



NewEdge Wealth, LLC

Wrap Fee Program Brochure

Part 2A Appendix 1 of Form ADV

1251 Waterfront Place, Suite 510

Pittsburgh, PA 15222

Tel: 412-391-7077

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This wrap fee program brochure (“Brochure”) provides information about the qualifications and business practices of NewEdge Wealth, LLC (hereinafter “NewEdge” or the “Firm”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer, at the telephone number listed above. 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 the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. Registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

In this Item, the Firm is required to discuss any material changes that have been made to the brochure since the last annual amendment.

Since the last annual amendment, the following material changes have been made:

- Item 4 –New Edge Wealth, LLC was renamed NewEdge Wealth, LLC. In addition, its parent company, EdgeCo Wealth Management LLC, was renamed NewEdge Capital Group, LLC.
- *Item 4- Mid Atlantic's Bank Deposit Program is no longer being offered as a sweep option for new accounts. Accounts opened through Mid Atlantic Capital after July 1, 2021 will be automatically swept into the Fidelity Government Money Market – Capital Reserves Class (FZAXX).*
- Item 4 – Regulatory Assets Under Management- Amounts were updated to reflect the current AUM.
- Item 9 – GMW Advisors LLC is now under common ownership with NewEdge Wealth. Information regarding this affiliation has been added.

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Item 4. Services, Fees and Compensation

NewEdge Wealth, LLC (“NewEdge”, “Firm”, “us” or “we”) provides high net worth individuals and families a broad range of comprehensive investment advisory services. While our services depend on the specific arrangement with each client, our engagements generally include the provision of advisory services on a wrap fee basis. This means that clients pay a single asset-based fee to NewEdge, which covers our investment advisory services, performance reporting, custody of securities, trade execution with or through Mid Atlantic Capital Corporation (“MACC”), our broker dealer affiliate, as well as compensation to our Private Wealth Advisors (“PWAs”). For more information about the services, we provide outside of the wrap fee programs discussed in this brochure, please refer to our Form ADV Part 2A Firm Brochure.

The Firm’s registration with the SEC as an investment adviser became effective on March 25, 2020. As of the date of this filing, NewEdge had assets under management of \$2,020,829,308 (\$1,695,465,915 Discretionary; \$325,363,393 Non-Discretionary).

NewEdge is a wholly owned subsidiary of NewEdge Capital Group, LLC, which is a wholly owned subsidiary of New Edge Wealth Holdings, L.P. New Edge Wealth Holdings, L.P. was formed on February 4, 2020 by its ultimate parent company, EdgeCo Investor Holdings, L.P as part of a consolidation of its wealth management businesses. EdgeCo Investor Holdings, L.P. was formed in conjunction with the purchase of Mid Atlantic Capital Group, Inc. in 2018 by investment funds affiliated with Parthenon Capital, LLC and Waterfall Asset Management, LLC, an SEC-registered institutional asset manager.

NewEdge is under common control with MACC, a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. (“FINRA”), LPA Insurance Agency, a California registered insurance agency, Mid Atlantic Financial Management, Inc. (“MAFM”) an investment adviser also registered with the SEC and GWM Advisors, LLC dba Goss Advisors, an investment adviser registered with the SEC.

A. Advisory Services

Portfolio Management

NewEdge’s clients can choose from both discretionary and non-discretionary portfolio management services through our wrap fee program including:

- PWA Managed Portfolios
- Separately Managed Account (“SMA”) Programs

NewEdge primarily advises clients on the allocation of their assets among various investments including but not limited to:

- Separately managed accounts of independent investment advisers (“Independent Managers”);
- PWA managed portfolios;
- unaffiliated registered funds, including mutual funds, closed-end funds, REITs and exchange-traded funds; and
- affiliated and unaffiliated unregistered pooled investment vehicles (“Private Funds”).

The terms of the advisory services that NewEdge provides for each client is set forth in the advisory agreement between NewEdge and such client (the “Advisory Agreement”). Some platforms and programs may also require an additional advisory agreement with clients in addition to the Advisory Agreement clients sign with NewEdge. Each Wrap Fee Program relies on a third party to custody all securities and other assets held for the client’s advisory account and execute transactions for such account under the program. In our wrap fee programs, Client assets are generally custodied with National Financial Services LLC (“NFS”) or Fidelity Brokerage Services LLC (“FBS” and together with NFS, , “Fidelity”)) or another custodian as agreed to by NewEdge and the client (each, as applicable, the “Selected Custodian”). Clients whose assets are custodied with NFS will enter into an account agreement with MACC, NewEdge’s affiliated broker-dealer, pursuant to which MACC will act as introducing broker for client’s account and introduce transactions in client’s account to NFS for execution, clearance, and custody.

