risks, clients should carefully review the offering documents accompanying any recommended alternative investment and discuss any questions with their representative.

As a result of these varied approaches, the portfolios of clients enrolled in the Aspire Program with similar investment needs and profiles will not necessarily be similarly invested or experience the same performance.

With discretionary trading, the investment adviser representative has the authority to buy or sell securities without obtaining a client’s approval prior to each transaction. Clients grant the investment adviser representative discretion when signing an Investment Management Agreement for the Aspire Program that includes a provision conferring discretionary authority. Integrity Advisory Solutions requires the investment adviser representative to meet certain qualifications, as established by the Firm, before they are permitted to exercise discretion over client accounts. Your investment adviser representative is required to notify you if they will exercise discretion with respect to your account.

Clients can place reasonable restrictions on the types of investments that can be purchased in their Aspire Program account. Clients can also place reasonable limitations on the discretionary power granted to investment adviser representatives, so long as the restrictions and limitations are specifically set forth in writing or included as an attachment to the appropriate client Investment Management Agreement. Discretionary authority will remain in place unless revoked by you in writing or until you or we terminate the relationship.

Integrity Advisory Solutions will manage only the securities, cash and other investments held within a client’s account, and in making investment decisions for a client’s account. Clients also should note, in providing advisory services, we are not required to verify any information we receive from you or from your other professionals (e.g. attorney, accountant, etc.). Furthermore, unless you indicate to the contrary, we will assume that there are no restrictions on our services, other than to manage your account in accordance with your designated investment objectives. It is your responsibility to promptly notify us if there are changes

in your financial situation or investment objectives for the purpose of reviewing, evaluating, and/or revising our previous recommendations or services. Integrity Advisory Solutions makes no guarantee, either oral or written, that a client's investment objectives will be achieved.

### **The Custodians and Brokers We Use**

For the Aspire Program, we typically recommend Pershing, LLC ("Pershing"), Charles Schwab & Company, Inc. (Schwab"), or Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") as the client's account custodian. As applicable, the assets of alternative investments will typically be held by a custodian selected by the investment's sponsor. Not all investment advisers restrict or limit the custodians/broker-dealers their clients can use. Some investment advisers permit their clients to select any custodian/broker-dealer of the client's own choosing.

For accounts custodied with Pershing, Integrity Alliance, LLC ("Integrity Alliance"), an affiliate of Integrity Advisory Solutions, will serve as the introducing/executing broker, for which it will receive direct and/or indirect compensation. As Integrity Alliance is affiliated with Integrity Advisory Solutions through common ownership, the potential to receive compensation for providing brokerage services to Integrity Advisory Solutions client accounts custodied with Pershing creates a conflict of interest when we recommend a custodian for the client's account. This is because any compensation received by Integrity Alliance while acting in this capacity will ultimately inure to the benefit of Integrity, which indirectly owns both Integrity Advisory Solutions and Integrity Alliance.

Integrity Advisory Solutions seeks to address this conflict by disclosing it to you, by making certain investment programs, including the Aspire Program, available to clients through custodians other than Pershing, and by adopting policies and procedures reasonably designed to ensure that investment adviser representatives make recommendations solely in the best interests of clients after careful consideration of all relevant circumstances, including, among other things, client needs, preferences, and the total anticipated cost of services. These procedures further require that investment adviser representatives monitor recommendations provided in an ongoing relationship, including periodic evaluation of whether the client's account or program type continues to be in the client's best interests. Clients are not obligated to select Pershing as their Aspire Program account custodian.

With respect to client accounts custodied with Pershing, for which our affiliate, Integrity Alliance, acts as introducing/executing broker, instructions have been provided requesting that Pershing rebate 12b1 fees charged by mutual funds held in client accounts to their investors and incurred by the Firm's clients. For client accounts custodied with Schwab, or Fidelity, where Integrity Alliance is not the executing broker, Schwab or Fidelity, as applicable, will generally retain any 12b-1 fees charged to clients from mutual funds held in their accounts. These differing approaches will result in client accounts being more costly to maintain when holding mutual funds charging 12b-1 fees at Schwab versus Pershing. Clients should consider the differing treatment of 12b-1 fees by account custodians, including whether the client expects to hold mutual funds in their account, when selecting an account custodian. Please refer to *Item 9 – Additional Information* for more information regarding 12b-1 fees.

The qualified custodian selected will hold your assets in a brokerage account and will buy and sell securities when we instruct them to, or, in the case of Pershing, Integrity Alliance will do so. We do not open the account for you, although we will assist you in doing so.

### **Directed Brokerage**

Integrity Advisory Solutions does not accept the discretionary authority to determine the broker dealer to be used in connection with trades placed in the client's account. Instead, Integrity Advisory Solutions requires that clients direct the Firm to place trades through the broker dealer custodying the client's account, or, in the case of Pershing, through Integrity Advisory Solutions' affiliate, Integrity Alliance, in its capacity as introducing/executing broker dealer to Pershing. (Pershing acts as a custodian for client accounts but does not also act as executing broker with respect to trades placed in those accounts).

Because our affiliate, Integrity Alliance, will act as introducing broker to accounts custodied at Pershing, selecting Pershing as your account custodian is also a selection of Integrity Alliance as the directed broker on your account. Requiring that clients direct the use of its affiliate, Integrity Alliance, as introducing/executing broker for accounts custodied with Pershing creates certain conflicts of interest, as disclosed above and at *Item 9 – Additional Information* of this Wrap Brochure, which clients should carefully consider when selecting a custodian and providing instructions to direct brokerage for their account.

Integrity Advisory Solutions has evaluated Pershing, whose services will be provided in combination with those of our affiliate, Integrity Alliance, and Schwab, and Fidelity, and believes that these entities will provide Integrity Advisory Solutions clients with a blend of execution services, custodial services, and professionalism that will assist Integrity Advisory Solutions in meeting its fiduciary obligations to clients. We conduct periodic reviews of these entities and the services they provide to our clients to reasonably ensure that this continues to be true.

In directing the use of a particular broker it should be understood that Integrity Advisory Solutions will not have authority to negotiate commissions on a trade-by-trade basis or to necessarily obtain volume discounts, and best execution may not be achieved. Clients should note, while Integrity Advisory Solutions has a reasonable belief that Schwab, Fidelity, and Integrity Alliance/Pershing will be able to obtain quality execution and competitive prices, Integrity Advisory Solutions will not independently seek best execution price capability through other broker dealers on a trade-by-trade basis.

In evaluating our arrangements with custodians, the client should consider that transactions in the client's account are generally effected without separate trading costs to the client, and a portion of the total wrap fee is considered to be in lieu of such transaction costs.

Integrity Advisory Solutions reserves the right to decline acceptance of any client account for which the client directs the use of a broker dealer other than the client's account custodian, or, in the case of client accounts custodied with Pershing, Integrity Alliance.

Ticket charges or other fees on trades have been negotiated with the qualified custodians based on our commitment to maintain a certain amount of assets in accounts at the qualified custodian. This commitment can give rise to a conflict of interest by creating incentive for Integrity Advisory Solutions to recommend these custodians in order to reach these threshold levels and lower trading costs with respect to wrap fee programs, for which the Firm or the investment adviser representative is responsible. Integrity Advisory Solutions seeks to mitigate this conflict of interest by disclosing it to you, and by adopting and implementing written policies and procedures reasonably designed to ensure that recommendations are made solely in the client's best interests, including account-type recommendations, and requiring that representatives monitor recommendations provided to clients in an ongoing relationship.

With respect to the Wealth Solutions and Wealth Solutions SMA Programs, sponsored by our affiliate, Integrity Alliance, Integrity Alliance retains the portion of the Platform/Program fee not paid to Pershing. The Platform/Program fee charged to clients enrolled in these Programs incorporates an annual asset-based brokerage fee paid to Pershing. The asset-based brokerage fee is tiered based on the amount of client assets Integrity Alliance and its affiliates, including Integrity Advisory Solutions, have custodied with Pershing through these Programs and decreases as the amount of assets custodied with Pershing through these Programs increases. This gives rise to certain conflicts of interest as it creates an incentive for us to promote these Programs over other investment programs, and to recommend that you increase the amount of assets held in accounts enrolled in these Programs in the pecuniary interests of our affiliate rather than the client's best interests. We seek to address these conflicts of interest by disclosing them to you and by adopting and implementing policies and procedures requiring that recommendations be made solely in the client's best interests.

Integrity Advisory Solutions (and, in certain cases, our affiliate, Integrity Alliance) receive certain benefits from Pershing, Schwab, and Fidelity in connection with Aspire Program accounts. You should refer to *Item 9 – Additional Information* below for details regarding these benefits, conflicts of interest that arise as a result, and how we seek to address these conflicts.

Approved custodians offer NTF (no-transaction fee) mutual funds, which allows investment adviser representatives to select mutual funds that trade without a transaction fee. The availability of NTF mutual funds creates a conflict of interest with respect to the Aspire Program, in which the investment adviser representative or Integrity Advisory Solutions is responsible for transaction costs because the more costs that can be avoided with respect to the Aspire Program account, the more of the wrap fee is retained. At the same time, NTF mutual funds often have higher internal expense ratios than other share classes of the same or other similar funds that can be recommended for the client's account. Please refer to *Item 9 – Additional Information* below for additional information regarding this arrangement, resulting conflicts of interest, and how we seek to address them.

Our affiliate, Integrity Alliance, is a participant in Pershing's FUNDVEST® ticket charge program, which offers no-transaction fee ("NTF") mutual funds. Integrity Alliance's participation in this Program gives rise to



certain additional conflicts of interest when we recommend custodians and investments to clients that clients should carefully consider including the ability to share in service fees paid by certain mutual funds to Pershing. Please refer to *Item 9 – Additional Information* for important additional information regarding our affiliate's participation in this program and resulting conflicts of interest.

