



# ERISA Section 408(b)(2) Disclosure

## Retirement Management Solutions (“RMS”)

This disclosure is intended to describe the Retirement Management Solutions (“RMS”) platform and the status of Avantax Advisory Services<sup>SM</sup> (“AAS”) as well as the direct and indirect compensation payable to the AAS for the plan-related services provided in accordance with ERISA Section 408(b)(2) and the related regulations thereunder

### Name of Advisor

Name of investment adviser: Avantax Advisory Services (“AAS”)

Your financial professional is an investment adviser representative (IAR) of AAS.

### Description of Services

The Retirement Management Solutions (“RMS”) platform is a managed account platform specifically designed for qualified plans including but not limited to, 401(k), profit sharing, safe harbor 401(k), defined benefit, defined contribution, Solo(k), 403(b), SEP and SIMPLE IRAs.

### Status

AAS provides investment-related services to the Plan in its capacity as an investment adviser registered with the U.S. Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940, and as a fiduciary within the meaning of Section 3(21) under the Employee Retirement Income Security Act of 1974, as amended. When providing investment advisory services to ERISA retirement plans, your financial professional is a fiduciary as defined under Section 3(21)(A) of ERISA. AAS and your financial professional, in its capacity as a co-fiduciary with the Client, will only be responsible for another person’s breach of its fiduciary duties if AAS or financial professional acts imprudently with respect to its specific fiduciary duties under this Agreement, and such imprudence enables such person to breach its duties.

AAS designs and manages its model portfolios under its RMS Select program (“RMS Select Model Portfolios”) for use in the RMS Program. The RMS Select Model Portfolios are managed by AAS who in turn serves as an ERISA 3(38) Investment Manager. A fiduciary relationship is defined under Section 3(38) of ERISA regulations and is agreed to by both parties in writing.

### Direct Compensation - (Payable to AAS)

The total annual fee for investment-related services for your Plan is provided in the Agreement. The amount due is payable to AAS. Such amounts are payable in quarterly installments in arrears based upon the methods described in the Investment Advisory Agreement. Such Amounts represent direct compensation payable in exchange for the investment related services described in the Agreement.

If RMS Select Model Portfolios are included in the available menu of investment options for plan participant use, there is an additional 9 basis point fee charged on assets in the RMS Select Models. 6.5 basis points is paid to AAS to manage the portfolios and 2.5 basis points is paid to Matrix Settlement and Clearance Services, LLC (MSCS) for trade processing and custodial services. This fee is not shared with your financial professional.

### Compensation Paid Among Related Parties

None of the compensation received by AAS for investment related services are shared with any affiliated entities or with any other entities not affiliated.

## Compensation for Termination of Services

We do not receive any additional compensation in connection with the termination of the Plan's investment related services.

## Manner of Receipt of Compensation

With regard to the fee described in Direct Compensation Payable to AAS, the amount due is payable to AAS in quarterly installments. With regard to the method of payment, the net amount due is deducted directly from the Plan.

### Important Information

Please note that the information included in this Disclosure is not intended to replace or modify any existing or prospective agreement relating to the Plan. This document is intended to provide you an overview of sources of "Direct" and "Indirect" Compensation that can be received by Avantax in either its capacity as a broker-dealer (Avantax Investment Services) or in its capacity as a registered investment adviser (Avantax Advisory Services).

For additional information we encourage you to review important information and specifics related to your account that can be found in your account opening documentation and agreements. You may also contact your Avantax Financial Advisor directly for any questions or other assistance including obtaining copies of these documents.

Avantax also maintains copies of its most current disclosures which can be found on-line at: <https://www.avantax.com/disclosures>. These disclosures include but are not limited to:

- *Form CRS and Regulation Best Interest Disclosures*
- *Account Fees and Costs*
- *Account Agreements & Features (including the Mutual Fund Buyers Guide)*
- *Retirement Plans (including ERISA 408(b)(2) Disclosures and the firm's Indirect Compensation Supplemental Disclosure)\**
- *Advisory Services and Managed Accounts (including the Firm Brochures)*

We encourage you to contact your Avantax Financial Advisor if you have any questions about any of the above disclosures and/or the disclosures in the applicable AAS Form ADV Part 2A disclosure brochure ("Firm Brochures").

To request a copy of the most current Firm Brochures at any time, please email [AdvisoryCompliance@Avantax.com](mailto:AdvisoryCompliance@Avantax.com) or call 877-959-8400. A copy will be sent promptly, at no charge to you, and you can always find the latest version online at: <https://www.avantax.com/disclosure-catalog/advisory-services-managed-accounts/> or at <https://adviserinfo.sec.gov>

**\* PLEASE BE ADVISED:** As permitted under Department of Labor regulations Avantax the firm will continue to post updated 408(b)(2) Disclosure Documents to the website but will no longer mail a separate notification for these updates. In the event you do wish to receive a hard copy form or have any questions on the content or of which disclosure(s) are applicable to your plan, please contact your Financial Professional for assistance.

We appreciate your continued relationship with us and your trusted Financial Advisor.