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Firm Brochure  
Part 2A of Form ADV  
March 23, 2021

This Brochure provides information about the qualifications and business practices of Prio Wealth LP. If you have any questions about the contents of this Brochure, please Prio at (617) 224-1900. 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 Prio Wealth LP is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Prio Wealth LP is a registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training.

Prio Wealth LP ("Prio" or the "Firm") is pleased to provide its clients and prospective clients with this Brochure, which is the Firm's ADV Part 2A. This Brochure contains important information about Prio's business practices as well as a description of potential conflicts of interest relating to the Firm's advisory business that could impact a client's account(s) with Prio.

## Item 2: Material Changes

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This Brochure replaces the prior version of Prio's Brochure filed on June 25, 2020. Material changes are as follows:

- Seaward Business Trust (General Partner of Prio Wealth LP) name change to Prio Wealth Business Trust on January 1, 2021.
- Disclosure was updated in the sections on Environmental, Social and Governance practices, Risk of Loss, Custody, Proxy Voting, Class Actions, Referral Programs and Discretionary Authority.

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## Item 4: Advisory Business

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### Introduction

Prio is a wealth management firm that provides investment management and financial planning advice to high net worth individuals, families and non-profit institutions. The Firm was founded in 1988 and is privately owned by the General Partner, Prio Wealth Business Trust and the Limited Partners. Prio is a fee-only, independent registered investment adviser located in Boston, Massachusetts.

Prio's vision is to help people live their one best financial life. It is Prio's mission to guide clients in prioritizing not only what they are invested in but also what they're investing for so that they can gain clarity, confidence and control in their financial lives.

Portfolios are managed by investment professionals that are consistent with a client's investment and financial planning objectives.

### Investment Management

Prio provides an investment strategy tailored to the client's long-term objectives to meet their overall personal financial goals and priorities. Each client is designated an experienced adviser ("Adviser") that is typically a Managing Director.

Prio uses both active and passive management strategies to manage portfolios, which typically include the use of cash, stocks, bonds and exchange traded funds ("ETFs") but can on a limited basis also recommend the use of mutual funds, derivatives and alternative investments. Additionally, Prio has an environmental, social, and governance ("ESG") overlay in evaluating individual stocks and certain bonds (see Item 8: Method of Analysis, Investment Strategies and Risk of Loss).

Investment objectives can adjust over time as client circumstances change.

Prio has full discretion for each account that it provides investment management services with the exception of a limited number of accounts that Prio serves in the capacity of financial consultant (see Item 16: Investment Discretion).

Prio also provides trust services in the capacity as corporate trustee for qualified trusts. Seaward Fiduciary Services, LLC ("SFS") is a wholly-owned subsidiary of Prio Wealth Business Trust. The purpose of SFS is to provide corporate trusteeship and fiduciary services for individuals, businesses, non-profit enterprises and estates (see Item 10: Other Financial Industry Activities and Affiliates).

Prio offers a wide range of wealth management services to aide clients in making financial decisions that are appropriate to meet their priorities. Services such as trust and tax administration as well as financial planning are also offered to clients depending on the client's agreement with Prio as part of their overall advisory fee. These services can be collectively referred to as financial life management.

### Financial Planning

Prio has arrangements with third-party technology vendors to support its financial planning advice. Prio offers financial planning services depending on client-specific needs. Prio will use

unique client engagement tools and often leverages the use of third-party financial planning software to meet the clients' financial planning needs.

Prio assesses the clients' underlying values around money and utilizes a variety of third-party financial planning tools and technology platforms to obtain relevant information about the clients' situation including, but not limited to, income sources, expenses, goals, assets, liabilities, tax situation, risk tolerance, liquidity needs, insurance policies and estate documents.

Clients should not construe investment advice or other services provided by Prio to involve the rendering of any legal, tax or accounting advice. Prio strongly urges clients to consult with independent legal, tax and accounting advisors regarding these matters.

Prio manages 1,613 discretionary accounts for 671 clients with a total AUM of \$3,516,709,222 as of December 31, 2020.

## **Item 5: Fees and Compensation**

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### Fees in General

All fee arrangements are expressly outlined in the client's Investment Advisory Agreement ("Agreement") with Prio.

Prio's fee is calculated by applying the fee schedule to the market value of portfolio to determine an annualized fee amount. Fees are charged quarterly and can be prorated in any three-month period at the discretion of Prio for any capital contributions and withdrawals.