Also, unless directed otherwise by the client, the portion of each eligible client account custodied with Pershing that is allocated to cash will be automatically "swept" into FDIC-insured deposit accounts through a cash sweep program that pays to Integrity Alliance a percentage of the net interest rate available based on the amount of client assets held in the cash sweep program. This arrangement reduces the amount of interest you earn on cash balances in your account custodied with Pershing and creates conflicts of interest as described further at *Item 9 – Additional Information* below.

Our affiliate, Integrity Alliance, also receives additional compensation in connection with client accounts custodied at Pershing. Under Pershing's Schedule A, service fees for certain account services are set by Pershing and charged directly to client accounts. Integrity Alliance marks up these service fees above the rates set forth in Pershing's Schedule A. The difference between the fee charged to the client and the fee set by Pershing is retained by Integrity Alliance as additional compensation. This practice creates a conflict of interest, as Integrity Alliance has a financial incentive to apply markups to service fees. Integrity Advisory Solutions mitigates this conflict by disclosing this practice to you.

Similar advisory services may be available from other registered investment advisers for lower fees.

### FEES

The fee charged to your Aspire Program account will equal the total of both a Program Fee, and the investment adviser representative fee negotiated between you and your representative. Investment adviser representatives can negotiate their fee with clients based on each client's individual financial situation, complexity, and assets under management, among other considerations.

The maximum Program Fee charged is equal to an annual rate of 0.20% of the Aspire Program account's assets under management. The maximum investment adviser representative fee is equal to 2.00% of the Aspire Program account's assets under management. The specific, total fee charged to each client will be outlined in, or attached to, the Investment Management Agreement entered into with the client.

The portion of the total fee attributable to the Program Fee is not negotiable to the client, however, based on the investment adviser representative's total assets under management with Integrity Advisory Solutions, the representative can negotiate with Integrity Advisory Solutions for a lower Program Fee. The investment adviser representative can also negotiate with Integrity Advisory Solutions to receive a portion of the Program Fee, thereby increasing their overall compensation. Clients should note, a conflict of interest arises when Integrity Advisory Solutions agrees to share a portion of the Aspire Program Fee with an investment adviser representative as the representative then has incentive to recommend the Aspire Program over other investment programs offered by the firm in their own pecuniary interests rather than in the client's best interest. (Similar arrangements exist with respect to the Edge Program fee as detailed in the firm's separate Form ADV, Part 2A, Disclosure Brochure).

Total account fees are directly debited from your account, as authorized, quarterly, in advance, based on the value of your account(s) at the end of the quarter. Integrity Advisory Solutions will pro rate its fees for accounts opened mid-quarter, which will be assessed at the end of the month in which the account was opened. For example, if an account is opened on January 15, the Firm will charge its fee on February 1 for the remaining days in January, as well as for February and March. In addition, each quarter's fee going forward will be adjusted for material deposits or withdrawals (\$5,000 or more) made to/from the account during the quarter to "true-up" the advance fee collected.

### **Lines of Credit Programs**

Integrity Alliance grants clients access to credit and borrowing services offered by unaffiliated third-party lenders that Integrity Alliance engages from time to time. As a client of Integrity Alliance, the third-party lenders would offer you competitive loan terms, including competitive interest rates. Third-party lenders are subject to review and approval by Integrity Alliance and are subject to change.

Integrity Alliance or an advisor affiliate of Integrity Alliance will assist you in identifying your risk tolerance and investment objectives and can recommend a third-party lender based upon your individual needs. In

order to participate in this service, you are required to enter into an agreement directly with the third-party lender who will then directly provide you with credit and borrowing services.

Integrity Alliance is available to answer questions you may have regarding your loans and to act as the intermediary between you and the third-party lender.

Third-party lender programs generally have line of credit minimums that will vary from third-party lender to third-party lender. There are also usually minimum draw amounts, and interest payments are typically due monthly. A complete description of the third-party lender's services, interest rates and other terms are available upon request from Integrity Alliance. To request such information, please contact Integrity Alliance at 877-886-1939 or at [compliance@integritywealthsolutions.com](mailto:compliance@integritywealthsolutions.com).

Integrity Alliance's arrangements with such third-party lenders also typically keep the funds generated by your use of such third-party lenders invested under Integrity Alliance's management. By recommending that a client use a third-party lender to fund a purchase or other financial need rather than liquidate securities under Integrity Alliance's management, Integrity Alliance and its advisor affiliates continue to earn fees on the full account value. The

actual interest rate charged by the lenders under this service will vary depending on market conditions and the third-party lender utilized. Please refer to *Item 9 – Additional Information* for important additional information regarding our referral arrangements with third-party lenders.

There are conflicts of interest for Integrity Alliance's advisor affiliates (which are independent contractors and not employees of Integrity Alliance) that recommend a line of credit, including if the collateral used to support such credit is comprised of securities, sweep accounts or other assets or accounts for which Integrity Alliance is compensated. The use of such assets as collateral result in you holding assets (and paying Integrity Alliance with respect to such assets) that you may have liquidated absent an available line of credit. No guarantees can be made that your financial goals and objectives will be achieved. Further, no guarantees of performance can be offered. All investments involve risk, including the possible loss of principal. Please refer to the *Fees Related to Lines of Credit Programs* below for additional disclosure regarding a line of credit.

### **Comparative Cost of Program**

Clients should note that the Aspire Program can cost the client more or less than purchasing advisory and trade execution services separately. Depending on the level of fees charged by the executing broker dealer, and the amount of trading activity in the client's account, the value of the services provided in the Aspire Program may or may not exceed the total cost of such services had they been provided and paid for individually. Factors the client should consider include the size of the portfolio, the nature of the investments to be managed, the anticipated level of trading activity, commission costs, custodial expenses, if any, and the amount of advisory fees charged solely for managing the client's portfolio. In addition, the wrap fee may be higher or lower than that charged by other sponsors of comparable wrap fee programs.

### **Fees Not Included in Wrap Fee**

In addition to the Wrap Fee, each mutual fund, ETF or ETN in which the client's assets can be invested from time to time pay an advisory fee to the fund's investment adviser and charge other expenses as described in the fund's prospectus, which can include, but are not necessarily limited to, 12b-1 fees. Alternative investment vehicles also charge fees and expenses to their investors, which are separate from and in addition to the fees charged by Integrity Advisory Solutions to its clients. Accordingly, the client should review both the fees charged by funds and, as applicable, alternative investments, held in their account and our fees to fully appreciate the total amount of fees incurred and, thereby, evaluate the services provided through the Aspire Program. These fees and expenses are detailed in the applicable fund's prospectus or offering documents.

The wrap fee also does not cover exchange fees, SEC fees, transfer taxes, short-term redemption fees, certain brokerage related fees such as administrative service fees charged in connection with wire transfers, electronic fund transfer fees, or certificate issuance, overnight shipping charges, fees for odd-lot differentials, step-out or "trade-away" fees (typically imposed when trades are placed with a broker other than the custodying broker and which typically will include commission charges imposed by the executing broker and an additional fee charged by the account custodian to settle the trade into the client's account), fees associated with non-standard investments, interest on loans, including margin loans, and other fees required by law.

## **Fees Related to Lines of Credit Programs**

Please be aware that Integrity Alliance has a conflict of interest by recommending third-party lenders that have agreed to provide Integrity Alliance with the various incentives (including payments) described above. It is possible that there are other third-party loan programs suitable to the client that may be more or less costly.

Clients should also note that all fees discussed in this Item 4 are cumulative. For example, funds in Integrity Alliance's Cash Sweep Program (as discussed in *Item 9 – Additional Information*) tied to a loan through

one of Integrity Alliance's third-party lenders will have two revenue streams for Integrity Alliance since Integrity Alliance will receive a percentage of the net interest rate based on the amount of client assets held in a cash sweep vehicle (thereby lowering the amount of the interest received by the client), and Integrity Alliance will also receive a percentage of revenue generated from the interest payments made by a client to such third-party lender with respect to the applicable loan and/or a percentage of client assets brought to the third-party lender's platform.

## **Representative Compensation**

As disclosed above, your investment adviser representative will gather and analyze information regarding your financial circumstances and, as appropriate, can recommend the Aspire Program. Integrity Advisory Solutions and your investment adviser representative receive compensation as a result of your participation in the Program. The investment adviser representative's portion of the Aspire Program fee is negotiated between the representative and the client and is capped at 2.00%. However, investment adviser representative fees are paid to representatives in accordance with a "payout schedule," which is based on investment adviser representative production, and can be less than 100% of the total investment adviser representative fee negotiated between the client and the representative. Any portion of the investment adviser representative fee not paid to the representative is retained by Integrity Advisory Solutions.

Also, as disclosed above, certain investment adviser representatives have negotiated to receive a portion of the Aspire Program Fee paid to Integrity Advisory Solutions. (Similarly, as disclosed in our Form ADV, Part 2A, Brochure, certain representatives have negotiated to receive a portion of the Edge (non-wrap) Program Fee paid to Integrity Advisory Solutions). Under these circumstances, the representative can receive both the investment adviser representative fee, capped at 2.00%, plus a portion of the Aspire (or Edge) Program fee paid to Integrity Advisory Solutions, as applicable, thereby creating a conflict of interest. A conflict of interest arises because, under these circumstances, the representative has an incentive to recommend these Programs over other programs offered by the firm in their own pecuniary interests rather than in the best interest of the client.

Integrity Advisory Solutions seeks to address these conflicts by disclosing them to you, and by adopting and implementing policies and procedures requiring that account type decisions be made solely in the client's best interests. Our policies also explicitly prohibit an investment adviser representative from recommending one account type or program over another based on compensation to be received by the representative.

