



Item 1: COVER PAGE

First Citizens Asset Management, Inc.

Form ADV, Part 2A APPENDIX 1

Wrap Fee Brochure

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This Form ADV, Part 2 (Appendix 1 – Wrap Brochure) is the First Citizens Asset Management, Inc. wrap program brochure (the “Brochure”). This Brochure provides information about the qualifications and business practices of First Citizens Asset Management, Inc. (“FCAM”). If you have any questions about the contents of this brochure, please contact us at 800-223-0205.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about FCAM is also available on the SEC’s website at www.advisorinfo.sec.gov. You can view our firm’s information on this website by searching for “First Citizens Asset Management, Inc.” Our Firm’s SEC number is 801-79917 and our CRD number is 140777.

First Citizens Asset Management, Inc. (“FCAM”) is a SEC registered investment Advisor under the Investment Advisors Act of 1940. Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Item 2: MATERIAL CHANGES

There are no material changes since the last update as of March 2024.

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Item 4: SERVICES, FEES and COMPENSATION

First Citizens Asset Management, Inc. (“FCAM,” “we,” “us,” or “our/ours”) is an SEC registered investment adviser under the Investment Advisors Act of 1940. FCAM is a corporation formed under the laws of the State of South Carolina and is wholly owned by First-Citizens Bank & Trust Company, which in turn is a wholly owned subsidiary of First Citizens BancShares, Inc., a publicly traded company.

FCAM oversees clients’ portfolios based upon the client’s risk profile, investment horizon, financial goals, income (current and potential), tax bracket, portfolio size, net worth, and other aspects of the client’s financial profile. FCAM provides these investment advisory services through an Investment Adviser Representative of FCAM (the “IAR”). You may obtain information about your IAR through the Brochure Supplement, which is a separate document provided along with this disclosure Brochure. If you did not receive a Brochure Supplement from your IAR, please contact FCAM Compliance at 1-800-223-0205.

FCAM provides some of the services through its Wrap Fee Program. The Wrap Fee Program is a bundle of investment advisory services, including portfolio management, brokerage transactions, advisory services, and portfolio administration, provided by FCAM and/or third-party affiliated or unaffiliated sub-advisers (called “Third-Party Managers”), for which the client pays an all-inclusive wrap fee. In the Wrap Fee Program, clients may impose reasonable restrictions upon the management of the account.

FCAM offers three Wrap Fee Programs:

- The Wrap Program bundles advisory, administrative, and transaction charges into one asset-based fee. A portion of the wrap fee is allocated to the administrative fee, which covers administrative and supervisory services provided by FCAM as well as transaction, execution, clearing and custodial services as provided by a third-party clearing firm. FCAM also receives a portion of the fee for advisory services.
- The Separately Managed Account (“SMA”) Program gives a Third-Party Manager discretionary authority with respect to investment management of client accounts. The IAR will assist other investment adviser representatives and clients in selecting one or more Third-Party Managers based upon the client’s risk tolerance, investment objectives, goals, and objectives.
- The Unified Managed Account (“UMA”) Program gives the client the ability to use Third-Party Managers using discretion and/or the client and the IAR together on a non-discretionary basis to create a portfolio. The client and the IAR will identify the client’s investment goals and objectives as well as risk tolerance to determine the combination of portfolio management. FCAM provides certain discretionary advisory management services to state and local municipal entities, including investing proceeds of and/or funds used to satisfy obligations under municipal offerings within U.S. Government and agency securities.

It should be noted that FCAM does not offer Wrap Fee Programs to new clients and will not accept any new wrap fee accounts. Existing clients may add additional funds to their account as needed.

Fees

The Wrap Fee Program fees charged by FCAM (the “Fee” or “Fees”) are generally asset-based and are expressed as an annual percentage of the assets in the account. The Fees cover a range of available services including:

- Investment management;
- Ongoing monitoring of Third-Party Managers;
- Services provided by your IAR (including periodic reviews of your account);
- Execution costs and reporting of transactions;
- Custody of securities; and
- Services provided by the platform provider associated with the Wrap Fee Program.

The Fees are set forth below in the Fee Schedule and represent the maximum standard annual rate for each Wrap Fee Program.

Fee Schedule

Account Size	Maximum Fee
\$50,000 - \$100,000	2.00%
\$100,001 - \$200,000	1.75%
\$200,001 - \$500,000	1.25%
\$500,001 AND ABOVE	1.00%

These Fees may be negotiated depending upon circumstances including but not limited to account composition and complexity, account size, employee or family relationships, etc. which may result in different fees being charged by us for client accounts similar in composition and objectives.

Clients are billed the Fee in advance based upon the assets under management on either a monthly or quarterly basis, depending upon the Wrap Fee Program chosen. The timing of such billing is determined, in part, by the particular Wrap Fee Program chosen by the IAR along with the client. Details of Fees, as well as the timing of such Fees, will be discussed and disclosed in the client agreement prior to opening an account.