PWA Managed Portfolios

NewEdge, through its PWAs, can provide investment advice on the assets in client accounts on either a discretionary or non-discretionary basis. Eligible investments include a wide variety of securities and other investments, such as foreign and domestic equity securities, investment and other grade bonds, and structured products, as well as mutual funds, ETFs, closed-end funds, unit investment trusts, real estate investment trusts, hedge funds, private equity funds, and other private placement alternative investments. Portfolios can be designed to manage client assets within a single asset class or across multiple asset classes.

NewEdge may also recommend strategies that are available through contractual arrangements with third party model only providers. The Firm believes this approach helps it to solve core administrative and technology issues through a flexible and open architecture solution. NewEdge can offer solutions and services including: (1) portfolio rebalancing and tax optimization, (2) reporting and data aggregation, and (3) account reconciliation and asset transfers through electronic data feeds from trading firms, clearing firms and custodial firms.

NewEdge may be given the authority to exercise discretion on behalf of clients. NewEdge is considered to exercise investment discretion over a client’s account if it can effect and/or direct transactions in client accounts without first seeking their consent. NewEdge is given this authority through a power-of-attorney included in the Advisory Agreement between NewEdge and the client. Clients may request reasonable limitations on this authority (such as certain securities not to be bought or sold). NewEdge takes discretion over the following activities:

- the individual securities to be purchased or sold;
- the amount of securities to be purchased or sold;
- when transactions are made; and
- the hiring and firing of Independent Managers.

Separately Managed Accounts

NewEdge may recommend Independent Managers to actively manage a portion of its clients’ assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. Alternatively, NewEdge may contract directly with the Independent Manager to advise on a sub-advisory basis. In addition to this Brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. In this arrangement, the Independent Manager has day-to-day responsibility for the active discretionary management of the allocated assets. NewEdge has no ability to affect the trading decisions of the Independent Managers once they are

chosen but can advise on the decision to engage or terminate a particular manager. Please review each Independent Manager's ADV Brochure for additional details on that manager's portfolio and practices.

Envestnet Asset Management, Inc. Envestnet is an investment management firm providing investment management and advisory services through Independent Managers. Envestnet provides NewEdge the ability to use the NFS custodial platform, or other custodial platforms, with the Independent Managers established on the Envestnet platform. Envestnet performs the initial and ongoing due diligence on Independent Managers and provides other "backoffice" operations needed for this type of program.

Investment Restrictions

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in their portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to, for example, the level of difficulty this would entail in managing the account. For the programs listed in this Brochure, you should contact your PWA to determine what types of restrictions you may request for your account.

Wealth Planning

New Edge offers clients a broad range of financial planning and investment advice services, which may include cash flow analysis, trust and estate planning, insurance planning, retirement planning, tax planning and other investment advice. In performing these services, New Edge may rely on information received from the client or from the client's other professional advisor (e.g., attorneys, accountants, etc.) and does not independently verify the accuracy of that information.

Asset Allocation

New Edge believes that asset allocation and investor behavior are primary drivers of investment returns. When providing asset allocation advice, New Edge assists clients in the review and establishment of an asset allocation plan across a client's entire portfolio and makes recommendations based on the client's investment objectives, risk tolerance and market conditions. In the discretionary program, New Edge will monitor the client's portfolio for deviations from the asset allocation plan (within certain agreed upon parameters) and, for assets over which New Edge can exercise discretion, may make adjustments to bring the portfolio into conformity the client's plan.

New Edge uses a variety of sources to create its asset allocation models including third party research from financial institutions as well as independent research from unaffiliated investment advisers that provide proactive, investment consulting and advisory services to sophisticated investors.

Trade Execution, Confirmations, Account Statements and Performance Reviews

In the Advisory Agreement, clients in wrap fee programs authorize and direct NewEdge and MACC to execute transactions for their accounts. Transactions in the account will generally be effected through MACC and the Selected Custodian, unless otherwise required by applicable law. When a transaction is executed through the Selected Custodian, the Selected Custodian will be entirely responsible for the execution and clearance of the transaction. By recommending the wrap fee program described in this Brochure, NewEdge may be recommending its affiliated broker-dealer, MACC. Clients should understand that this directed brokerage arrangement may cause the client to forego any savings on execution costs that MACC otherwise might be able to negotiate with different broker-dealers, other than MACC or the Selected Custodian, such as reduced execution costs that may result from utilizing alternative

trading services. Clients are encouraged to consider the possible costs and disadvantages of such directed brokerage arrangements.