We, and our investment adviser representative, also have an incentive to encourage you to increase the assets in your account as you pay the wrap fee even if no trading activity occurs in your account. We do not charge our clients higher advisory fees based on their trading activity. You should be aware, however, that a potential conflict of interest can arise because we are responsible for trading costs in wrap fee programs we sponsor and we, therefore, have an incentive to limit our trading in your accounts. We seek to address this potential conflict by adopting policies requiring that representatives provide recommendations based on client investment objectives, and by monitoring client accounts for prolonged periods of inactivity.

## **Advice on Specific Types of Securities**

Investment adviser representatives can only provide investment advice on investments available through the Firm. Any deviation by an investment adviser representative from securities available through the Firm can constitute a violation of Firm policies.

## **Termination**

Integrity Advisory Solutions or the client can terminate the agreement for portfolio management services

for any reason with thirty (30) days' written notice to the other party. The date of receipt of the written notice will be the effective date of termination. Upon termination of advisory services we will determine the amount of any outstanding fees due to the client. Transactions in progress will be completed in the normal course of business. As applicable, please refer to the Form ADV, Part 2A, or similar disclosures, of any sub-adviser managing all or a portion of your account for information regarding the sub-adviser's policies and practices for termination of services.

#### **Item 5. ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

Integrity Advisory Solutions does not require a minimum account size to open or maintain an account or impose other requirements for participation in the Aspire Program.

Integrity Advisory Solutions generally offers investment advisory services to individuals; high net-worth individuals; trusts, estates, or charitable organizations; corporations or business entities.

#### **Item 6. PORTFOLIO MANAGER SELECTION AND EVALUATION**

Integrity Advisory Solutions is sponsor of the Aspire Program and each client's investment adviser representative acts as portfolio manager to the client's Aspire Program account. There is no independent selection or review process upon which investment adviser representatives are recommended or chosen for particular clients or for recommending replacement portfolio managers for client accounts. If a representative leaves the Firm, Integrity Advisory Solutions will typically reassign the client's account to another investment adviser representative deemed suitable and appropriate. Whenever possible, the Firm will seek to reassign a client's account to a representative within the same office of the previous representative or within the same geographical area. For additional information regarding your investment adviser representative, including their background, education, business experience, and other information, please review their Form ADV, Part 2B, Brochure Supplement. If you did not receive a copy of your representative's Form ADV, Part 2B, Brochure Supplement, please contact your representative or Integrity Advisory Solutions at (877) 886-1939.

Investment adviser representatives are subject to our onboarding process, which includes, among other things, as applicable: a background screening; initial training regarding the Firm's compliance policies and Code of Ethics; initial review of the CRD/IARD system filings for the representative (which includes, among other information, details regarding the representative's industry experience); acquiring self-attestation regarding disciplinary histories and/or events and recent bankruptcies; and gathering and review of information regarding all outside business activities, education, business experience, portfolio management history, reportable securities holdings as required under our Code of Ethics, political contributions, and compliance policies and procedures attestations.

As disclosed in the "Introduction" section of Item 4 of this Wrap Brochure, additional advisory services offered by Integrity Advisory Solutions include portfolio management through other wrap fee programs sponsored by our affiliate, Integrity Alliance (the Wealth Solutions, Wealth Solutions SMA, and Retirement Ally Programs), a non-wrap fee program (the "IAS Edge Program"), as well as financial planning, consulting, retirement plan consulting, and retirement plan participant consulting services. For additional information regarding our other advisory services, please refer to our Form ADV, Part 2A, Disclosure Brochure, and, as applicable, the Form ADV, Part 2A, Wrap Program Brochure for Integrity Alliance.

Both IAS Aspire and IAS Edge Program client accounts are investment adviser representative managed. IAS Aspire Program client accounts are managed in a manner substantially similar to IAS Edge Program client accounts, however, with respect to IAS Edge Program accounts, the representative can recommend one or more sub-advisers. Clients can impose reasonable restrictions on the management of their accounts. All restrictions or requests to change investment strategies must be submitted in writing to your investment adviser representative. Integrity Advisory Solutions does not primarily recommend particular types of securities. As disclosed, however, some investment adviser representatives limit their strategies/models/philosophies to mutual funds and exchange traded funds ("ETFs"), while others provide a broad range of securities including but not limited to: stocks, bonds, treasuries, ETFs, certificates of deposit, mutual fund shares, municipal securities, and options contracts on securities.

Integrity Advisory Solutions receives a portion of the wrap fee charged to IAS Aspire Program clients.

#### **PORTFOLIO PERFORMANCE INFORMATION**

Integrity Advisory Solutions has adopted a policy and procedures reasonably designed to ensure that

account reporting of client portfolios and investments reflect current, fair and accurate market valuations. In general, we rely on the qualified custodian holding client assets for timely valuation information of advisory client securities. Whenever valuation information for illiquid, foreign, private or other investments is not available through pricing services or custodians, Integrity Advisory Solutions will obtain and document price information from at least one independent source, whether a broker-dealer, bank, pricing service or other reputable source. We also require periodic, random, internal reviews of account reports to identify any incorrect, stale or mispriced securities.

Although we consistently apply our methodology, we do not calculate portfolio performance, review or verify performance information of Aspire Program accounts, nor engage a third party to conduct reviews of performance information, or seek to comply with any particular industry standard in calculating portfolio performance.

#### PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge any fees based on a share of capital gains on or capital appreciation of the assets of a client.

#### METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

##### **Methods of Analysis and Investment Strategies**

Integrity Advisory Solutions offers the same suite of services to all its clients; however, each investment adviser representative manages accounts independently, and is not under any obligation or requirement to buy or sell the same investments for accounts, even when an investment strategy is similar. Investment adviser representatives provide personalized and individualized investment advice and can employ a variety of account types and strategies based on a client's investment objectives, risk tolerance, and specific circumstances.

When directly managing a client account, the primary methods of analysis used by the Integrity Advisory Solutions investment adviser representative when determining which securities to buy, sell or hold and in constructing client portfolios is fundamental analysis, technical analysis, and asset allocation, though, other methods of analysis and investment strategies can be employed at the representative's discretion.

Fundamental analysis attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company) to determine if the company is underpriced (potentially an indication it may be a good time to buy) or overpriced (potentially indicating it may be time to sell). A drawback of fundamental analysis is that it does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and trade volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is subjective and relies on interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the investment adviser representative chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which can result in a premature purchase of a security.

When allocating assets, rather than focusing primarily on securities selection, the Integrity Advisory Solutions investment adviser representative attempts to identify an appropriate ratio of equity securities, fixed income, cash, and other asset classes suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, cash and other asset classes will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

## **Risk of Loss**

Clients must be aware that investing in securities involves risk of loss, including the loss of principal.

Every method of analysis and strategy has its own inherent risks. To perform an accurate market analysis Integrity Advisory Solutions must have access to current/new market information. We have no control over the dissemination rate of market information; therefore, unbeknownst to us, certain analyses may be compiled with outdated market information, severely limiting the value of our analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by Integrity Advisory Solutions) will be profitable or equal any specific performance level(s). Integrity Advisory Solutions does not represent, warrant, or imply that its services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. Notwithstanding Integrity Advisory Solutions' method of analysis or investment strategy, the assets within the client's portfolio are subject to risk of devaluation or loss. The client should be aware that there are many different events that can affect the value of the client's assets or portfolio including, but not limited to, changes in financial status of companies, market fluctuations, changes in exchange rates, trading suspensions and delays, economic reports, and natural disasters.

All investment programs have certain risks that are borne by the investor. Investors face the following investment risks:

- **Interest-Rate Risk:** Fluctuations in interest rates can cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions can trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar will be worth more today than a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Prepayment Risk:** The returns on the collateral for a deal can change dramatically at times if the debtors prepay the loans earlier than scheduled.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** This risk is associated with a particular industry or a particular company within an industry.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Risk Factors relevant to specific securities utilized include:

- **Money Market Instruments:** Money market instruments are generally considered low risk but are not guaranteed by the FDIC and can be subject to loss and/or change in market

value. Money market instruments can temporarily suspend an investor's ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. Integrity Advisory Solutions considers cash and cash equivalents a billable asset class and charges an asset-based fee on these positions. Depending on interest rates, investments in money market instruments can be lower than the aggregate fees and expenses charged resulting in a client experiencing a negative overall return.

- **Equity Securities:** The value of the equity securities is subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment.
- **Exchange Traded Funds ("ETF"):** ETFs are a recently developed type of investment security, representing an interest in a passively managed portfolio of securities selected to replicate a securities index, such as the S&P 500 Index or the Dow Jones Industrial Average, or to represent exposure to a particular industry or sector. Unlike open-end mutual funds, the shares of ETFs and closed-end investment companies are not purchased and redeemed by investors directly with the fund, but instead are purchased and sold through broker-dealers in transactions on a stock exchange. Because ETF and closed-end fund shares are traded on an exchange, they can trade at a discount from or a premium to the net asset value per share of the underlying portfolio of securities. In addition to bearing the risks related to investments in equity securities, investors in ETFs intended to replicate a securities index bear the risk that the ETF's performance may not correctly replicate the performance of the index. Investors in ETFs, closed-end funds and other investment companies bear a proportionate share of the expenses of those funds, including management fees, custodial and accounting costs, and other expenses. Trading in ETF and closed-end fund shares also entails payment of brokerage commissions and other transaction costs.
- **Mutual Fund Shares:** Some of the risks of investing in mutual fund shares include: (i) the price to invest in mutual fund shares is the fund's per share net asset value (NAV) plus any shareholder fees that the fund imposes at the time of purchase (such as, if applicable, sales loads), (ii) as applicable, investors must pay sales charges, annual fees, and other expenses regardless of how the fund performs, and (iii) investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- **Index Fund Shares:** Index Funds are a type of mutual fund or ETF that seeks to track the returns of a market by index. A market index measures the performance of a mixture of securities representative of a sector of a stock market or of an economy. Index Funds generally follow a passive, rather than active, investment strategy, aiming to maximize returns over a period of time. However, some risks associated with Index Funds include:
  - (i) lack of flexibility to react to price fluctuation in the securities within the index compared to a non-index fund; (ii) tracking error when the index fund does not perfectly track its index; and (iii) underperformance of the index due to the fees, expenses, trading costs, and tracking error associated with the index fund.
- **Municipal Bond Risk:** Municipal securities issuers can face local economic or business conditions (including bankruptcy) and litigation, legislation or other political events that could have a significant effect on the ability of the municipality to make payments on the interest or principal of its municipal bonds. In addition, because municipalities issue municipal securities to finance similar types of projects, such as education, healthcare, transportation, infrastructure and utility projects, conditions in those sectors can affect the overall municipal bond market. Furthermore, changes in the financial condition of one municipality can affect the overall municipal bond market. The municipal obligations in which clients invest will be subject to credit risk, market risk, interest rate risk, credit spread risk, selection risk, call and redemption risk and tax risk, and the occurrence of any one of these risks can materially and adversely affect the value of the client's assets or profits.