You should understand that mutual funds, including exchange traded funds and similar investment products, in which your assets are invested by us or by others, impose separate investment management fees and other operating expenses (described in the fund's prospectus) for which you will be charged separately from the fee paid to us for our services. The tiered fee schedule above is assessed for each account, and FCAM does not aggregate other accounts for the client (Householding) when determining the fee.

FCAM utilizes money market funds as temporary investment vehicles for clients as permitted by law and subject to applicable restrictions. The use of money market funds in "sweep" arrangements, for temporary investment purposes or otherwise, may result in FCAM earning advisory, distribution or other fees described herein. The Fees earned by FCAM may vary depending on the money market funds utilized. FCAM is not compensated based on a share of capital gains or capital appreciation in a client's account or any portion thereof.

The client will grant FCAM the authority to receive monthly or quarterly Fee payments directly from the client's account held by an independent custodian. The client provides limited authorization to withdraw the Fees from the account. The custodian of the account is made aware of the limitation of FCAM's access to the account. The custodian sends the client a statement, at least quarterly, indicating all the amounts disbursed from the account including the amount of the Fees paid directly to FCAM which the client should verify for accuracy as to our fee calculation. The custodian of the account holds all customer assets. FCAM does not physically hold or handle

customer funds or securities.

The management, certain support staff and the IARs of FCAM are also registered representatives of First Citizens Investment Services, Inc. ("FCIS"), a securities broker-dealer. You may work with your IAR in his or her separate capacity as a broker-dealer registered representative of FCIS. When acting in his or her separate capacity as a registered representative, your IAR may sell securities such as stocks, bonds, mutual funds, and exchange-traded funds to you on a commission basis. As such, your IAR may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment- advisory account. This receipt of commissions creates an incentive to recommend those products for which your IAR will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

FCAM receives 12b-1 (distribution) fees for the sale of certain mutual funds purchased by advisory clients. Client assets are sometimes invested in shares of registered funds (such as mutual funds) that offer several classes of shares with different fees. Some share classes charge 12b-1 (distribution) fees, shareholder services fees or administrative fees and pay these fees to FCAM. Distribution payments, or 12b-1 fees, compensate FCAM for selling registered fund shares. Shareholder services and administrative fees compensate FCAM for customer account services and administration such as account and trade detail recordkeeping, customer statement preparation and delivery, tax reporting, and other services that the registered mutual fund otherwise would have provided. Distribution, shareholder services and administrative fees are deducted from the mutual fund's assets and indirectly paid by the fund's shareholders. Registered funds often offer one or more share classes that do not charge 12b-1 or shareholder services fees. Clients may be able to invest in lower-cost share classes directly.

FCAM does endeavor to invest client funds in the cheapest available share class. Also, in situations where the cheapest share class still pays a 12b-1 fee to FCAM, we will refund/credit these fees back to the client.

Clients should consider that depending upon the level of the wrap fee charges, the amount of portfolio activity in their accounts, the value of services that are provided under these Wrap Fee Programs, and other factors, the wrap fee may or may not exceed the aggregate cost of services if they were to be provided separately. Under a Wrap Fee Program, your assets would be managed by FCAM generally in the same manner as assets managed by FCAM for clients not in a Wrap Fee Program other than the requirements or restrictions of the program, although this would be subject to your particular investment needs and objectives.

Item 5: ACCOUNT REQUIREMENT AND TYPES OF CLIENTS

Our clients include individual persons, trusts, estates, charitable organizations, municipalities and other governmental entities, and corporations or similar business entities.

You are required to execute a written agreement with FCAM specifying the requested advisory services to establish a client arrangement with FCAM. Generally, our minimum account size is \$50,000 for the Wrap Fee Program and \$100,000 for the Unified Managed Account Program although this may be waived based on considerations such as the account's relationship to established clients and other factors.

Item 6: PORTFOLIO MANAGER SELECTION AND EVALUATION

FCAM meets quarterly with the Board and on an as-needed basis, and periodically reviews the Third-Party Managers. When appropriate, FCAM considers removing a firm as a Third-Party Manager. The removal of a Third-Party Manager may be based upon the criteria described below or upon other information FCAM and the Board deems material. FCAM and the Board considers all relevant criteria; no one criterion is necessarily determinative. In its review process, FCAM and the Board places emphasis on a Third-Party Manager's long-term overall performance.

In this role, the Board uses performance information from independent reporting sources. The Board and FCAM select Third-Party Managers available in the Wrap Fee Program primarily from information that was provided by those firms or was publicly available. The relevant third-party management firm generally provides performance information used by FCAM and the Board. FCAM and the Board do not attempt to independently determine or verify the information's accuracy or its compliance with presentation standards. The third-party management firms do not necessarily calculate performance information on a uniform or consistent basis. FCAM and the Board, from time-to-time, consider additional third-party management firms for the Wrap Fee Program. In this process, FCAM obtains and may rely upon certain information from independent sources.