The fee will generally be paid from a qualified custodial account and typically, the client has directed Prio to deduct the fee from the custodial account to pay fees. There are some cases, however, where clients request a bill from Prio and pay their fees directly to Prio.

Fees are subject to negotiation, however, based on various factors, such as, but not limited to, the total assets to be managed, the number of accounts being managed and the level of complexity of the portfolio and overall wealth management relationship.

Annual fees for Prio's financial planning and investment management services generally follow the below schedule:

1.00% on the first \$5MM  
0.75% on the next \$5MM  
0.50% on assets above \$10MM

This schedule represents the highest fees charged; however, fees will vary from the schedule based on the terms of each financial planning and investment management agreement.

### Unsupervised Assets

In some cases, specific holding or holdings in client accounts are designated as "unsupervised" or reporting-only assets. In limited cases, an administrative fee may be charged on a reporting-only asset. There are no fees applied to unsupervised assets.

### Custody and Investment Related Fees

All fees paid to Prio for investment management and financial planning are separate and distinct from the fees and expenses charge by the underlying manager of investment funds, ETFs or

securities that Prio might recommend for a client's portfolio. These fees generally include management fees and other fund expenses.

In addition to investment management and financial planning fees paid to the Prio, clients are also responsible for all transaction, brokerage, trade-away fee and custodial fees incurred as part of their accounts held at the respective custodian (see Item 12: Brokerage Practices).

The client should review both the fees charged by these investment funds and the fees charged by Prio to fully understand the total amount of fees to be paid by the client and to better evaluate the investment management services being provided.

#### Additional Fees and Expenses

We will provide administrative services, which are outside the scope of our investment advisory services on a limited basis. Fees for these additional services will be mutually determined after discussing the extent of services that will be provided. The fee will be fixed and based on the time required and the complexity of work performed.

#### Termination Terms

A client can terminate its Agreement with Prio with written notice. Upon termination, unearned or pre-paid fees will be refunded and conversely, any earned, unpaid fees will be due and payable to Prio.

### Item 6: Performance Based Fees and Side by Side Management

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We do not charge performance-based fees and do not have side-by-side management.

### Item 7: Types of Clients

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Prio provides investment management services to individuals, families, trusts, estates, charitable organizations, endowments, small businesses, banks, pension plans and retirement plans. The majority of Prio's clients are individuals.

Prio typically seeks a \$1 million minimum account value to initiate investment advisory services. Exceptions are made to this minimum dollar value based on other accounts managed, family relationships and the type of investments held.

### Item 8: Method of Analysis, Investment Strategies and Risk of Loss

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Prio's core investment philosophy is based on building portfolios specific to the client's investment and overall financial objectives while considering the impact on taxes. Client-specific investment objectives include overall goals and priorities, risk tolerances, time horizon, liquidity needs, cash flow requirements, tax, legal and other circumstances not limited to these listed.

#### Equity Philosophy

Prio seeks to invest in well-established, reasonably valued companies in growing markets that are aligned with long-term secular trends. Prio prefers companies that are growing revenue or earnings faster than their peers, improving their returns on invested capital and growing their free cash flow and dividends. Prio also overlays environmental, social, and governance ("ESG")

factors into our fundamental research process to ensure we are investing in companies that are committed to sustainable and ethical business practices.

#### Equity Investment Process

Prio seeks to do the following in its equity investment process:

- Use the S&P 500, S&P MidCap 400 and S&P SmallCap 600 indices as a means to screen stocks to create an investable universe based on trading liquidity, dividend yield, short interest, free cash flow and debt leverage;
- Focus on sectors where there are signs of innovation and growth;
- Select stocks that comport with long-term secular trends;
- Review ESG data for selected stocks, focusing on companies with lower ESG risk ratings and fewer controversies;
- Invest in equity holdings with longer-term investment horizons (5-10 years); and
- Monitor and rebalance client portfolios as necessary given changes in company specific fundamentals, changes in market and economic conditions and/or changes in the specific needs of the client.

Prio utilizes environmental, social and governance (“ESG”) factors in our investment process to ensure that we are investing in companies that are committed to sustainable and ethical business practices. Specifically, Prio utilizes ESG data from a global leader in ESG research and ratings as an integral part its fundamental research analysis. This data is used in its decision making processes at both the security and the portfolio level.