- **Fixed Income Securities Risk:** Prices of fixed income securities tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect fixed income security prices. The longer the effective maturity and duration of the client's portfolio, the more the portfolio's value is likely to react to interest rates. For example, securities with longer maturities sometimes offer higher yields, but are subject to greater price shifts as a result of interest rate changes than debt securities with shorter maturities. Some fixed income securities give the issuer the option to call, or redeem, the securities before their maturity dates. If an issuer calls its security during a time of declining interest rates, we might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of callable issues are subject to increased price fluctuation.
- **Interval Mutual Funds:** While interval mutual funds can provide limited liquidity to shareholders by offering to repurchase a limited amount of shares on a periodic basis, there is no guarantee that clients will be able to sell all of their shares in any specific repurchase offer. Also, the offer to repurchase shares can be suspended or postponed by the investment sponsor. An investment in an interval fund involves a considerable amount of risk and it is possible to lose the total investment amount. An investment in a closed-ended interval mutual fund is suitable only for investors who can bear the risks associated with the limited liquidity of the shares and should be viewed as a long-term investment.
- **Complex Product Risk:** Complex products can include liquid alternative mutual funds, leveraged and inverse exchange traded ETFs and leveraged and inverse exchange traded notes ("leveraged ETPs"). Leveraged ETPs have the potential for significant loss of principal and are not appropriate for all investors. Investment techniques commonly utilized include futures, forward contracts, swap agreements, and derivatives that can increase volatility and carry a high risk of substantial loss. Leveraged ETP performance can differ significantly from the performance of the underlying benchmark when held over time. The effects of compounding, aggressive techniques, and correlation errors can cause leveraged ETPs to experience greater losses in volatile markets. Leveraged ETPs can experience losses even in situations where the underlying benchmark has performed as expected. These products typically carry higher internal fees and expenses than more traditional funds due to their active management. Higher fees and expenses will also negatively impact performance.
- **Alternative Investment Risk:** Alternative investments including hedge funds, private equity, private credit, managed futures products, and non-exchange traded real estate investment trusts ("REITs") present special risks, such as limited liquidity and transparency. Alternative investments, such as hedge funds, often utilize complex trading strategies with the use of derivatives, commodities, and/or leverage which can amplify volatility in certain markets. Real estate-related investments will be subject to risks generally related to leverage and real estate market risk, including risks specific to geographic areas in which the underlying investments were made. Certain alternative investments may be less tax efficient than others. Each alternative investment is typically subject to internal fees, including management and/or performance fees, which affect the product's net asset value and reduced investment returns.
- **Environmental, Social and Governance ("ESG") Risk:** Pursuing an ESG investment strategy limits the eligible universe of securities that are otherwise available to other non-ESG related investment strategies. Currently there is no standard regulatory ESG comparison mechanism so it is possible that ESG rankings offered by various firms may differ significantly from one to another. Securities that are considered attractive based on certain ESG factors can weight environmental, social, and governance factors differently resulting in security or sector concentrations. ESG investing typically fails to consider other important investment concepts such as industry competitiveness, growth potential, financial conditions, or stock valuations. ESG strategies can perform differently than other strategies without ESG parameters given their dual mandate of delivering performance and compliance with stated ESG parameters.



- **Structured Products** – Structured products are securities derived from another asset, such as a security or basket of securities, an index, a commodity, a debt issuance, or foreign currency. Structured products frequently limit the upside participation in the reference asset. Structured products are senior unsecured debt of the issuing bank and subject to the credit risk associated with that issuer. The credit risk exists whether or not the investment held in the account offers principal protection. The creditworthiness of the issuer does not affect or enhance the likely performance of the investment other than the ability of the issuer to meet its obligations. Any payments due at maturity are dependent on the issuer's ability to pay. In addition, the trading price of the security in the secondary market, if there is one, can be adversely impacted if the issuer's credit rating is downgraded. Some structured products offer full protection of the principal invested, others offer only partial or no protection. Investors typically sacrifice a higher yield to obtain the principal guarantee. In addition, the principal guarantee relates to nominal principal and does not offer inflation protection. An investor in a structured product never has a claim on the underlying investment, whether a security, zero coupon bond, or option. There may be little or no secondary market for the securities and information regarding independent market pricing for the securities can be limited. This is true even if the product has a ticker symbol or has been approved for listing on an exchange. Tax treatment of structured products can be different from other investments held in the account (e.g., income can be taxed as ordinary income even though payment is not received until maturity). Structured CDs that are insured by FDIC are subject to applicable FDIC limits.
- **Variable Annuities** - Variable annuities are technically insurance products, not designed for short-term investing. Their performance can approximate that of equities and fixed income. Common inherent risks in annuities include (i) the risk the insurer will become insolvent (credit risk), (ii) the risk that inflation will be higher than the annuity's guaranteed rate (purchasing power risk), (iii) the risk that funds will be tied up for years with little ability to access them (liquidity risk), and (iv) the risk that surrender penalties will create losses if funds are withdrawn early (surrender risk). Clients should also be aware that certain riders purchased with a variable annuity limit the investment options and the ability to manage the subaccounts.
- **Registered Index-Linked Annuities** - RILAs expose investors to potential losses due to market downturns, limited upside caps, complex fee structures, and issuer credit risk. While they offer downside protection, losses can still occur beyond buffers or floors. Liquidity restrictions and surrender charges can also limit access to funds when needed.

Other risk factors include:

- **Business Resilience Risk:** Crisis situations such as electrical power outage, fire, bomb threat, pandemics, and inclement weather can disrupt business operations and adversely impact Integrity Advisory Solutions, its key service providers and its clients. There can be a negative impact on investors if these events adversely impact the operations and effectiveness of Integrity Advisory Solutions or key service providers or if these events disrupt systems and processes necessary or beneficial to the management of accounts. Integrity Advisory Solutions has implemented a Business Continuity Plan ("BCP") that provides a framework for how Integrity Advisory Solutions prepares and responds to events that pose a threat to the safety of its employees, facilities, systems, and processes essential for the continuity of business.
- **Cybersecurity Risk:** The digital and network technologies used by Integrity Advisory Solutions to conduct its business could be subject to possible incidents that could result in the inadvertent disclosure of confidential or sensitive data about Integrity Advisory Solutions or its clients to unauthorized parties. Furthermore, due to Integrity Advisory Solutions interconnectivity with third party vendors, service providers, and other financial institutions, Integrity Advisory Solutions and its clients could be adversely impacted if any of them were subject to a cybersecurity event. Integrity Advisory Solutions has implemented policies and procedures to safeguard the confidentiality, integrity and availability of its internal data.

- **Model Risk:** Certain products and investment strategies rely on signals and data from various analytical models or software, which sometimes will be proprietary or from third parties. These models and software can be adversely impacted by human or systems errors in mathematical foundations of the models, programming, quality of data and other factors.
- **Technology Risk:** Software and hardware malfunctions or problems can impact certain investment strategies and products.
- **Timing of Implementation Risk:** Integrity Advisory Solutions can give no assurance as to the timing of the investment of client accounts or funds generally and/or any changes to client accounts or funds over time, including with respect to asset allocation and investment, the performance or profitability of the client account, not any guarantee that any investment objectives, expectations, or targets will be achieved, including, without limitation, any risk control, risk management or return objectives, expectations or targets.

While this information provides a synopsis of the events that can affect a client's investments, this listing is not exhaustive. Although our methods of analysis and investment strategies do not present any significant or unusual risks, all investment programs have certain risks that are borne by the investor. Clients should understand that there are inherent risks associated with investing and depending on the risk occurrence, clients can suffer *loss of all or part of the client's principal investment*.

#### VOTING CLIENT SECURITIES

Integrity Advisory Solutions will not take any action with respect to voting of proxies solicited by, or with respect to, the issuers of securities in which client's assets are invested. We will endeavor to make recommendations to clients on voting proxies regarding shareholder vote, consent, election or similar actions solicited by, or with respect to, issuers of securities beneficially held as part of Integrity Advisory Solutions supervised and/or managed assets. However, we will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies, except as required by applicable laws.

**Class Action Lawsuits** - From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. Integrity Advisory Solutions has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. We also have no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, we have no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct or negligence by corporate management of issuers whose securities are held by clients.

Where Integrity Advisory Solutions receives written or electronic notice of a class action lawsuit, settlement or verdict affecting securities owned by a client, we will forward all notices, proof of claim forms and other materials, to the client. For clients who have authorized electronic communication from Integrity Advisory Solutions, we will forward the notices, proof of claim forms and other materials to the client via electronic mail, where appropriate.