The Board's and FCAM's decisions are guided by quantitative and qualitative criteria, which may include:

Quantitative Criteria

Quantitative criteria are evaluated both in terms of a fund's absolute performance and performance relative to its investment-style group or sector, and may include:

- Rate of return;
- Standard deviation of returns;
- Risk-adjusted rate of return; and
- Consistency of returns.

Qualitative Criteria

Qualitative criteria used in Fund evaluations may include:

- Years in the business;
- Assets under management;
- Investment philosophy;
- Adherence to investment philosophy; and
- Financial, operational, and client servicing resources.

The Board's review places emphasis on long term overall performance from a qualitative and quantitative standpoint. Adverse short-term developments are monitored but are not necessarily sufficient to prompt a decision to remove a Third-Party Manager. A decision to remove or replace may also be driven by a Third-Party Manager's change of terms and/or imposition of new restrictions, such as closing to further investments. Where a security is removed, FCAM will generally liquidate that investment and reinvest the proceeds in a replacement product. FCAM and the Board do not consider the tax consequences, if any, of any such transactions.

Conflicts of Interest of Related Person Acting as Third-Party Managers

FCAM has a material arrangement with an affiliated brokerage firm, FCIS. The management, certain support staff, and certain IARs are also registered representatives of FCIS, a securities broker-dealer. You may work with your IAR in his or her separate capacity as a registered representative of FCIS. When acting in his or her separate capacity as a registered representative

of FCIS, your IAR may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and annuity and life products to you. As such, your IAR may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your IAR will receive a commission in his or her separate capacity as a registered representative of FCIS. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use FCIS and can select any broker/dealer you wish to implement securities transactions. If you select your IAR to implement securities transactions, in his or her separate capacity as a registered representative of FCIS, he or she must use FCIS. Prior to affecting any such transactions, you are required to enter into a new account agreement with FCIS. The commissions charged by FCIS may be higher than those charged by other broker-dealers.

Performance-Based Fees and Side-By-Side Management

Performance-based fees are fees based on a share of capital gain on or capital appreciation of the assets within the client's account. FCAM is not compensated based on a share of capital gains or capital appreciation of the models.

Methods of Analysis, Investment Strategies and Risk of Loss

Proprietary Investment Strategies FCAM uses fundamental, quantitative, and technical analysis in evaluating securities. Fundamental analysis involves looking at economic, financial, and other qualitative and quantitative factors to measure a security's value. We use various financial databases to screen publicly traded companies to identify a smaller universe of candidates that meet our criteria for growth, value, quality, and income (dividends). We rely on tools such as Bloomberg Professional and FactSet. We also use commercially available technology, financial periodicals and other publications, SEC filings, and financial statements to assist with our analysis. In certain instances, we also use outside consultants to provide expertise in particular areas or for more in-depth analysis, these views and analyses received from broker-dealers ("sell-side research") are also considered as part of FCAM's evaluation process.

Our investment selection process for fixed-income securities is based on the specific client's/strategy's goal for liquidity, our portfolio manager's outlook, and our view of the environments for interest rates and corporate and/or municipal credit.

Third-Party Managers Our investment team employs a due diligence review process to select Third-Party Managers and one or more of their strategies to make available to our clients. This initial review includes quantitative and qualitative assessments of each Third-Party Manager and strategy. FCAM's investment team monitors Third-Party Managers' performance, adherence to their stated investment process and regularly assesses whether risks are being responsibly managed.

This process is also applied to the selection of mutual funds, ETFs, and limited partnership structures.

FCAM's investment advisory platform provides access to the following:

- Third-Party Manager FCAM may engage any U.S. registered investment adviser as a Third-Party Manager to manage a client's assets on behalf of a client and at the client's expense.
- Mutual Funds and ETFs FCAM's investment team evaluates, selects and monitors mutual funds and ETFs across multiple asset classes and investment styles through a qualitative and quantitative analysis process.

- Donor Advised Funds Depending on a client's interest in charitable giving through donor-advised funds, FCAM will allocate, or recommend the allocation of, a portion of the client's assets to a donor advised fund, in accordance with FCAM's arrangements with each pertinent foundation.
- Derivative Investments FCAM will evaluate, select and monitor investments in derivative instruments for qualified clients. These include sophisticated option-based strategies.
- Proprietary Strategies Our proprietary strategies include multi-asset, equity and fixed-income strategies described under "Proprietary Separate Account Strategies" below.

Proprietary Separate Account Strategies

Equity FCAM offers a number of proprietary US-based equity strategies: large cap value, large cap core, mid cap core, and small cap core.