All transactions are subject to any NewEdge's internal policies or procedures. In no event is NewEdge obligated to effect any transaction for an account that NewEdge believes would violate applicable state or federal securities laws or the rules or regulations of any regulatory or self-regulatory body or would otherwise present a risk to NewEdge.

The Selected Custodian will provide you with written confirmation of securities transactions and account statements at least quarterly. You may waive the receipt of trade confirmations after the completion of each trade in favor of alternative methods of communication where available. You may also receive mutual fund prospectuses, where appropriate.

NewEdge will provide periodic reviews of your account. These reviews show how your account investments have performed, either on an absolute basis or on a relative basis compared to recognized indices (such as Standard & Poor's indices). You may access these reports through our online account services site.

B. Fees and Compensation

Advisory accounts in our wrap fee program are charge a "wrap" client fee calculated as an annual percentage of assets under management ("AUM") in your advisory accounts.

NewEdge Wealth Wrap Fee

The NewEdge Wrap Fee ("NewEdge Fee") generally varies between 35 and 150 basis points (0.35% – 1.50%), depending upon the size and composition of a client's portfolio and the type of services rendered. The actual NewEdge Fee for any particular client is set forth in their Advisory Agreement.

Independent Manager Fees

To the extent a client executed an investment advisory agreement with an Independent Manager through an advisory agreement with that manager, the Client will pay a separate Manager Fee. Manager Fees generally range from 0.10% to 1.50% of AUM.

Wealth Services Fees

NewEdge may charge a fixed annual fee or AUM based fee for providing a broad range of financial planning, discretionary investment management, non-discretionary investment advisory services, wealth planning, and other services designed to assist ultra-high net worth clients in managing their wealth (the "Wealth Planning Services"). Clients can choose to wrap custody, trade execution and other brokerage fees and expenses in this program. Fees are negotiated based on the scope and complexity of the services.

The terms and conditions of the Wealth Planning Services are set forth in the Agreement. In a fixed fee arrangement, NewEdge generally requires one-quarter of the fee payable upon execution of an agreement. In such arrangements, the outstanding balance is generally due quarterly in advance.

Fee Discretion

NewEdge may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities, the client's

needs, complexity of the services required, and types of assets.

Payment of NewEdge Fees

The NewEdge Fee will be prorated and paid in monthly or quarterly in advance based upon the market value of the assets in your Account (“Assets”) on the last day of the previous billing period (“Billing Period”). Uninvested cash and allocations to cash including Assets invested in bank deposit sweep programs or money market funds are included in the calculation of the NewEdge Fee.

For the initial period of an engagement, the NewEdge Fee is calculated on a pro rata basis in arrears based on the value of the assets when the Account is funded. In the event the Agreement is terminated, the New Edge Fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the NewEdge Fee is charged or refunded to the client, as appropriate.

Clients generally provide NewEdge and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The financial institution that acts as the qualified custodian for the client’s account, from which the Firm retains the authority to directly deduct fees, must send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to NewEdge.

Cash Balances

Generally, some portion of your account will be held in cash. Certain investment strategies can include high allocations to cash. Cash and cash alternatives, such as institutional and “sweep” money market funds, are included in the value of the assets being managed by NewEdge when calculating the “average daily balance.” Clients should understand that the portion of the assets held in cash or cash alternatives will experience negative performance if the applicable NewEdge Fee charged is higher than the return received on the cash balance. Clients should periodically re-evaluate whether their selection of such a strategy is appropriate in light of their financial situation and investment goals. The Firm will only recommend such an allocation if it determines it is in the best interest of the client.

Valuation

NewEdge generally relies on the prices provided directly to it by account custodians (e.g., Fidelity). Custodians, in turn, generally rely on prices provided by reputable, independent third parties. Different custodians may value assets using a slightly different method (e.g., trade date versus settle date). As a result, if a client has assets held by a third-party custodian (other than Fidelity), the prices shown on a client’s account statements provided by such custodian could be different from the prices shown on statements and reports provided by Fidelity. Therefore, in the event NewEdge bills the account, the account statement sent by Fidelity may differ from the reports sent by NewEdge. Clients are encouraged to compare the statements received from custodians with the NewEdge performance statement.

Fixed income securities, including brokerage certificates of deposit, are generally priced by custodians using valuations, which may be matrix- or model based, and do not necessarily reflect actual trades. These price valuations suggest current estimated market values, which may be significantly higher or lower than the amount a client would pay (or receive) in an actual purchase (sale) of the security. These prices, which custodians obtain from various sources, assume normal market conditions and are based on large volume transactions.