#### **Item 7. CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

Client information will be communicated directly from the client to the investment adviser representative serving as portfolio manager to their account. Through personal discussions, a client's goals and objectives, based on their particular circumstances, are established. During this information-gathering process, your investment adviser representative will determine your objectives, time horizons, risk tolerance, and liquidity needs. Your investment adviser representative then develops your personal investment guidelines and creates and manages a portfolio based on those guidelines. Information obtained from you is used to identify risk tolerance, objectives, and an appropriate asset allocation. Integrity Advisory Solutions will select or custom tailor an investment portfolio for a client based on the style of management the client selects. As discussed in the Introduction section of Item 4 above, it is your responsibility to promptly notify us if there are changes in your financial situation or investment objectives for the purpose of reviewing, evaluating, and/or revising our previous recommendations or services.

#### **Item 8. CLIENT CONTACT WITH PORTFOLIO MANAGERS**

Integrity Advisory Solutions does not impose restrictions on the ability of clients to contact and consult with the investment adviser representative serving as portfolio manager to their Aspire Program account.

In addition, investment adviser representatives are required to contact clients at least annually to review their account, to determine if there have been material changes to the financial status, investment objectives or needs of the client, and to determine if the client would like to impose reasonable restrictions on the investment of their account or to modify restrictions previously established.

## **Item 9. ADDITIONAL INFORMATION**

### **DISCIPLINARY REPORTING**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Neither Integrity Advisory Solutions nor any of its management persons have been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of the management of our firm. Our backgrounds are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching our firm name or our CRD No. 288817.

### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

Integrity Advisory Solutions is not registered, nor does it have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, or commodity trader. Certain management persons of Integrity Advisory Solutions, however, are licensed as registered representatives of a broker dealer, and in some cases, as an insurance agent, as described below.

Integrity Advisory Solutions is a registered investment adviser and a wholly owned, indirect subsidiary of Integrity, LLC ("Integrity"). As a subsidiary of Integrity, Integrity Advisory Solutions is under common ownership and control with several financial institutions (referred to collectively as the "Related Companies"), including:

- SEC registered investment advisers;
- FINRA member broker-dealers;
- One dual registrant (a firm registered as both an investment adviser and FINRA member broker/dealer), and;
- Licensed insurance agencies.

Integrity Advisory Solutions has entered into a sub-advisory agreement and a servicing agreement with Integrity Alliance, (CRD No. 139627), a Related Company registered as both an investment adviser and a broker dealer. Pursuant to the sub-advisory agreement, Integrity Alliance makes the Wealth Solutions, and Retirement Ally Programs model portfolios available to Integrity Advisory Solutions clients. Integrity Alliance acts as discretionary manager with respect to Wealth Solutions Program portfolios, supervising the management of these portfolios by a third-party, and directly manages the Retirement Ally Program

portfolios in accordance with each model's strategy and objectives. Integrity Alliance also, directly or through a service provider, accepts and tracks reasonable investment restrictions imposed by Integrity Advisory Solutions clients, as well as other instructions received from Integrity Advisory Solutions regarding its client accounts, rebalances Program portfolios on a quarterly basis or as deemed appropriate, provides client reporting, calculates Program fees, and provides other services necessary for the administration of the Programs. Pursuant to this agreement, Integrity Alliance also makes the Wealth Solutions SMA Program, including access to the investment strategies of Portfolio Managers, available to Integrity Advisory Solutions clients.

For its services as sub-adviser, Integrity Alliance receives a portion of the total fee charged to Integrity Advisory Solutions' clients enrolled in the Wealth Solutions, Wealth Solutions SMA, or Retirement Ally Programs, sponsored by Integrity Alliance, as agreed upon by and between the client and Integrity Advisory Solutions. Clients should refer to Item 4 of this Brochure, and to Integrity Alliance's Form ADV, Part 2A Brochure or Appendix 1, Wrap Fee Brochure, as applicable, for details regarding the applicable Program and associated fees.

Pursuant to a servicing agreement between Integrity Alliance and Integrity Advisory Solutions, Integrity Advisory Solutions will also compensate Integrity Alliance for the provision of certain back-office, administrative, compliance and operations support functions.

As disclosed at Item 4 of this Aspire Program Brochure, for client accounts custodied with Pershing, Integrity

Alliance will act as introducing/executing broker for trades placed in the client's account, for which Integrity Alliance will receive compensation. Clients should refer to *Item 4 – Services, Fees and Compensation*, and sub-header *Client Referrals and Other Compensation* of this *Item 9 – Additional Information*, for details regarding this arrangement and the conflicts of interest that arise as a result.

Other than as disclosed above, Integrity Advisory Solutions does not currently refer clients to the Related Companies and does not compensate any of the Related Companies or their supervised persons for client referrals. Clients in need of brokerage services, insurance products or recommendations, or other advisory services are under no obligation to use the services of any of the Related Companies.

Certain of Integrity Advisory Solutions' management persons, employees, and affiliates are licensed to sell insurance products through affiliated and unaffiliated insurance agencies and receive a commission or other compensation for doing so. A conflict of interest arises as a result of the economic incentives created for our investment adviser representatives to recommend and engage in sales of such products in order to receive additional compensation rather than based on the client's best interests. Compensation received through the sale of insurance policies or products are not offset against advisory fees the client pays to Integrity Advisory Solutions for advisory services. Moreover, any revenues resulting from the sale of such insurance products through affiliated insurance agencies will ultimately inure to the benefit of Integrity, creating another layer of incentives and related conflicts. Clients are not under any obligation to purchase insurance products from Integrity Advisory Solutions' principals, employees, or affiliates in their separate capacities as insurance agents and are free to seek similar products and services elsewhere.

Certain management persons and investment adviser representatives of Integrity Advisory Solutions are also separately registered as representatives of broker dealers. As such, these individuals, in their separate capacities as registered representatives, will be able to effect securities transactions for clients, for which they will receive separate, yet customary compensation. Clients, however, are under no obligation to engage these individuals when considering implementation of any investment advisory recommendation.

Certain supervised persons of Integrity Advisory Solutions have relationships with real estate, legal, and/or tax and accounting firms. As such, these individuals will be able to provide services for which they will receive related compensation. Integrity Advisory Solutions does not endorse or recommend the outside services of any of its supervised persons. Clients are under no obligation to purchase any products or services from these individuals when evaluating the implementation of investment advisory recommendations.

Clients should be aware that the potential for Integrity Advisory Solutions' investment adviser representatives, management persons, and other employees to receive additional compensation creates conflicts of interest that can impair their objectivity when making advisory recommendations. Integrity Advisory Solutions endeavors at all times to put the interests of its clients first as part of its fiduciary duty and takes the following steps to address these conflicts:

- Integrity Advisory Solutions seeks to identify and disclose to clients the existence of material conflicts of interest, including the potential for Integrity Advisory Solutions investment adviser representatives, management persons, and other employees to earn compensation from advisory clients in addition to Integrity Advisory Solutions' advisory fees;
- Integrity Advisory Solutions discloses to clients that they are not obligated to purchase recommended investment products or services from Integrity Advisory Solutions' investment adviser representatives, management persons, employees, Related Companies or companies owned in whole or part by supervised persons of Integrity Advisory Solutions;
- Integrity Advisory Solutions seeks to collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance and to tailor its investment advice to the client's needs;
- Integrity Advisory Solutions requires that its supervised persons disclose any outside employment activity so that Integrity Advisory Solutions can ensure that any conflicts of interests in such activities are properly addressed and disclosed to clients and prospective clients;

- Integrity Advisory Solutions periodically monitors these outside employment activities to verify that any conflicts of interest continue to be properly addressed by Integrity Advisory Solutions; and
- Integrity Advisory Solutions educates its supervised persons regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

## CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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

All employees of Integrity Advisory Solutions must act in an ethical and professional manner. In view of the foregoing and applicable provisions of the Investment Advisers Act of 1940, we have adopted a set of enforceable guidelines ("Code of Ethics"), to identify and prohibit certain types of transactions deemed to create conflicts of interest (or the potential for or the appearance of such conflicts), and to establish reporting requirements and enforcement procedures relating to personal trading by Integrity Advisory Solutions personnel. Integrity Advisory Solutions' Code of Ethics specifically deals with professional standards, prohibition on insider trading, personal trading, gifts and entertainment, and fiduciary duties, and establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. The goal of our Code of Ethics is to protect the interests of our clients and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with clients. We will provide a copy of our Code of Ethics to any client or prospective client upon request. Please contact us at (877) 886- 1939 if you would like to receive a full copy of our Code of Ethics.

### ***Recommendations Involving Material Financial Interest***

Under certain circumstances, Integrity Advisory Solutions recommends or effects transactions in securities in which a related person has a material financial interest. Please refer to *Item 8 – Additional Information* for disclosure regarding cost avoidance benefits received by Integrity Advisory Solutions, our investment adviser representatives, and our affiliate, Integrity Alliance, through the availability of no-transaction fee mutual funds from our approved custodians. Also, Item 8 provides important information regarding revenue-sharing benefits received by our affiliate, Integrity Alliance, in connection with services provided to certain Integrity Advisory Solutions client accounts for its participation in the Pershing FUNDVEST® Program and from a default cash sweep program selected for use in client portfolios custodied with Pershing.

### ***Personal Trading For Supervised Persons***

Occasionally, investment adviser representatives of Integrity Advisory Solutions, buy or sell securities for their own account(s) that they have also recommended to clients. However, any purchase or sale of a security by supervised persons will be subject to the fiduciary duty owed to the client. From time to time, investment adviser representatives of Integrity Advisory Solutions buy or sell securities for themselves at or around the same time as Integrity Advisory Solutions' clients. With respect to representative-managed accounts, the Firm's policy is to place client trades before trading for their own benefit or to trade alongside client trades in an aggregated order and use pro rata, average pricing.

To mitigate or remedy conflicts of interest or perceived conflicts of interest, Integrity Advisory Solutions will monitor personal trading activity of the Firm's access persons for adherence to its Code of Ethics. (Access persons include supervised persons who (i) have access to nonpublic information regarding any clients' purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any reportable fund; or (ii) is involved in making securities recommendations to clients, or who have access to such recommendations that are nonpublic).