Fixed Income FCAM's fixed-income strategies include taxable, tax- exempt, short duration, intermediate-term, US government, US investment grade credit or a combination of both, .Fixed-income strategies can be customized to meet a client's unique parameters specific to tax status and state of residence, target duration, credit quality, and cash flow needs.

Material Risks

Investing in securities involves risk of loss that clients should be prepared to bear. Investment performance cannot be predicted or guaranteed, and the value of a client's assets will fluctuate due to market conditions and other factors. Investments are subject to various risks, including, but not limited to, economic, political, market, currency, liquidity, and cybersecurity risks, and will not necessarily be profitable. Past performance of investments is not indicative of future performance.

Depending on the type of service being provided, FCAM and affiliated advisors can recommend different types of securities, including, but not limited to, mutual funds, ETFs, equities, fixed income securities, options, and other investment vehicles. Described below are some risks associated with investing and with some types of investments that FCAM and affiliated advisors can recommend depending on the type of service provided. For a more complete summary of material risk factors and conflicts of interest associated with the strategies of Third-Party Managers, please refer to the applicable Third-Party Manager's Form ADV Part 2A. Clients should also review the offering materials and prospectuses produced by issuers and sponsors of investment products and other disclosure available for each relevant investment, security, or transaction to understand associated risks and costs.

Market/Volatility Risk. The risk that the value of the assets in which a client account is invested decreases (potentially significantly) in response to various factors, including inflation (or expectations for inflation), deflation (or expectations for deflation), market instability, regulatory events, changes in interest rates, regional or global pandemics, and national and international political and economic events due to increasingly interconnected global economies and financial markets.

Pandemics and Other Diseases Risk. Events such as pandemics or widespread outbreaks of disease may lead to increased short-term market volatility and may have adverse long-term effects on the U.S. and world economies and markets generally. For example, as of the date of this Brochure, a novel and highly contagious form of coronavirus, ("COVID-19"), has occurred and created adverse impacts on global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and commodities markets, which is continuing to be felt. The global COVID-19 pandemic resulted in the implementation of quarantines, prohibitions on travel, the closure of offices, businesses, schools, and other public venues, and other restrictive

measures. Such measures and the general uncertainty surrounding the dangers and impact of COVID-19 create significant disruption in supply chains and economic activity and have a particularly adverse impact on several industries, including the financial industry and participants. Pandemics and similar events could also have an acute effect on individual issuers or related groups of issuers and could adversely impact securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation, and other factors relating to an account's portfolio or FCAM's operations.

Regulatory Risk. There have been legislative, tax, and regulatory changes and proposed changes that may apply to the activities of FCAM that may require legal, tax and regulatory changes, including requirements to provide additional information pertaining to a client account to the Internal Revenue Service or other taxing authorities. Regulatory changes and restrictions imposed by regulators, self-regulatory organizations and exchanges vary from country to country and may affect the value of client investments and their ability to pursue their investment strategies. Any such rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins and reduced investment and trading opportunities, all of which would negatively impact performance.

Data and Information Risk. Although FCAM obtains data and information from third party sources that it considers to be reliable, FCAM does not warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. FCAM does not make any express or implied warranties of any kind with respect to such data. FCAM shall not have any liability for any errors or omissions in connection with any data provided by third party sources.

Equity Risk. Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate and can decline and reduce the value of an equity's investment portfolio. The value of equity securities purchased could decline if the financial condition of the companies in which FCAM invests declines or if overall market and economic conditions deteriorate. They may decline due to factors that affect a particular industry or industries, such as labor shortages or an increase in production costs and competitive conditions within an industry, or due to general market conditions that are not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor sentiment.

Fixed Income Risk. Generally, the value of fixed income securities will change inversely with changes in interest rates. As interest rates rise, the market value of such securities tends to decrease. Conversely, as interest rates fall, the market value of such securities tends to increase. This risk will typically be greater for securities based on longer-term interest rates than for securities based on shorter-term interest rates. Fixed income securities may experience a decline in income when interest rates decrease. During periods of falling interest rates, an issuer may be able to repay principal prior to the security's maturity (i.e., prepayment), causing the vehicle to have to reinvest in securities with a lower yield, resulting in a decline in the vehicle's income. Additionally, fixed income securities may be subject to liquidity risk, whereby a security is difficult to purchase or sell or becomes difficult to sell after being purchased. This risk has been especially pronounced in recent times due to disruptions in the global debt markets and is elevated for high-yield fixed income securities (sometimes called "junk" bonds).