In the event that NewEdge references private investment funds owned by the client on any supplemental account reports prepared by NewEdge, the value(s) for all such private investment funds shall generally reflect either the initial purchase, the most recent valuation provided by the fund or the fund administrator and for reported purposes, contributions and distributions occurring since the most recent valuation from the administrator (adjusted value). In

some cases, the most recent valuations may not be provided until several months after quarter end and they will typically be unaudited. If the evaluation reflects the initial purchase price (and/or a value as of a previous date), the current value(s) (to the extent ascertainable) could be significantly more or less than the original purchase price. Custodians may be unable to price certain securities or may assign prices that do not reflect current market conditions. In the normal course of providing investment advisory services to clients, NewEdge will assess the prices assigned by custodians and other sources.

The client may designate certain securities as “Excluded Securities” in an addendum to the Advisory Agreement. Excluded Securities are held in the advisory account with the consent of NewEdge, but they are not part of the portfolio managed by NewEdge. NewEdge will thus not be obligated to provide any advice with respect to Excluded Securities and the risks presented by the Excluded Securities. Excluded Securities are not included in fee calculations. Transactions in Excluded Securities will be subject to commissions and other transactions charges that may or may not be discounted from standard rates. Excluded Securities will be considered brokerage assets and not advisory assets and, consequently, a clients’ and NewEdge’s duties and obligations to the client may differ, including the scope of NewEdge’s fiduciary obligations.

Use of Margin

NewEdge may be authorized to use margin in the management of the client’s investment portfolio. In these cases, the NewEdge Fee will be assessed on the gross market value of the client’s account. As a result, the corresponding fee payable to NewEdge will be increased. This results in a conflict of interest for NewEdge to recommend the use of margin.

C. Program Costs

The fees charged may be higher or lower than the fees that NewEdge charges other clients in this or other programs; and they may be higher or lower than the cost of similar services offered through other financial institutions.

In as much as the execution costs for transactions effected in the client’s accounts will be borne by MACC, a conflict of interest arises in that the NewEdge may have an indirect disincentive to trade securities in the client’s account(s). When managing a Client’s account(s) on a wrap fee basis, the Firm shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs (including account transaction fees) incorporated into the wrap fee have been deducted. Accordingly, the Firm has a conflict of interest because it could have an economic incentive to maximize its compensation by seeking to minimize the number of transactions/total costs in the client's account(s).

PWAs may use utilize and investment strategy that generally seeks investments that are long term in nature with a buy and hold bias. Due to the nature of these strategies, investments in accounts could incur low turnover. For wrap fee accounts, however, the client continues to pay the NewEdge Fee regardless of the number of transactions incurred in the account.

Clients should also be aware that services similar or comparable to those provided to them might be available to the client at a lower aggregate cost elsewhere on an “unbundled” basis., in which case the client may pay a separate fee for our asset management services, brokerage services (including commissions), and management fees charged by Independent Managers. The amount of compensation received by the NewEdge as a result of the client’s participation in the wrap fee program may be more than what the Firm would receive if the client paid separately for investment advice, brokerage and other services.

Neither NewEdge nor the PWA will earn commission or other compensation in connection with the execution of transaction's for client accounts the wrap fee programs described in this Brochure.

D. Additional Fee and Expenses

If you open an account through Fidelity in one of the programs described in this Brochure, you will pay us an asset-based wrap fee for our services including, where applicable, custody of securities and trade execution through Fidelity. However, the wrap fee does not cover:

- The costs of investment management fees and other expenses charged by funds (see below for more details);
- “Mark-ups,” “mark-downs,” and dealer spreads that (A) we or our affiliates may receive when acting as principal in certain transactions where permitted by law or (B) other broker-dealers may receive when acting as principal in certain transactions effected through us and/or our affiliates acting as agent, which is typically the case for dealer market transactions (e.g., fixed income and over-the-counter equity);
- Fees or other charges that you may incur in instances where a transaction is effected through a third party and not through us or our affiliates. Such fees or other charges will be included in the price of the security and not reflected as a separate charge on your trade confirmations or account statements.
- Processing fees or certain other costs or charges that may be imposed by third parties (including, among other things, odd-lot differentials, transfer taxes, foreign custody fees, exchange fees, supplemental transaction fees, regulatory fees and other fees or taxes that may be imposed pursuant to law);
- Any fee which a trust company affiliated with the Firm charges for its services (if applicable) as custodian and trustee for the assets in the program described in this Brochure, pursuant to a separate agreement between you and the trust company; or
- Interest charged to the account should the account have a trade-related debit balance.