#### Fixed Income Philosophy

The fixed income allocation of a client’s portfolio is constructed with the fundamental objective of providing capital preservation and a reliable income stream.

Prio seeks to minimize risk by investing in higher quality, investment-grade, municipal, government and corporate bonds with intermediate maturity. Portfolios are monitored for changes in credit quality and/or interest rate risk and are purchased with long-term fundamentals in mind.

#### Fixed Income Investment Process

Prio evaluates macroeconomics trends that include, but are not limited to, forecasts in interest rates, domestic and international economic conditions, government policies and general market conditions.

Prio seeks to do the following in its fixed income investment process:

- Monitor and research overall credit trends in both taxable and tax-exempt bond markets, as well as security specific credit metrics for corporate and municipal bonds;
- Monitor the relative value between various sectors in the taxable bond market (i.e. treasuries, corporate bonds and taxable municipal bonds);
- Monitor supply and demand characteristics within the taxable and tax-exempt markets;
- Establish portfolio targets related to average maturity, average quality, average duration and sector distribution for taxable and tax-exempt portfolios;
- Evaluate client specific factors such as tax rates, state of residency, investment objectives and risk tolerances;
- Execute purchases and sales in accordance with client’s objectives;

- Execute sales based on change in issuer's credit quality or future outlook.

### Risk of Loss

All investing involves a risk of loss and the investment strategies offered by Prio have the potential to lose money over short or even long periods of time.

Portfolio performance can be affected by a number of potential risks, which include, but not limited to:

- *Security risk*: The risk of being invested in concentrated position (s) of any one security in a portfolio;
- *Market risk*: The risk of the market negatively impacting security prices in a portfolio;
- *Sector risk*: The risk of having large exposure to any given sector in a portfolio;
- *Non-diversification risk*: The risk of a portfolio that is not invested across different asset classes and sectors to attempt to limit concentration and exposure to specific asset classes and sectors.
- *Timing risk*: The risk of potentially missing out on beneficial movements in price due to an error in timing when buying or selling in the market;
- *Interest rate risk*: The risk of interest rate fluctuations on a portfolio;
- *Credit risk*: The risk of a decrease in credit quality of bond holdings in a portfolio;
- *Default or bankruptcy risk*: The risk of potential loss of investment value if an investment is unable to meet its financial obligations or ceases to operate as a going concern;
- *Currency risk*: The risk that an asset can change in value due to a change in price of one currency against another.
- *Cybersecurity risk*: The risk that an investment, Prio and/or its service providers can have a breach in cyber security procedures or information technology to protect non-public material information.

The risks described above are not a complete list of all risks associated with the Prio's investment strategies. In addition, as a client's investment program develops and changes over time, accounts can be subject to additional risk factors.

Portfolio holdings may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, prolonged changes in climatic conditions, etc.).

Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on portfolio holdings. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally.

#### **Item 9: Disciplinary Information**

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None.

#### **Item 10: Other Financial Industry Activities and Affiliations**

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##### Seaward Fiduciary Services, LLC

Seaward Fiduciary Services, LLC (“SFS”) serves as trustee for trust agreements that call for a trustee to be a corporation. SFS is wholly owned by Prio Wealth LP and certain Managing Directors at the Prio serve collectively as trustees of SFS.

As the trustee, SFS enters into an investment management agreement with Prio. The beneficiary (ies) named in the trust agreement who has the authority to appoint SFS as corporate trustee will also sign an Agreement with Prio so that it is clear that Prio will be employed as the investment manager. The Agreement discloses this relationship to mitigate any potential conflict of interest.

#### **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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##### Code of Ethics

Prio has adopted a Code of Ethics which sets forth high ethical standards of business conduct required from the Firm’s employees, including compliance with applicable federal securities laws. Prio is governed by the rules and regulations issued by the SEC.

Honesty, integrity, respect and professionalism govern all Prio employees to designate themselves as fiduciaries for all clients. Additionally, all Prio’s employees must act in accordance with all Federal and State regulations governing registered investment advisory practices. Any violation of Federal and State regulations are subject to disciplinary action or termination.