Risks of Mutual Funds and ETFs. Mutual fund and ETF shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains if they sell securities for a profit that cannot be offset by a corresponding loss. Shares of mutual funds are generally distributed and redeemed on an

ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV. Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Non-U.S. Securities International investments involve special risks not typically associated with trading in investments relating to markets and/or issuers solely in the U.S. Depending on the particular countries and investments involved and on the nature of the particular transactions executed outside of the U.S., these special risks may include: changes in exchange rates and exchange control regulations; downgrades in sovereign credit ratings; devaluations or non-convertibility of non-U.S. currencies; failures or disruptions in central banks, banking systems, markets or financial exchanges; changes in monetary policies, interest rates or interest rate policies; political, social and economic instability; adverse diplomatic developments; investment and repatriation restrictions; the nationalization and/or expropriation of assets; government intervention in the private sector; default by public issuers on their financial obligations (and limited recourse in connection with such defaults); the imposition of non-U.S. taxes; discrimination against foreign investors; less liquid markets; less information; higher transaction costs; less information regarding legal and regulatory risks; less uniform accounting and auditing standards; greater price volatility; less reliable clearance and settlement procedures; and/or less government supervision of exchanges, brokers, market intermediaries, issuers and other markets and market participants, than is generally the case in the United States.

Event Risk An adverse event affecting a particular company or that company's industry could depress the price of a client's investments in that company's stocks or bonds.

The company, government or other entity that issued bonds in a client's portfolio could become less able to, or fail to, repay, service or refinance its debts, or the issuer's credit rating could be downgraded by a rating agency.

Adverse events affecting a particular country, including political and economic instability, could depress the value of investments in issuers headquartered or doing business in that country.

Liquidity Risk Securities that are normally liquid may become difficult or impossible to sell at an acceptable price during periods of economic instability or other emergency conditions. Some securities may be infrequently or thinly traded even under normal market conditions. Certain investments are inherently illiquid and therefore involve additional risks.

Domestic and/or Foreign Political Risk Events that occur in the U.S. relating to politics, government, and elections can affect the U.S. markets. Political events occurring in the home country of a foreign company such as revolutions, nationalization, and currency collapse can have an impact on the security.

Inflation Risk Nations around the globe may be more, or less, prone to inflation than the U.S. economy at any given time. Companies operating in countries with higher inflation rates may find it more difficult to post profits reflecting their underlying health.

Derivative Instruments Investing and engaging in derivative instruments and transactions, including commodity funds and commodity ETFs, may involve different types of risk and possibly greater levels of risk. These risks include, but are not limited to the following:

- **Possible Leverage** A derivative instrument or transaction may disproportionately increase an account's exposure to the market for the assets underlying the derivative position and the sensitivity of an account's portfolio to changes in market prices for those assets. Leverage will tend to magnify both the positive impact of successful investment decisions and the negative impact of unsuccessful investment decisions on an account's performance.
- **Counterparty Credit Risk** The market value of a derivative position may correlate imperfectly with the market price of the asset underlying the derivative position. If a derivative position is being used to hedge against changes in the value of assets in an account, a lack of price correlation between the derivative position and the hedged asset may result in an account's assets being incompletely hedged or not completely offsetting price changes in the derivative position.
- **Lack of Correlation.** The market value of a derivative position may correlate imperfectly with the market price of the asset underlying the derivative position. If a derivative position is being used to hedge against changes in the value of assets in an account, a lack of price correlation between the derivative position and the hedged asset may result in an account's assets being incompletely hedged or not completely offsetting price changes in the derivative position.
- **Illiquidity.** Over-the-counter derivative contracts are usually subject to restrictions on transfer, and there is generally no liquid market for these contracts. Although it is often possible to negotiate the termination of an over-the-counter contract or enter an offsetting contract, a counterparty may be unable or unwilling to terminate a contract with an account, especially during times of market instability or disruption. The markets for many exchange-traded futures and other instruments are quite liquid during normal market conditions, but this liquidity may disappear during times of market instability or disruption.
- **Less Accurate Valuation** The absence of a liquid market for over-the-counter derivatives increases the likelihood that FCAM will be unable to correctly value these interests.

Cybersecurity Risk Due to the increased use of technology in our business and the financial services industry in general, FCAM is subject to cybersecurity risks. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data or causing operational disruption, including denial-of-service attacks on websites. Cybersecurity failures or breaches with respect to FCAM or of its third-party vendors can cause disruptions to FCAM, potentially resulting in financial losses to clients and/or violations of applicable privacy and other laws that adversely affect clients.

Margin Accounts Some of our investment strategies require that clients maintain a margin account. Clients who purchase securities may pay for them in full (a "cash account") or may borrow part of the purchase price from the broker-dealer that holds his/her account (a "margin account"). Clients generally use margin to leverage their investments and increase their purchasing power. At the same time, clients who trade securities on margin incur the potential for higher losses. We will discuss the risks of using margin with each client to determine if it is

appropriate for their portfolio but, in general, would like clients to know about some of the major risks of trading on margin.

- Clients can lose more funds than deposited in a margin account.
- The broker-dealer holding the client account can force the sale of securities in the account.
- The broker-dealer can sell client securities without contacting the client.
- Clients are not entitled to an extension of time on a margin call.