In addition to the wrap fee paid to NewEdge and Independent Managers, as applicable, clients may also incur certain charges imposed other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges may include transaction fees, custodial fees, fees attributable to alternative assets, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition to the Wrap Fee, clients will bear a proportionate share of any fees and expenses associated with ADRs, GDRs, and REITs, if applicable, in which account assets are invested, and may also bear any fees and expense associated with converting non U.S. securities into ADRs or GDRs, if applicable.

Investment Manager Fees and Trading Expenses

In the event an Independent Manager elects to utilize brokers or dealers other than Fidelity to effect a transaction in a recommended security (“trade away” from Fidelity), brokerage commissions and other charges for transactions not effected through Fidelity are generally charged to the client by the executing broker or dealer, whereas the wrap fee assessed by NewEdge covers the cost of brokerage commissions on transactions effected through Fidelity. In the event an Independent Manager elects to trade away from Fidelity, those transactions are generally traded from broker to broker and are usually cleared without any commissions. However, the client should be aware that, in many cases, the executing broker or dealer may assess a commission or other charges to the transaction and such costs will be in addition to the wrap fee charged by NewEdge. As a result, the net purchase or sale price reflected on trade confirmations provided by Fidelity on such trades may reflect brokerage commissions or dealer markups or markdowns charged by the executing broker, that are not separately itemized by Fidelity. Additionally, investment disciplines of Independent Managers that elect to trade away from Fidelity will generally be more costly to clients than those disciplines of Independent Managers that elect to trade exclusively or primarily through Fidelity.

Mutual Funds & ETFs

NewEdge may recommend that certain clients invest account assets in open-end mutual funds (including money market funds), closed-end funds, exchange traded funds, and other registered collective investment vehicles that have various internal fees and expenses, which are borne by the client as an investor. The NewEdge Fee does not include the internal management, operating or distribution fees or expenses imposed or incurred by a mutual fund, ETF or other pooled investment vehicles held in a client's account. If a client's assets are invested in any mutual funds, ETFs, or other pooled investment vehicles, in addition to the NewEdge Fee, the client will incur the internal management and operating fees and expenses, investment management and/or performance-based fees, redemption/early termination fees (which include fees on whole or partial liquidations of the client's assets in the investment vehicles) and other fees and expenses that may be assessed by the investment vehicle's sponsor, custodian, transfer agent, adviser, shareholder service provider or other service providers. These expenses may include administration, distribution, transfer agent, custodial, legal, audit and other fees and expenses. Further information regarding charges and fees assessed may be found in the appropriate prospectus, offering memorandum, annual report and/or custodial agreement applicable to the corresponding investment vehicle.

NewEdge clients generally have access institutional or advisory share classes that typically have a higher initial minimum investment and lower expense ratios as compared with other retail share classes. However, in some instances, NewEdge may not be able to purchase institutional or advisory share classes through third party custodians. In other instances, NewEdge may be able to purchase other share classes, such as load waived A shares, which don't have a sales load but typically have a higher expense ratio than institutional share classes. Clients should not assume that they will only be invested in mutual funds with the lowest expense ratio, as we consider other factors beyond expense ratios when making recommendations to our advisory clients.

Shareholder Service Fees in Advisory Accounts

Certain mutual funds pay “Shareholder Services Fees”. Shareholder Services Fees are often referred to as trailers, rebates or revenue sharing arrangements and are received from various mutual fund companies with respect to clients whose assets are invested in those mutual funds. The payment of these fees to investments advisers, their affiliates and Supervised Persons (as defined in Section 10 – “Other Financial Industry Activities and Affiliations”) can be substantial, typically ranging from 5 to 50 basis points (0.05% to .50%) of the mutual fund balance depending on the mutual fund purchased. This practice creates a potential conflict of interest in so far as the Firm and its PWAs could have a financial incentive to recommend mutual funds over other investments and higher paying mutual funds over lower paying mutual funds.

Except as set forth below, neither NewEdge, nor its affiliates or PWAs are permitted to retain any Shareholder Service Fees with respect to assets in NewEdge's advisory account. To the extent that a fund only offers share classes that pay Shareholder Services Fee, NewEdge will credit payment received to advisory clients.