Prio employees are required to report any violations of the investment adviser’s code of ethics promptly to Prio’s Chief Compliance Officer. At times, the Chief Compliance Officer will designate other Prio employees to act on his or her behalf. Employees receive annually a copy of the investment adviser’s code of ethics and any amendments and must acknowledge in writing their understanding and receipt of the code of ethics and any amendments.

Prio’s Code of Ethics includes policies and procedures for the review of quarterly security transactions and holdings reports.

Prio employees buy or sell securities identical to those recommended to or purchased for clients in their personal accounts. This practice results in a potential conflict of interest, as Prio could have incentive (to the extent possible) to manipulate the timing of such purchases or sales to obtain better pricing or more favorable allocation in rare cases of limited availability.

To mitigate these potential conflicts of interest and ensure Prio meets its fiduciary responsibilities, the Firm has established policies and procedures to obtain approval by the Chief Compliance Officer prior to placing certain types of trades. In other cases, the employees must submit their trades to the Chief Compliance Officer for reporting purposes but do not require approval prior to placing the trade.

Prio employees are prohibited from buying and selling securities held on the Firm's restricted list and are prohibited from aggregating their personal trades with client trades.

Prio employees are prohibited from buying or selling for their personal accounts where their decision is derived, in whole or in part, on material non-public information.

A copy of Prio's Personal Trading & Political Contributions policies are available upon request.

## **Item 12: Brokerage Practices**

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Prio strives to select those broker-dealers that provide the best services at the lowest prices and commissions rates to the extent possible. Prio seeks best execution, and considers the following in choosing broker-dealers or counterparties to effect transactions:

- Liquidity and availability of the security;
- Market impact of a trade;
- Size of the order;
- Reputation and perceived financial stability of the broker;
- Value of any research provided including general research as well as transaction specific research;
- Total cost of the execution;
- Competitiveness of commission rates and spreads;
- Broker's ability to execute block trades;
- Broker's ability to execute in a volatile market;
- Back-office capabilities;
- Cost trends; and
- Complexity of trade.

### **Research and Soft Dollars**

Unless it is directed otherwise by clients, Prio has the ability to select brokers to execute client trades. In certain cases, the commissions generated are used towards the payment of investment research under a soft dollar arrangement. The use of soft dollars is permitted under Section 28(e) of the Securities Exchange Act of 1934 and allows Prio to pay broker-dealers more than the lowest commission available in order to obtain research and brokerage services as long as certain conditions are met.

The research received includes proprietary research (created by the broker-dealer) and research created or developed by a third-party. If a portion of the third-party research is used by Prio for non-research purposes (mixed-used research), Prio will not use client commissions to pay for the non-research portion of such services, but will, instead, pay for these services directly.

In some cases, Prio's clients require Prio to use specific brokers to execute trades on their behalf. These are known as directed brokers. Client accounts that use directed brokers do not contribute commission dollars to satisfy Prio's soft dollar arrangements (see section on Directed Brokerage).

Clients with directed brokerage will indirectly benefit from the investment research paid by those accounts generating soft dollars to pay for the investment research. Additionally, Prio could be inclined to place trades with brokers participating in the soft dollar program in order to meet certain dollar thresholds to receive investment research. Prio attempts to minimize these conflicts by disclosing the custodian costs and brokerage costs when we recommend a qualified custodian (Item 15: Custody).

#### Directed Brokerage

In the cases where a client has a pre-existing relationship with a broker and instructs Prio to execute some or all of their trades through that specific broker (i.e. directed broker), it is possible best execution will not be achieved for those trades. Specifically, those trades have the potential to be executed with different price, commission and other related transaction costs since the trade(s) were not executed in a block trade with other client trades.

#### Trade Aggregation

Buys and sells for the same security, and those using the same broker, will generally be combined to create a block order in an attempt to achieve more efficient execution, same average price and shared costs on pro-rata basis. Directed broker trades do not participate as part of a corresponding block trade (see Directed Brokerage).

#### Trade Errors

From time to time, errors can occur in the trading and/or the investment process. It is Prio's policy that when an error is detected immediate action is taken to correct the error and ensure the client account is restored by the appropriate party.

#### Brokerage Services

Prio participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through participation in the Program (see Item 14: Client Referrals and Other Compensation).