Rebalancing of Portfolio FCAM may periodically rebalance client portfolios. Rebalancing involves trading securities - buying some and selling others. In rebalancing a client's portfolio, the client may experience some additional transaction costs and tax implications due to this rebalancing. The client may suffer lower returns if the assets sold have higher returns in the future than those being purchased.

Balancing the Interests of Multiple Client Accounts FCAM may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to client's investments and the performance resulting from such decisions may differ from client to client.

Allocating Investment Opportunities Because each client portfolio is individually managed, FCAM will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have materially different amounts of capital under management by FCAM, different objectives, or different amounts of investable cash available. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

Client investments may also be subject to other risks specific to certain securities, which are further described in the underlying prospectus or other disclosure statement from the issuer of those securities. Clients should carefully review all available disclosures for any securities. Additionally, despite FCAM's affiliation with FCB, client assets managed by FCAM are not bank deposits and are not insured or guaranteed by the FDIC or any other government agency entity or person and may lose value.

Voting Securities

FCAM will not vote proxies or advise client on proxies (or similar solicitations concerning corporate actions) for the securities held in an account managed by FCAM. As between client and FCAM, the client retains the right and responsibility to vote proxies and to review related materials on securities held in the account, or to delegate that function to some other person or entity. As to securities in the account over which FCAM has discretionary authority, the custodian will forward to the client any information received relevant to proxies, voting or other corporate actions.

Item 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Prior to account opening, all new clients are asked for information and complete an investment policy statement. This information and all other information required by FCAM or Third-Party Manager to open the account, is provided to the Third-Party Manager.

Item 8: CLIENT CONTACT WITH PORTFOLIO MANAGERS

The Board and IARs are always reasonably available to consult with you regarding your Account. Your assigned IAR will be your primary point of contact.

Item 9: ADDITIONAL INFORMATION

Disciplinary Information

In February 2018, the SEC announced an industry-wide initiative to identify and remedy conflicts of interest that arise where investment advisers failed to make required disclosures relating to their selection of certain mutual fund share classes that paid the adviser (or its related entities) a fee pursuant to Rule 12b-1 under the Investment Company Act of 1940 ("12b-1 fee") when a lower-cost share class for the same fund was available to clients. FCAM elected to participate in this initiative and, based on information that FCAM provided, the SEC issued an Order Instituting Administrative and Cease and Desist Proceedings against FCAM on March 11, 2019 (the "Order"). The SEC determined that for the period January 1, 2014, through July 20, 2018, FCAM purchased, recommended, or held for advisory client's mutual fund share classes that paid 12b-1 fees to FCAM (or its affiliated broker-dealer) instead of lower-cost share classes for the same funds for which the clients were eligible. The SEC determined that FCAM did not adequately disclose this conflict of interest, and that the failure to do so constituted breaches of FCAM's fiduciary duties and willful violations of Sections 206(2) and 207 of the Investment Advisors Act of 1940. The SEC, among other things, censured FCAM and ordered FCAM to cease and desist from any future violations of Sections 206(2) and 207 of the Investment Advisors Act of 1940, and to pay \$54,820.40 in disgorgement and \$7,598.04 in prejudgment interest to FCAM's affected investors, in accordance with procedures set forth in the Order. The SEC did not order a civil monetary penalty or fine. The SEC also directed FCAM to complete certain remedial undertakings. FCAM consented to the Order without admitting or denying the SEC's findings (except as to jurisdiction, which was admitted). The SEC's Order can be found at <https://www.sec.gov/litigation/admin/2019/ia-5123.pdf>.

On the same day that FCAM settled, the SEC settled with 78 other investment advisers for similar conduct. To ensure that this conduct is not repeated, among other things, since September 30, 2014, FCAM has been crediting all 12b-1 fees back to advisory accounts.

Other Affiliations

As discussed in the sections on Advisory Business and Fees and Compensation above, FCAM has a material arrangement with an affiliated brokerage firm, FCIS. The management, certain support staff, and the IARs are registered with FCIS. Our representatives are also registered representatives of FCIS, a securities broker-dealer. You may work with your IAR in his or her separate capacity as a registered representative of FCIS. When acting in his or her separate capacity as a registered representative, your IAR may sell, for commissions, general securities products such as stocks, bonds, mutual funds, exchange-traded funds, and annuity and life insurance products to you. As such, your IAR may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment-advisory account. This receipt of commissions creates an incentive to recommend those products for which your IAR will receive a commission in his or her separate capacity as a registered representative of a securities broker-dealer. Consequently, the objectivity of the advice rendered to you could be biased.

As registered representatives of FCIS IARs may also execute transactions in securities such as mutual funds, equities, bonds, options, annuities, and other investment products for clients of

FCIS who are clients of FCAM on an agency basis may also receive normal and customary commissions because of securities transactions. They spend approximately 75% of their time on these activities on behalf of FCIS.