In limited instances, certain mutual funds purchased in Fidelity's no transaction fee program ("NTF Program") pay revenue share to MACC. In order to mitigate this conflict, the Firm does not share these payments with its PWAs and has policies and procedures in place to ensure that clients purchasing funds in the NTF Program that pay revenue share to MACC only purchase such shares when they have the lowest expense ratio of the fund's share classes offered through MACC.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges for redemptions (typically 1%-2% of the amount redeemed) made within short periods of time. These short-term charges are imposed by the funds (and not NewEdge) to deter "market timers" who trade actively in fund shares. Clients should consider these short-term trading charges when requesting liquidation of shares. These charges, as well as operating expenses and management fees, may increase the overall cost to the client by 1%-2% (or more) of the mutual fund, and are described in each fund's prospectus.

Certain ETFs may be classified as partnerships for U.S. federal income tax purposes, which may result in unique tax treatment, including Schedule K-1 reporting. Clients should consult their tax adviser for additional information regarding the tax consequences associated with the purchase, ownership and disposition of such investments. Additional information is also available in the ETF prospectus, which is available upon request.

Use of Margin

Through execution of a separate NFS Margin Agreement, eligible clients will have the ability to borrow cash against the value of certain assets held within a client's advisory account (the "NFS Margin Program"). NewEdge's affiliate, MACC, receives from NFS a percentage of the margin rate charged to clients on borrowed funds, and PWAs may share in a portion of this compensation attributable to their clients' margin accounts. The receipt of this compensation creates an incentive for the Firm and its PWAs to recommend use of the NFS Margin Program to clients. NewEdge seeks to address this conflict of interest by disclosing to clients the payment of compensation to the Firm and its PWAs under the NFS Margin Program, and by imposing suitability requirements on clients seeking to utilize the NFS Margin Program. In addition, clients must meet the credit and suitability requirements of NFS. Clients should carefully review the terms and conditions of the NFS Margin Program as described in the NFS Margin Agreement. Margin costs and expenses are separate client charges and not part of the overall NewEdge Fee.

Alternative Investments

An important component of the selection process of Private Investments such as hedge funds, private equity funds, private real estate funds and structured products includes carefully reading the accompanying offering documents and/or prospectus prior to making a purchase decision. The offering documents contain important information that will help the client make an informed choice. As part of the review process, a client should consider the fees and expenses associated with a particular alternative investment. It is important to note that the fees and expenses related to alternative investments are often higher than those of more traditional investments.

While each investment will differ in terms of both total fees and expenses and how those fees and expenses are calculated, the following section will discuss the primary categories of fees and expenses that are common to many alternative investments.

- *Management fees:* The manager for any particular investment will often charge a management fee that is based on the total value of your investment. As the value of your investment increases, the total management

fees that a manager receives may increase. As the value of your investment decreases, the total management fees that a manager receives may decrease. These fees are similarly structured but are often higher than management fees associated with other, more traditional, investments such as mutual funds.

- *Incentive-based compensation:* Many alternative investment managers receive incentive-based compensation in addition to management fees. Incentive-based fees typically involve the manager retaining a percentage of profits generated for clients. Fees related to incentive compensation are often referred to as incentive/performance-based fees or carried interest. It is important to note that these fees are in addition to management fees that are charged by the manager and that the exact calculation of incentive fees or carried interest differs by product and manager. NewEdge does not typically share in any incentive-based compensation to which an investment manager is entitled.
- *Redemption fees:* Some investments may have direct or indirect costs related to liquidating your position, particularly if an investment is liquidated shortly after being purchased or if an investment is specifically designed to provide limited or no liquidity to investors.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time. Clients may withdraw account assets on notice to NewEdge, subject to the usual and customary securities settlement procedures. NewEdge may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Clients should be aware that securities transferred into an account may have been subject to a commission or sales load when the security was originally purchased. After transfer into an advisory account, clients should understand that an advisory fee will be charged based on the total assets in the account, including the transferred security. When transferring securities into an account, clients should consider and speak to us about whether (1) a commission was previously paid on the security; (2) client wishes for the security to be managed as part of the account and be subject to an advisory fee; or (3) client wishes to hold the security in a brokerage account that is not managed and not subject to an advisory fee.

D. Compensation of PWAs

PWAs are compensated, on an ongoing basis, based on a portion of the total NewEdge Fee. The amount of the compensation received by a PWA may be more or less than what the PWA would receive if you participated in other investment programs or paid separately for investment advice, brokerage and other services through another firm. Therefore, your PWA may have a conflict of interest in recommending our wrap fee program over other programs or services. In addition, experienced PWAs moving their practices to MACC or NewEdge may have received loans or other financial incentives based on reaching certain asset levels or revenues generated. The Firm mitigates this potential conflict of interest by imposing suitability requirements and maintaining a supervisory system that includes conducting periodic supervisory visits and compliance inspections and audits. This conflict of interest is further mitigated by fiduciary obligations and regulatory and compliance rules and procedures to which the Firm and the PWAs are subject.