## REVIEW OF ACCOUNTS

### ***Periodic Reviews***

Investment adviser representatives will conduct annual reviews of client account(s) to have a reasonable basis to believe that the selection of account-type remains in the client's best interest. The reviews also consist of determining whether the investment adviser representative's portfolio management and portfolios are in alignment with the client's investment goals and objectives, and any reasonable restrictions. An investment adviser representative's underlying premise for the initial and continued suitability of the account type is based on the totality of services provided to the client, and not any single service or component of

the overall fee.

### **Intermittent Review Factors**

Intermittent reviews can be triggered by substantial market fluctuation, economic or political events, pandemic, or changes in the client's financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify Integrity Advisory Solutions promptly, in writing, if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

### **Reports**

Clients receive confirmations of purchases and sales in their accounts and will receive, at least quarterly, statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian. Some investment adviser representatives provide their clients with periodic performance reports, which may show performance across multiple accounts within the client's household. Clients are advised that these reports are not official account records and are encouraged to compare those reports to statements provided by the account custodian, which are the official records of the account(s). Integrity Advisory Solutions will not provide statements in addition to those provided by the client's account custodian.

### **CLIENT REFERRALS AND OTHER COMPENSATION**

#### **Compensation for Client Referrals**

We currently have arrangements to compensate certain persons, each a promoter, for referring advisory clients to our Firm. If a client is introduced to us by a promoter pursuant to such an arrangement, we will compensate the promoter with an ongoing referral fee equal to an agreed percentage of the total advisory fee paid to our firm by the referred client either for as long as the client remains a client of the Firm, or for a specified period of time (e.g., up to three years after becoming a client).

Payment of fees for client referrals creates a potential conflict of interest to the extent that the promoter is, at least partially, motivated by financial gain to make the referral rather than the best interests of the prospective client. To address this potential conflict, we have established the following processes to ensure our fiduciary responsibilities:

- We seek to structure referral arrangements in accordance with the requirements and provisions of Rule 206(4)-1 of the Investment Advisers Act of 1940;
- Any referral fee will be paid solely from our investment management fee, and will not result in any additional charge to the client;
- We seek to ensure that each referred client receives a copy of our Form ADV Part 2 Brochure, and other required disclosures, as applicable; and
- All referred clients will be screened to ensure that our services, and investment strategies are appropriate for their investment needs and objectives.

#### **Economic Benefits from Others**

##### ***Benefits Received from Custodians***

We receive certain benefits from the custodians we recommend, as described below, which can give rise to certain conflicts of interest that you should carefully consider when selecting your account custodian. These benefits are provided to Integrity Advisory Solutions based on our overall relationship with the custodians and not the result of any arrangements that involve the execution of client transactions.

As disclosed at Item 4 above, clients enrolled in the Aspire Program pay a fee or fees that is considered to cover both advisory fees and most transaction costs. In evaluating our arrangements with custodians, the client should consider that brokerage commissions or costs for the execution of transactions in the client's Program account are not negotiated by Integrity Advisory Solutions on a trade-by-trade basis and best execution may not be achieved. Transactions in the client's account are generally effected without separate trading costs to the client, and a portion of the total wrap fee is considered to be in lieu of such transaction costs.

### Products and services available to us from Pershing

The benefits we receive from Pershing include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and discounts on research, technology, and practice management products or services provided to our firm by third party vendors.

Integrity Alliance, our affiliate and sponsor of the Wealth Solutions, and Wealth Solutions SMA Programs, has entered into an arrangement with Pershing that permits it to receive a portion of Wealth Solutions and Wealth Solutions SMA Programs' Platform/Program fees assessed. This arrangement and the associated conflicts of interest are more fully described at *Items 3 and 8* of Integrity Alliance's Wrap Brochure.

Pershing, through its affiliate, BNY Mellon Advisors, Inc. ("BNY Mellon Advisors"), provides Integrity Alliance with certain model portfolios offered through the Wealth Solutions Program. Wealth Solutions Program client accounts are managed by BNY Mellon Advisors subject to Integrity Alliance's ongoing supervision as discretionary manager.

In addition, the Wealth Solutions SMA Program is built upon the Managed360 Program sponsored and supported by BNY Mellon Advisors, which provides Integrity Alliance with access to a pool of independent investment advisers whose operations are vetted by BNY Mellon Advisors. From this collection of managers Integrity Alliance selects certain portfolio managers ("Portfolio Managers"), subject to its own due diligence processes, whose advisory services are then made available through the Wealth Solutions SMA Program. As sponsor of the Managed360 Program, upon which the Wealth Solutions SMA Program is based, BNY Mellon Advisors provides certain underlying services, directly or indirectly through affiliates and/or services providers, in connection with the Wealth Solutions SMA Program including, among others:

- reviewing third party investment advisers whose services are made available on the BNY Mellon Advisors platform, and from which list "Portfolio Managers" are selected by Integrity Alliance for inclusion in the Wealth Solutions SMA Program;
- providing investment adviser representatives with access to summary information and quantitative information about Portfolio Managers and the investment styles provided by the Portfolio Managers;
- offering services, operational support, and training to investment adviser representatives;
- providing an investment proposal generation tool, web-based account setup and account maintenance tools;
- providing account and asset reporting capabilities to investment adviser representatives and Integrity Alliance, including access to daily and quarterly investment performance reports;
- initial delivery of a selected Portfolio Manager's Form ADV, Part 2 Brochure and other required disclosures;
- making fee payments to Portfolio Managers, Integrity Alliance, and others, as applicable, and;
- furnishing support services to the Portfolio Managers, including training, daily reporting, resolution and Portfolio Manager notification regarding trading, Portfolio Manager relationship management, Portfolio Manager data set-up assistance within applicable systems, and coordinating account requests submitted by Integrity Alliance.

Pershing can also pay for business consulting and professional services received by our associated persons. Some of the products and services made available by Pershing can benefit our firm and/or our affiliates, or associated persons but may not benefit you or your accounts. These products or services can assist our firm in managing and administering client accounts, including accounts not maintained at Pershing. Other services made available by the custodian are intended to help us manage and further develop our business enterprise. The benefits we receive do not depend on the amount of brokerage transactions directed to

Pershing though some do depend on the level of assets maintained with Pershing by our affiliate, Integrity Alliance. As part of our fiduciary duty to clients, we endeavor at all times to put the interests of our clients first. You should be aware; however, that the receipt of economic benefits by our firm, our affiliates, or our associated persons itself creates a conflict of interest and can indirectly influence our choice of the custodian we recommend for custody and brokerage services. Without limiting the above, our associated persons can attend conferences offered by various vendors and/or wholesalers at a discounted price or no cost.

#### Products and services available to us from Schwab and Fidelity

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like ours. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to obtain institutional brokerage services from Schwab without going through our firm. Schwab also makes available various support services. National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") also provides Integrity Advisory Solutions with Fidelity's "platform" services.

Some of these services help Integrity Advisory Solutions manage or administer our clients' accounts, while others help us manage and grow our business. The support services provided to Integrity Advisory Solutions by Schwab and Fidelity are generally available to us at no charge.

Following is a more detailed description of the support services received from Schwab and Fidelity:

Services that benefit you. Schwab's institutional brokerage services and Fidelity's services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab and Fidelity include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. These services generally benefit you and your account.

Services that do not directly benefit you. Schwab and Fidelity also make available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's and Fidelity's own, as well as that of third parties. We can use this research to service all or a substantial number of clients' accounts, including accounts not maintained at Schwab or Fidelity.

In addition to investment research, both Schwab and Fidelity make available software and other technology that:

- Provides access to client account data (such as duplicate trade confirmations and account statements)
- Facilitates trade execution and allocate aggregated trade orders for multiple client accounts
- Provides pricing and other market data
- Facilitates payment of our fees from our clients' accounts, and
- Assists with back-office functions, record keeping, and client reporting.

Services that generally benefit only us. Schwab and Fidelity offer other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Publications and conferences on practice management and business succession.

In addition, the following services made available by Schwab are not typically utilized by Integrity Advisory Solutions, though it is possible that we can do so from time to time:

- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support



- Consulting on technology and business needs.

Schwab and Fidelity provide some of these services directly. In other cases, they will arrange for third-party vendors to provide services to us. Schwab and Fidelity may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. If we did not maintain a relationship with Schwab, we would be required to pay for these services from our own resources.

#### *Our interest in services provided*

The availability of these services from Schwab and Fidelity benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's or Fidelity's services. The fact that we receive these benefits is an incentive for us to recommend the use of Schwab or Fidelity rather than making such decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate, our recommendation of Schwab or Fidelity as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's and Fidelity's services and not those services that benefit only us.

We seek to mitigate the conflicts of interests resulting from the receipt of these benefits by providing timely and detailed disclosure so that clients can make an informed decision regarding their custodian selection.

#### *Minimum asset level required for Fidelity platform and services*

In order to provide custodial services to our clients, and provide us with access to their platform and platform services, Fidelity has required that Integrity Advisory Solutions maintain a minimum of \$50 million of client assets in their custody within a year of entering into the arrangement. As such, our agreement with Fidelity creates a conflict of interest when recommending a custodian to our clients as we have an incentive to recommend Fidelity in order to meet this minimum threshold rather than in the best interests of our clients. We seek to mitigate this conflict by timely disclosing it so that our clients can evaluate the conflict in light of all relevant facts and circumstances and make an informed choice.

#### ***Compensation Received from Third-Party Lender Referrals***

Integrity Alliance's arrangements with such third-party lenders also typically keep the funds generated by your use of such third-party lenders invested under Integrity Alliance's management. By recommending that a client use a third-party lender to fund a purchase or other financial need rather than liquidate securities under Integrity Alliance's management, Integrity Advisory Solutions and/or the advisor affiliate, Integrity Alliance, continue to earn fees on the full account value.