IARs may also be licensed, registered, or approved through insurance companies and through FCIS to offer insurance products such as life insurance, long-term care insurance, whole life insurance, and term life insurance and receive normal and customary commissions from such purchases. These insurance products may be offered to clients of FCIS who clients of FCAM are also. They spend 5% of their time on these activities on behalf of FCIS.

Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

FCAM has established a Code of Ethics that will apply to all its supervised persons. As a fiduciary, it is an IARs responsibility to provide fair and full disclosure of all material facts and to always act solely in the best interest of each of its clients. This fiduciary duty is considered the core underlying principle for our Code of Ethics which also covers our Insider Trading and Personal Securities Transaction Policies and Procedures. FCAM requires all its supervised persons to conduct business with the highest level of ethical standards and to always comply with all federal and state securities laws.

Upon employment or affiliation, when changes occur, and no less than annually, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with the Code of Ethics. FCAM has the responsibility to make sure that the interests of all clients are placed ahead of FCAM's Management or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. FCAM Management and its supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our fiduciary duty.

This disclosure is provided to give a summary of FCAM's Code of Ethics. If the client wishes to review FCAM's Code of Ethics in its entirety, a copy will be provided upon request.

Employee Personal Securities Transactions Disclosure

The IAR may buy or sell securities that are also recommended to clients. To minimize this conflict of interest, FCAM only recommends and purchases securities which are widely held and publicly traded.

To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees, and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained because of their employment unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider."
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted by the President and Chief Compliance Officer of FCAM.

Any associated person not observing our policies is subject to sanctions up to and including

termination.

Conflicts of Interest

Discounting - The IAR can discount the commission or fees the Client pays on certain investments or programs. These discounts may create a conflict of interest between the Client's interests and FCAM's because FCAM's compensation is negatively impacted when commissions are discounted.

Licensing of IARs - Not all IARs are licensed to offer both brokerage and investment advisory products and services. Some IARs may only be licensed to make a recommendation regarding investment company (i.e., mutual funds) or variable contract products (i.e., variable annuities) and may not be licensed to make a recommendation for individual equities or fixed income products (i.e., stocks and bonds) or provide investment advisory products or services. Because of the differences in compensation payable with respect to these products, this could be seen as creating a conflict for the IAR as well as the client, since the IAR may not be licensed to offer a product that may be in the client's best interest.

Approved Product List - FCAM limits recommendations to products available through an approved product list. The approved product list does not contain the entire universe of securities products available in the marketplace or that may be available through other broker-dealers or investment advisory firms. The differences in the way some products compensate FCAM and the IARs as compared to others may create a conflict of interest.

Rollovers - When the client invests with FCAM because of a recommendation to rollover or transfer the client's assets from an employer-sponsored plan, another brokerage firm or investment adviser, FCAM receives compensation. This compensation creates a potential conflict between the client's interests and FCAM's because FCAM's compensation is based, in part, on the assets placed with FCAM. In addition, in a rollover from an employer-sponsored plan, a conflict exists because the compensation received by FCAM and the IAR will generally be greater than that received in the plan.

Distributions - Compensation and performance incentives may cause a conflict between the Client's interests and FCAM's when the IAR provides Recommendations for distributions from any of the client's IRAs. When the client makes a distribution from an IRA, certain commissions or sales charges may be generated. If the client has both a transaction-based IRA and an advisory program IRA, FCAM has an incentive to advise the client to take a distribution from the transaction-based IRA and not the advisory program IRA, because the distribution would generate additional transactional revenue and would not affect the amount of the Client's asset-based fee in the client's advisory program IRA.

Transaction-Based IRAs vs. Advisory Programs IRAs - The client may be eligible to invest retirement assets in an advisory program IRA. Instead of paying a commission per transaction, the client would pay a fee based on a percentage of the market value of the assets held in the client's account for the services FCAM provides. Fee-based IRA accounts may offer additional types of investment options, including mutual fund share classes with lower ongoing expenses. Depending on the number of transactions the client anticipates making and what services the client wants, an advisory program can be more or less expensive than a transaction-based IRA. Typically, FCAM would earn more in upfront commissions in a transaction-based IRA. On the other hand, FCAM will typically earn more over time if the client invests in one of FCAM's fee-based advisory programs. These differences in compensation create a conflict between the client's interests and FCAM's when recommending the type of account most appropriate for the client.

Non-Cash Third-Party Incentives - FCIS, as a broker-dealer, receives third-party payments with

respect to investment recommendations, as follows:

- Annuities - Insurers that issue variable annuity contracts pay FCIS the following types of third-party payments:
 - “Up-front” insurance commissions at the point-of-sale, including gross dealer concessions;
 - “Trailing commissions” or “trails” (or “renewal fees”) for ongoing services if the annuity remains in force; and/or
 - Revenue sharing, marketing fees, administration fees and other similar fees relating to sales and support services.