Item 5. Account Requirements and Types of Clients

NewEdge offers services to high net worth families and individuals, family limited partnerships, family offices,

foundations, endowments, trusts, estates, charitable organizations, donor advised funds, corporations, privately offered pooled investment vehicles and business entities.

Minimum Account Value

As a condition for starting and maintaining an investment management relationship, NewEdge generally imposes a minimum portfolio value of \$5,000,000 since many of the investments recommended require “qualified purchaser” status. NewEdge may, in its sole discretion, accept clients with smaller portfolios. NewEdge may aggregate the portfolios of family members to meet the minimum portfolio size.

Item 6. Portfolio Manager Selection and Evaluation

A. Manager Selection

Before NewEdge recommends an Independent Manager or Private Fund, it conducts due diligence on such Independent Manager/Private Funds, either directly through its own internal vetting process and/or through a third-party research provider. This due diligence process includes, among other things, a review of each firm’s structure, trading and operations, legal and compliance issues, investment and risk management.

Investment Managers and Private Funds

All Independent Managers and Private Funds recommended by NewEdge undergo a due diligence process that includes:

- Initial Manager Evaluation
- Quantitative Analysis
- Ongoing Monitoring

As discussed above, your PWA will assist you in selecting an asset allocation and one or more Independent Managers and Private Funds. Those investment portfolios and the methods of analysis utilized by their Independent Managers are described in more detail in each Independent Manager’s Form ADV Part 2A. Information about a Private Fund’s investment objective and policies is contained in its private placement memorandum and subscription agreement.

No related person is a portfolio manager of the wrap fee program described above.

B. PWA Strategies

Each PWA has access to various market, research, portfolio modelling and other tools and information to which he or she may refer in determining investment advice provided to clients. PWAs choose their own research methods, investment style, and management philosophy. Accordingly, the investment advice provided to each client may vary from one PWA to another. The investment strategies and advice may vary depending upon each client’s specific financial situation. As such, PWAs determine investments and allocations based upon clients’ predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors. Clients’ restrictions and guidelines may affect the composition of client portfolios.

PWAs can implement investment strategies by recommending the following types of investments:

- Equities
- Fixed Income

- Mutual Funds
- Exchange Traded Funds & Trusts
- Master Limited Partnerships
- REITs
- Options Strategies
- Structured Products
- Hedge Funds
- Private Equity Funds
- Private Credit Funds
- Trading (short and long-term purchases); and
- Margin transactions.

The foregoing is not a comprehensive list of the methods of analysis and strategies that may be employed by NewEdge or its PWAs, nor are the descriptions necessarily the only ways in which the methods of analysis and strategies may be implemented.

PWA Managed Portfolios are not subject to the same review and approval process as Independent Managers or Private Funds.

Other Advisory Services

In addition to the Services described in this Brochure, NewEdge offers clients additional advisory services including:

- Wealth Planning
- Asset Allocation
- Portfolio Construction
- Institutional Consulting
- Private Investment Opportunities
- Comprehensive Performance Reporting

For information about these services, please refer to the Firm’s Form ADV Part 2A Firm Brochure, which is available through your PWA and can be found on the SEC’s website.

Performance Based Fees and Side by Side Management

NewEdge does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client’s assets).

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. All investment programs have certain risks that are borne by the investor. Investors face the following investment risks:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risks:* The profitability of a significant portion of NewEdge’s recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that NewEdge will be able to predict those price movements accurately or capitalize on any such assumptions.
- *Inflation Risk:* When any type of inflation is present, a dollar today will not buy as much as a dollar next year,

because purchasing power is eroding at the rate of inflation.

- *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk*: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (interest rate). This primarily relates to fixed income securities.
- *Business Risk*: These risks are associated with a particular industry or a particular company within an industry. For example, oil drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk to profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasuries are highly liquid, while real estate properties are not.
- *Financial Risk*: Excessive borrowing to finance a business' operations increases the risk of profit loss, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Correlation Risk*: This is the risk that the actual correlation (a statistical measure of how two or more variables move in relation to each other) between two assets (or variables) will be different than the correlation that was assumed or expected. Differences between the actual and expected correlation may result in a portfolio being riskier than was anticipated.
- *Counterparty/Default Risk*: This is the risk that a party to a contract will not live up to (or default on) its contractual obligations to the other party to the contract.
- *Valuation Risk*: This is the risk that an asset is improperly valued in relation to what would be received upon its being sold or redeemed at maturity.
- *Tax Risk*: This is the risk that tax laws may change and impact the underlying investment premise or profitability of an investment. For example, a client may invest in Master Limited Partnership ("MLP") units, which may result in unique tax treatment and may not be appropriate for tax qualified retirement accounts.