When deemed appropriate, Prio will recommend TD Ameritrade to clients for custody and brokerage services; however, Prio will also recommend that clients establish brokerage and custody accounts with other independent SEC-registered broker-dealers and FINRA/SIPC member firms. These institutions are also separate, unaffiliated entities. While Prio recommends that clients use one of these institutions as the custodian/broker, each client signs an agreement directly with the institution, and Prio can still use other brokers to execute trades for that account.

On October 6, 2020, The Charles Schwab Corporation completed its previously announced acquisition of TD Ameritrade Holding Corporation. As of the date of this Brochure, Prio is not aware of any changes to the Advisor Direct Program.

### Item 13: Review of Accounts

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Prio periodically reviews portfolios for changes in the client's priorities, objectives, risk tolerances, and/or investment strategy. Portfolios are monitored for fluctuations that include, but are not limited to, variations in performance, asset allocation and risk. Additionally, any material change to a client's financial circumstance or the occurrence of a material life event, can trigger a review of a client portfolio and overall financial situation.

In addition to statements and transaction confirms from custodians, Prio clients will receive periodic reports which detail investment activity, investment holdings, portfolio performance and current asset allocation.

### Item 14: Client Referrals and Other Compensation

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As disclosed under Item 12. Prio participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Prio's participation in the program and the investment advice it gives to its clients, although Prio receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits 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 Prio 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;
- Access to mutual funds with no transaction fees and to certain institutional money managers; and
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to Prio by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Prio's related persons. These products or services may assist Prio in managing and administering client accounts, including accounts not maintained at TD Ameritrade.

Other services made available by TD Ameritrade are intended to help Prio manage and further develop its business enterprise. The benefits received by Prio or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Prio endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Prio or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Prio's choice of TD Ameritrade for custody and brokerage services.

### Additional Services

Prio and TD Ameritrade have entered into a separate agreement (“Additional Services Addendum”) to govern the terms of the provision of these Additional Services. TD Ameritrade has the right to terminate the Additional Services Addendum with Prio Wealth, in its sole discretion, provided certain conditions are met.

Through the Additional Services program, TD Ameritrade pays approved technology vendors directly on behalf of Prio. TD Ameritrade directly paid for technology expenses related to portfolio management, trading and customer relationship management systems.

Prio attempts to mitigate potential conflicts of interest by disclosing the following:

- TD Ameritrade considers the profitability to TD Ameritrade on the number of assets custodied and trades that Prio directs to TD Ameritrade in determining to provide or continue to provide Additional Services to Prio;
- Additional Services benefit all Prio’s clients’ through the assets and transactions for those client accounts at TD Ameritrade that qualified Prio to receive Additional Services;
- Prio receives economic benefits that are not offered to other independent advisors that participate in the Additional Services Program.

Prio’s receipt of Additional Services does not diminish Prio’s duty to act in the best interest of its clients, including to seek best execution of trades for client accounts.

### AdvisorDirect

Prio may receive client referrals from TD Ameritrade through its participation in TD Ameritrade AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Prio may have been selected to participate in AdvisorDirect based on the amount and profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Prio and there is no employee or agency relationship between them.

TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Prio and has no responsibility for Prio’s management of client portfolios or Prio’s other advice or services.

Prio pays TD Ameritrade an on-going fee for each successful client referral. For referrals that occurred through AdvisorDirect before April 10, 2017, this fee is a percentage (not to exceed 25%) of the advisory fee that the client pays to Prio (“Solicitation Fee”).

For referrals that occurred through AdvisorDirect on or after June 9, 2017 the Solicitation Fee is an annualized fee based on the amount of referred client assets that does not exceed 25% of 1%, unless such client assets are subject to a Special Services Addendum. In the case of a Special Services Addendum, the Solicitation Fee is an annualized fee based on the amount of referred client assets that does not exceed 10% of 1%. Prio will also pay TD Ameritrade the Solicitation Fee on any assets received by Prio from any of a referred client’s family members, including a spouse, child or any other immediate family member who resides with the referred client and

hired Prio on the recommendation of such referred client. Prio will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients.

For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade AdvisorDirect Disclosure and Acknowledgement Form.

Prio's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade.

Consequently, in order to obtain client referrals from TD Ameritrade, Prio may have an incentive to recommend to clients that the assets under management by Prio be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Prio has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Prio's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts.

#### Employee Referral Program

Prio employees can receive additional compensation for their efforts in developing new business. These referrals do not affect the management fee paid by the client.