The amount of these third-party payments varies between different variable annuities and different annuity issuers.

- Fixed Indexed Annuities - Insurers that issue fixed indexed annuity contracts pay FCIS the following types of third-party payments:
 - “Up-front” insurance commissions at the point-of-sale, including gross dealer concessions;
 - “Trailing commissions” or “trails” (or “renewal fees”) for ongoing services if the annuity remains in force; and/or
 - Revenue sharing, marketing fees, administrative fees and similar fees relating to sales and support services.

The amount of these third-party payments varies between different fixed indexed annuities and different annuity issuers.

- Mutual Funds - Mutual funds pay FCIS the following types of third-party payments:
 - “Up-front” sales commissions or “loads” at the point-of-sale;
 - 12b-1 distribution fees; and/or
 - Fees for sub-accounting services, sub-transfer agency services, and/or other revenue sharing or similar payments for services to the funds.

The amount of these third-Party payments varies between different fund families, different funds, and different share classes. FCIS generally receives less compensation when 12b-1 fees are reduced or waived completely, or when there is no fee. FCIS has in the past earned and kept these fees. As of March 11, 2016, FCIS will credit these fees to advisory clients’ accounts. These credits will be subject to the advisory fee if they remain in a client account at the time of billing.

FCIS has a conflict of interest in recommending these funds or share classes, both in making investment decisions considering the receipt of these fees and in selecting a more expensive 12b-1 fee paying share class when a lower-cost share class is available for the same fund. The conflict of interest arises from FCIS’ financial incentive to recommend or select registered funds or share classes for clients that pay higher 12b-1 fees, because such registered funds or share classes generally result in higher compensation for FCIS.

Although there can be legitimate reasons that a particular client is invested in a more expensive 12b-1 fee paying share class, FCIS does endeavor to invest advisory client funds in the cheapest available share class, and has taken the following steps to minimize the conflict of interest:

- Through advisory account credits beginning on 3-11-2016;
- Through disclosure in this Brochure;
- Through internal policies and procedures that require investment advice to be

- appropriate for advisory clients;
- By ensuring that individual IARs are not directly compensated for recommendations to purchase share classes of registered funds that pay such fees to FCIS;
- By restricting IARs' recommendations to funds and share classes on FCIS' approved list; and
- By systematically evaluating when a lower fee share class of a registered fund on FCIS' approved list is available.

It will not always be possible or in the client's best interest for FCIS to select SEC-registered mutual fund investments that do not pay these fees. Despite efforts to minimize conflicts of interest, FCIS clients should not assume that they will be invested in the registered fund or share class with the lowest possible 12b-1 fees.

Third-party providers, including annuity product partners, annuity wholesalers, investment managers, ETF wholesalers, and insurance distributors, may also give IARs gifts up to a total value of \$100 per provider per year, consistent with industry regulations. Third parties may occasionally provide IARs with meals and entertainment of reasonable value. These incentives create a conflict between the client's interests and those of the IAR and may cause the IAR to recommend those product partners that provide these noncash incentives.

Training and Marketing Incentives - Third-party providers such as annuity product partners, annuity wholesalers, investment managers, ETF wholesalers, and insurance distributors may reimburse and/or pay certain expenses on behalf of IARs and FCAM, including expenses related to training, marketing, and educational efforts. Training of the IAR can occur at branch offices, seminars, meetings, or other events. The training focuses on, among other things, the third-party provider's products, suitability, product literature, and product support. These incentives create a conflict between the client's interests and those of the IAR and may cause the IAR to recommend those product partners that provide marketing and educational opportunities and to whom the IAR has greater access.

Performance Standards and Incentive Compensation for the IAR - The IAR's performance can be measured in various ways and performance measurements are positively impacted by the assets under care. These positive impacts in performance measures can lead to increased compensation. This incentive creates a conflict between the client's interests and those of the IAR when recommending that the Client rollover or transfer the client's assets to FCAM, keep the client's assets at FCAM, and engage in transactions within the client's account.

Review of Accounts

FCAM's client accounts are reviewed at least annually by the IAR with primary responsibility for the account. Factors which may trigger more frequent reviews include a change in client investment objectives or circumstances, such as retirement or a large contribution or withdrawal to or from an account, significant developments specific to a particular security held in the account, or significant developments relevant to market, economic or political matters.

Client Referrals

FCAM does not use third-party solicitors for client referrals. Please refer to the sections on Fees and Compensation, Conflicts, and Brokerage Practices above for information on other economic benefits FCAM may receive for providing services.

Financial Information

FCAM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. FCAM is not subject to a financial condition reasonably likely to impair its

ability to meet contractual commitments. FCAM has not been the subject of a bankruptcy petition at any time.