#### ***Cash Sweep Program***

Cash sweep programs allow clients to earn a return on uninvested cash balances by automatically "sweeping" cash balances, such as dividends, incoming cash deposits, and money from sell orders, into a sweep vehicle until such balances are invested or otherwise used to satisfy obligations arising in the account.

Integrity Alliance, our affiliate and sponsor of the Wealth Solutions Program, has selected a default cash sweep program ("Cash Sweep Program") available through Pershing, an affiliate of BNY Mellon Securities Corporation, which will automatically "sweep" available cash balances awaiting investment or reinvestment in eligible client accounts custodied with Pershing into interest bearing deposit accounts offered through participating banks ("Participating Banks") selected by Pershing. Deposits at an individual Participating Bank are covered by FDIC insurance up to a maximum of \$250,000 and an aggregate total across Participating Banks of up to \$2,500,000, subject to bank availability. If you have on deposit through the Cash Sweep Program cash that exceeds this amount, the excess amount will not be insured by the FDIC. The FDIC (Federal Deposit Insurance Corporation) is an independent federal agency insuring deposits in

U.S. banks and thrifts in the event of bank failures. For purposes of calculating the available FDIC coverage at each Participating Bank, cash deposited at a Participating Bank is aggregated with all other deposits held by you outside of the Cash Sweep Program in the same insurable capacity at that Participating Bank. You are responsible for monitoring the total amount of deposits held at Participating Banks outside of the Cash

Sweep Program in order to determine the extent of FDIC deposit insurance coverage. You can review the most current lists of Participating Banks in the Cash Sweep Program at <https://www.pershing.com/rates> and your investment adviser representative can notify you of the applicable bank list for your account. If you wish to designate a Participating Bank as ineligible to receive your funds through the Cash Sweep Program,

please contact your investment adviser representative.

Should your cash balance exceed the total aggregate maximum for FDIC coverage within the Cash Sweep Program, any additional free credit balance will be swept into a secondary option selected by Integrity Alliance, or, if no secondary sweep option has been selected, into a default money market mutual fund.

The interest rate available on client deposits in the Cash Sweep Program is equal to the weighted average of the interest rates paid by all Participating Banks on the client's balances, based on current market conditions, less applicable deposit fees, which include fees paid to Pershing and retained by the Cash Sweep Program sponsor/administrator (the "Net Interest Rate Available"). The interest rate you earn through the Cash Sweep Program will be lower than interest rates available to depositors in interest-bearing accounts held directly at a Participating Bank or other FDIC-insured depository institutions, but such institutions could require a minimum amount to establish an interest-bearing deposit account that is maintained outside of the Cash Sweep Program.

Pursuant to an agreement entered with Pershing, the Net Interest Rate Available on a client's Cash Sweep Program balance(s) is shared between the client and Integrity Alliance. The percentage of the Net Interest Rate Available allocated to each party depends on the value of all the client's Eligible Account(s). Eligible Accounts include IAS accounts custodied with Pershing (introduced by Integrity Alliance), registered under the same Tax ID Number, and enrolled in the Cash Sweep Program. The Cash Sweep Program includes five tiers based on account value:

- Tier 1 – \$0-\$49,000
- Tier 2 – \$50,000-\$99,999
- Tier 3 – \$100,000-\$499,999
- Tier 4 – \$500,000-\$999,999 and
- Tier 5 – \$1 million and above.

Each tier has a different percentage split of the Net Interest Rate Available between the client and Integrity Alliance. Additionally, there are multiple product options ("A" through "E") within the Cash Sweep Program, each featuring its own tiered percentage split structure. Product option "A" provides the highest revenue share to Integrity Alliance, while option "E" provides the least. Integrity Alliance has selected product option "A," which generally results in a lower Net Interest Rate Available to clients compared to other options.

Under option "A," the percentage of the Net Interest Rate Available received by Integrity Alliance ranges from a maximum of 70% for accounts valued under \$50,000 (Tier 1) to a minimum of 10% for accounts exceeding \$1,000,000 (Tier 5). However, Integrity Alliance's share is capped at 1.30% per tier. If the Net Interest Rate Available exceeds 1.30%, Integrity Alliance's portion will not surpass this limit, and any remaining amount will be applied to the client's yield.

This arrangement allows Integrity Alliance to participate in revenue sharing related to the Cash Sweep Program while still ensuring clients receive a portion of the Net Interest Rate Available based on their account tier and the selected product option.

Participating Banks do not have a duty to offer the highest rates of return available to participants in the Cash Sweep Program or rates comparable to those offered in money market mutual funds or other cash options. The Net Interest Rate Available will typically fluctuate daily.

Pershing will determine the applicable tier and, therefore, the percentage split of the Net Interest Rate Available between Integrity Alliance and the client each month based on the aggregate value of the client's Eligible Accounts ("Eligible Account(s) Balance"). Pershing will determine your Eligible Account(s) Balance as of the interest posting date each month and add it to the Eligible Account(s) Balance as of the interest posting date for the prior month, which is then divided by two to determine your average Eligible Account(s) Balance for the period. This average Eligible Account(s) Balance will determine your eligibility for a particular tier for the forthcoming interest period. (Your initial deposit into the Cash Sweep Program will be used to determine the applicable tier for the initial interest period).

Under this arrangement, Integrity Alliance earns revenue on the client's cash balances in addition to any compensation earned as introducing/executing broker and for acting as sub-adviser, if applicable, to Integrity Advisory Solutions' client's accounts maintained with Pershing. Sub-advisory fees are typically calculated on the value of the client's account, which includes the value of cash balances held in the account. This means that Integrity Alliance, when acting as sub-adviser on a client's account, earns at least two

layers of fees on the same cash balances in these accounts. Also, any percentage of the Net Interest Rate Available that Integrity Alliance receives will reduce the amount of interest you receive on cash balances in your accounts held with Pershing.

The compensation received under this revenue sharing arrangement is retained by Integrity Alliance and is not shared with Integrity Advisory Solutions or your investment adviser representative. Your investment adviser representative does not have an additional financial incentive tied to the Cash Sweep Program or other available cash options for your account.

Integrity Alliance's ability to select a default cash sweep program for accounts custodied with Pershing presents a conflict of interest as not all cash options available offer revenue sharing to Integrity Alliance, some offer lower revenue sharing amounts, and, as disclosed above, various other products available within the Cash Sweep Program would share less revenue with Integrity Alliance than the product selected by the Integrity Alliance. The potential to receive additional compensation creates an incentive to make this decision based, at least in part, on Integrity Alliance's pecuniary interests rather than the best interests of clients.

When Integrity Alliance acts as sub-adviser to Integrity Advisory Solutions client accounts, for example, through the Wealth Solutions Program, this arrangement can also present a conflict of interest by creating an incentive to maintain a higher cash balance within accounts than would otherwise be necessary in order to earn additional compensation from the Cash Sweep Program.

In addition to the conflicts that arise for Integrity Alliance, any revenues received from the Cash Sweep Program will ultimately inure to the benefit of Integrity, which indirectly owns both Integrity Advisory Solutions and Integrity Alliance, creating another layer of conflicts. This is because it creates an incentive for Integrity Advisory Solutions to recommend or promote the investment programs sponsored by our affiliate over other investment programs, and to require that clients enrolled in certain programs direct Integrity Advisory Solutions to use Integrity Alliance as introducing/executing broker for their accounts custodied with Pershing in order to increase the profitability of our affiliate, and by extension, our parent company.

While a cash sweep program using FDIC-insured deposits, such as the Cash Sweep Program, could benefit you, any potential benefit does not eliminate the conflicts of interest that arise.

Notwithstanding any revenue received from the Cash Sweep Program, Integrity Alliance has taken and will continue to take steps to reasonably ensure, evaluate, and monitor on a periodic basis that its use and choices of cash sweep programs, including the Cash Sweep Program, is in the best interest of clients, taking into consideration certain quantitative and qualitative factors, such as:

- the relative interest rates offered by the Participating Banks within the Cash Sweep Program as compared to available alternative cash investments, such as, but not necessarily limited to, money market mutual funds;
- the availability of the maximum FDIC insurance limits to a client based on the client's aggregate invested cash in Participating Banks; and
- the importance of FDIC insurance in view of a client's investment objectives and risk tolerance (based on strategy chosen) as balanced against the quantitative considerations above.

Integrity Alliance will also reasonably seek to ensure that investment adviser representatives do not receive compensation from the Cash Sweep Program. Integrity Alliance will also periodically monitor, on behalf of Integrity Advisory Solutions, the amount of cash each of its clients has in the Cash Sweep Program, comparing the cash levels maintained to prudent investing standards germane to the strategy selected. Integrity Alliance will document, and maintain in its files, the results of these periodic reviews.

Integrity Advisory Solutions seeks to address the conflicts of interest arising in connection with its recommendation of Integrity Alliance as sub-adviser and/or the client's directed broker by making a number of investment programs available to clients, including programs available through custodians other than Pershing. In addition, Integrity Advisory Solutions will adhere to its due diligence processes, including ongoing monitoring of Integrity Alliance, its services provided to certain Integrity Advisory Solutions client accounts, and its adherence to policies and procedures reasonably designed to address conflicts of interest

that arise in connection with its selection and use of the Cash Sweep Program, as summarized above, and as amended from time to time.

Nonetheless, you should be aware that the Cash Sweep Program (and cash sweep programs, generally) will generate lower yields than cash alternatives available outside of the Cash Sweep Program. Clients are not obligated to use the Cash Sweep Program for their accounts custodied with Pershing and should notify their Advisor if they want to select a different option for the cash held in their account(s), including but not necessarily limited to, a money market mutual fund, or a free credit balance.

Clients should compare the terms of the Cash Sweep Program with those of other available investments for cash, including, among other factors, interest rates, required minimum amounts, and other features, as well as applicable risks, and the relative value the client places on the security of the FDIC insurance provided through the Cash Sweep Program.