#### Other Referral Program

Prior to 2007, Prio participated the Charles Schwab & Co. Advisor Network program and received client referrals from the broker. Since 2007, we are no longer accepting new referrals from the broker, but continue to pay a referral fee, which is a percentage of Prio's management fee for those previously referred clients. We pay the fee to the broker and client management fees are not impacted.

### Item 15: Custody

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Although we do not take physical possession of client funds or securities, we are deemed to have custody of a number of accounts under the SEC's Custody Rule, particularly in the cases where a Prio employee is trustee.

We do not provide physical safekeeping of client assets. This service is provided by qualified custodians. We require our clients to use a third-party custodian and, when asked, we will recommend custodians to clients.

In order to comply with the requirements of the Custody Rule, we engage an independent public accountant to conduct an annual surprise examination of those accounts for which we are deemed to have custody of client assets.

The Custody Rule requires advisers that are deemed to have custody of client funds and securities to maintain those funds and securities with a "qualified custodian" in an account either under the client's name or under the adviser's name as agent or trustee for its client. A "qualified custodian" is a regulated financial institution that customarily provides custodial services, including banks, savings associations, broker-dealers, and in some cases, futures

commission merchants.

Clients should receive statements at least quarterly from the custodians. We urge our clients to carefully review such statements and compare them to the account statements that we provide to our clients. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or methodologies used to value securities.

#### **Item 16: Investment Discretion**

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Typically, Prio has discretionary authority over our client's investments. This allows us to select the identity and amount of securities to be bought, sold or held for a client. We exercise this discretion in a manner consistent with the client's investment objectives.

When selecting securities and determining amounts, we observe each client's investment policies, limitations and restrictions. Client-imposed restrictions may affect our ability to manage a given investment strategy and therefore, investment performance may deviate from other accounts using the same strategy.

In situations where we manage client accounts on a non-discretionary basis, clients must pre-approve all trades which may affect the timing and/or pricing of those trades. In situations where we act in the capacity of a financial consultant, we provide the client with trade recommendations, but all trades are executed by the client.

#### **Item 17: Voting Client Securities**

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##### Proxy Voting

In accordance with its fiduciary duty to its Clients and Rule 206(4)-6 of the Investment Advisers Act, Prio has adopted and implemented written policies and procedures governing the voting of Client securities. All proxies that Prio receives are treated in accordance with these policies and procedures and such proxies are voted in the best interest of the Clients. However, Clients can retain the responsibility and decision authority to complete their own proxy voting and other solicitations directly from the custodian or transfer agent upon written notification to Prio and in accordance with the custodian's policies.

Prio generally votes in accordance with the recommendation of an issuer's management. Prio has retained a third-party service provider in the proxy voting and corporate governance areas to assist in the due diligence process related to making appropriate proxy voting decisions for all accounts. Prio also utilizes the proxy voting service provider to facilitate the voting process and to provide recordkeeping with respect to how we voted Client proxies. Prio attempts to identify any conflicts of interests prior to voting proxies.

If Prio determines that our firm or one of our employees faces a material conflict of interest in voting a proxy, Prio's procedures provide for the independent third party to determine the appropriate vote. Prio may abstain from voting if it deems that abstaining is in the best interests of its Clients.

Our complete proxy voting policy, proxy voting record and procedures are available for review by Clients. Clients may obtain a copy of our proxy voting policy or proxy voting history by contacting Prio's Chief Compliance Officer at (617) 224-1900.

### Class Actions

Prio has retained a third-party service provider to assist with the class action claims process, however, Prio may, from time to time, facilitate the claims process for certain class actions directly. As a default, the Clients will opt out of international class action events but Prio will review each on a case-by-case basis. The distribution amount that the Clients may receive as a result of the participation in any one class action event is typically not known until the payment is received.

As compensation for its services, the third-party service provider will receive a fee based upon a percentage of any class action recoveries. If there is no settlement, there is no fee to the Client. For clients who choose to opt-out of the services described above, Prio will not participate in class actions on your behalf. You may contact us for advice or information about a particular class action, but the obligation to participate shall rest with you.

### Item 18: Financial Information

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#### Prepayment of Fees

Prio does not collect fees more than 6 months in advance of services rendered.

#### Financial Condition

Prio has never filed for bankruptcy and is not aware of any financial condition that is expected to affect our ability to execute on our client agreements.