Clients should also note that all fees discussed herein are cumulative. For example, funds in the Cash Sweep Program tied to a loan will have two revenue streams for Integrity Alliance since Integrity Alliance will receive a percentage of the net interest rate based on the amount of client assets held in a cash sweep vehicle (thereby lowering the amount of the interest received by the client), and Integrity Alliance will also receive a percentage of revenue generated from the interest payments made by a client to such third-party lender with respect to the applicable loan and/or a percentage of client assets brought to the third-party lender's platform.

**Negative Interest Rates:** In response to certain extraordinary economic conditions, some foreign countries have implemented a negative interest rate policy to stabilize their economies. Under such a policy, a central bank charges banks a fee to hold reserves, and, as a result, the banks then charge depositors a fee to maintain their deposits. Historically, the U.S. has not adopted policies resulting in negative interest rates, and there is no indication that the Federal Reserve Board plans to adopt such a policy in the future. If, however, such a policy is adopted in the U.S., Program Banks may begin to charge fees to maintain deposits held through bank deposit sweep products, such as the Cash Sweep Program. In such an event, a fee would be charged for maintaining your deposits at Participant Banks through the Cash Sweep Program. This fee would be in

addition to fees received from Participant Banks for their participation in the Cash Sweep Program. Any fees related to negative interest rates would be applied to your Cash Sweep Program balance on a monthly basis for the duration of the negative interest rate period. If applicable, this fee will appear on your periodic account statement.

A money market mutual fund, unlike Participating Bank deposits utilized by the Cash Sweep Program, is not insured or guaranteed by the FDIC or any other governmental agency, and it is possible to lose money in a money market mutual fund.

Money market mutual funds seek to preserve a net asset value of \$1.00, with excess earnings that are generated through interest on portfolio holdings typically distributed to investors in the form of dividend payments. Average annual rates of return from money market mutual funds available as an alternative to the Cash Sweep Program will vary over time and will generally be higher than the interest rate paid on deposits to you through the Cash Sweep Program.

Under stressed market conditions (e.g., which may cause the Federal Reserve Bank to purchase government securities from the market in order to lower interest rates and increase the money supply, also known as "quantitative easing"), however, money market mutual funds may not pay investors any excess dividends or distributions. Under severe market stress, a money market mutual fund may fail to preserve a net asset value of \$1.00 and/or may no longer be a viable business for the fund sponsor, which may force the sponsor to liquidate. As a result of any of these factors, it is possible to lose money in a money market mutual fund.

Uninvested cash held by the Firm as a "free credit balance" in all client accounts is covered by the Securities Investor Protection Corporation (SIPC), a non-profit, non-government, membership corporation, funded by member broker-dealers. SIPC's coverage protects against the custodial risk (though not against a decline in market value) when a SIPC-member brokerage firm fails by replacing missing securities and cash up to a limit of \$500,000 of which \$250,000 can be in cash per customer under SIPC rules.

Integrity Alliance will earn more money from the revenue sharing arrangement in connection with the Cash Sweep Program than it would should you select a different cash option for your account(s).

You should consider your investment objectives, liquidity needs and risk tolerance in reviewing whether the Cash Sweep Program or another product or approach is appropriate for you with respect to cash balances held in your account(s). If you desire to maintain a large cash position for an extended period of time, you should contact your investment adviser representative to discuss your options.

We urge you to carefully review the detailed information regarding the Cash Sweep Program provided in the Disclosure Statement and Terms and Conditions prepared by BNY Mellon Securities Corporation here: <https://www.dreyfus.com/content/dam/im/documents/manual/brochures/did-terms-tiered.pdf>.

***Clients have the right to opt out of the default Cash Sweep Program at any time by notifying their Advisor or contacting us at (877)886-1939. Upon opting out, clients can choose from alternative options including (i) leaving cash uninvested in the account without participating in the sweep option, or (ii) selecting a different cash management option offered by the custodian, subject to availability.***

***Clients should consider that alternative cash management options frequently offer different yields, terms, and protections compared to the default sweep option. Opting out of the default Cash Sweep Option can affect the interest earned on uninvested cash and could impact liquidity or FDIC/SIPC coverage depending on the selected alternative.***

#### **NTF Funds and 12b-1 Fees**

Approved custodians offer NTF (no-transaction fee) mutual funds, which allows investment adviser representatives to select funds that trade without a transaction fee. The availability of NTF mutual funds creates a conflict of interest with respect to any wrap fee program in which the investment adviser representative or Integrity Advisory Solutions is responsible for transaction charges because the more transaction charges or other costs that can be avoided with respect to the wrap account, the more of the wrap fee is retained. At the same time, NTF mutual funds often have higher internal expense ratios than other share classes of the same or other similar funds that can be recommended for the client's account. Integrity Advisory Solutions seeks to mitigate this conflict of interest by adopting and implementing a policy requiring that the Firm and investment adviser representatives endeavor to recommend the lowest cost share class of mutual funds available to clients under relevant circumstances of the trade in keeping with each client's best interests.

Generally, mutual fund companies offer multiple share classes of the same mutual fund. Some share classes of a fund have higher internal expenses than others, including but not limited to 12b-1 fees, whereas other share classes of the same fund have lower internal expenses, with or without 12b-1 fees. Institutional and advisory share classes typically have lower expense ratios, do not charge 12b1 fees, and are less costly for a client to hold than Class A shares or other share classes that are eligible to purchase in an investment advisory account. Mutual funds that offer institutional share classes, investment advisory share classes, and other share classes with lower expense ratios are available to clients who meet specific eligibility requirements that are described in the mutual fund's prospectus or in its statement of additional information. These eligibility requirements include, but are not be limited to, investments meeting certain minimum dollar amount thresholds and accounts that the fund considers qualified, fee-based programs.

Also, the lowest-cost mutual fund share class for a particular fund may not be offered through the client's account custodian. We endeavor to recommend the lowest cost share class of mutual funds available to clients under the circumstances of the trade. Relevant circumstances of the trade can include, among others, the particular fund share classes available through the client's account custodian when, for example, they can be the lowest cost share class available on the platform, but are not necessarily the lowest cost share class available on other platforms or under other circumstances.

While Integrity Advisory Solutions and your investment adviser representative endeavor to use the lowest-cost share class available and periodically reviews client fund holdings to convert higher cost shares to lower cost shares in accordance with its fiduciary duty, the Firm cannot ensure that all clients will hold the lowest cost shares available under any circumstances at any given time. Clients are urged to discuss with their investment adviser representative why the particular fund(s) or other investments recommended or held in their account are appropriate for them considering their expected holding period, investment objective, risk tolerance, time horizon, financial condition, amount invested, trading frequency, and the amount of the advisory fee charged. Clients should also ask their investment adviser representative whether the client will pay transaction charges for fund purchases and sales, whether the client will pay higher internal fund expenses in lieu of transaction charges that could adversely affect long-term performance, and

the relevant tax considerations of the mutual fund share class(es) or investment(s) selected for the client's account.

You should review both the fees charged by the funds and our investment advisory fees to fully compare and understand the total amount of fees to be paid by the client and, therefore, evaluate the investment adviser advisory services being provided.

Integrity Advisory Solutions does not receive 12b-1 fees from mutual fund companies in connection with advisory assets under management.

### ***Pershing FUNDVEST® Program***

Integrity Alliance, our affiliate and sponsor of the Wealth Solutions and Retirement Ally Programs, is a participant in Pershing's FUNDVEST® ticket charge program ("FUNDVEST® Program"), which offers NTF mutual funds.

Pursuant to an agreement with Pershing, Integrity Alliance is also eligible to participate in revenue sharing with respect to certain FUNDVEST® Program mutual funds. For FUNDVEST® Program mutual funds that do not charge 12b-1 fees, Pershing will share 40% of any service fees received from such funds held by Integrity Alliance client accounts that exceed \$10 million, including Integrity Advisory Solutions client accounts custodied with Pershing. Integrity Alliance does not receive any share of service fees on the first

\$10 million of client assets in the FUNDVEST® Program. (Service fees include all fees other than 12b-1 fees paid directly or indirectly by a FUNDVEST® Program fund). This arrangement creates a conflict of interest in that Integrity Alliance has an incentive to utilize NTF mutual funds available through the FUNDVEST® Program in the Wealth Solutions Program to reach or exceed this threshold and share in revenue rather than based on the client's best interests. Integrity Advisory Solutions also has a conflict of

interest related to this program inasmuch as the Firm is under common ownership with Integrity Alliance and has incentive to enrich its affiliate by recommending programs sponsored by Integrity Alliance to its clients, for which the FUNDVEST® Program can be utilized, and recommending FUNDVEST® Program funds in client accounts custodied with Pershing.

We seek to address this conflict of interest through our ongoing due diligence of Integrity Alliance and by making a number of investment programs available to clients, including some through custodians other than Pershing, and by adopting policies reasonably designed to ensure that investment adviser representatives make recommendations in the best interests of clients.

FUNDVEST® Program mutual funds also charge short-term redemption fees of \$50 for liquidations that do not meet required holding periods. Applicable required holding periods generally run from 30 days to 6 months. Clients bear the cost of short-term redemption fees, as applicable. Investment programs and strategies offered by Integrity Advisory Solutions are generally designed to hold investments for longer periods. If a short-term redemption fee is incurred, it is typically the result of an unscheduled client request to withdraw assets after a recently placed trade in the client's account.

## **FINANCIAL INFORMATION**

### **Balance Sheet Requirement**

As Integrity Advisory Solutions does not require or solicit prepayment of more than \$1,200 in fees per client, six (6) months or more in advance, we are not required to deliver our balance sheet along with this Disclosure Brochure.

### **Financial Condition**

Integrity Advisory Solutions does not have any financial conditions that would reasonably impair our ability to meet contractual commitments to our clients.

### **Bankruptcy Petition**

Integrity Advisory Solutions has not been the subject of a bankruptcy petition at any time during the last ten (10) years.