Exchange Traded Funds. An investment in an ETF involves risk, including the loss of principal. ETF shareholders are necessarily subject to the risks stemming from the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. 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.

Use of Independent Managers. As stated above, NewEdge may select certain Independent Managers to manage a portion of its clients' assets. In these situations, NewEdge continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully

implement their investment strategies. In addition, NewEdge generally may not have the ability to supervise the Independent Managers on a day-to-day basis. The success of the third-party manager depends on the capabilities of its investment management personnel and infrastructure, all of which may be adversely impacted by the departure of key employees and other events. The future results of the third-party manager may differ significantly from the third-party manager's past performance. While the Firm intends to employ reasonable diligence in evaluating and monitoring third party managers, no amount of diligence can eliminate the possibility that a third party manager may provide misleading, incomplete or false information or representations, or engage in improper or fraudulent conduct, including unauthorized changes in investment strategy, insider trading, misappropriation of assets and unsupportable valuations of portfolio securities.

Use of Private Collective Investment Vehicles and Other Alternative or Private Investments. NewEdge may recommend that certain clients invest in alternative investments, including privately placed debt or equity of companies or investments in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). These investments are less liquid than publicly traded securities with some having significant holding requirements. The managers of the collective vehicles have broad discretion in selecting the investments. Often, the investments are not registered or subject to less registration. There are numerous other risks in investing in these securities. Clients should consult each investment's prospectus or private placement memorandum and/or other documents explaining such risks prior to investing.

Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike other liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund and acknowledges and accepts the various risk factors that are associated with such an investment.

Margin. While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally affected using capital borrowed from a financial institution, which is secured by a client's holdings. Under certain circumstances, the lending institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the financial institution may liquidate account assets to satisfy the client's outstanding obligations, which could have adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

Derivatives. The use of derivatives such as swaps, commodity-linked structured notes and futures entails substantial risk, including the risk of loss of a significant portion of their principal value, lack of a secondary market, increased volatility, correlation risk, counterparty risk, liquidity risk, interest-rate risk, market risk, credit risk, valuation risk and tax risk. Derivatives, primarily futures and forward contracts, generally have implied leverage (a small amount of money to make an investment of greater value). Because of this, extensive use of derivatives may magnify any gains or losses on those investments as well as the risk of any fund using derivatives.

Risks Relating to Structured Products. Investments in structured products (generally Senior Unsecured Debt Obligations linked to the performance of an underlying market measure) (all such products, "Structured Products") are subject to a number of risks, including credit risk, market risk, and liquidity risk. Structured Products typically have a specified maturity date and payout profile determined by the performance of an underlying, or basket of underlying, market measures. Structured Products are generally designed to provide some level or combination of principal protection, downside market risk mitigation, enhanced income, or enhanced returns relative to the

performance of the underlying market measure. As a Senior Unsecured Debt Obligation, the payout at maturity is dependent on the issuer's ability to pay off its debts as they mature. While there is generally liquidity provided by the issuer of a Structured Product prior to maturity, there is no guarantee of a secondary market. In the case that there is a secondary market provided, the sale price may be significantly less than what would be the maturity value due to factors such as volatility, interest rates, credit quality and risk appetite. The value of an investment in a Structured Product will reflect the then-current market value of the Structured Product as calculated by the issuer and will be subject to all of the risks associated with an investment in the underlying market measure along with the risks and factors described above. Investors in structured products will not own or have any claim to the underlying market measure directly and will therefore not benefit from general rights applicable to the holders of those assets, such as dividends and voting rights.

Alternatives. Non-traditional investments strategies, including those that employ trading techniques to "short" the market, those that include exposure to nontraditional asset classes such as commodity futures and currency forwards. Clients should consider their overall allocation to alternative investments when determining the appropriateness of such a strategy. Alternatives entail substantial risk, including the risk of loss of a significant portion of their principal value, lack of a secondary market, increased volatility, correlation risk, counterparty risk, liquidity risk, interest-rate risk, market risk, credit risk, valuation risk and tax risk.

Risk Relating to REITs. Certain investment strategies offer real estate-related investment disciplines, which typically invest in common stocks of U.S. corporations. Almost all such investments will be treated for tax purposes as investments in real estate investment trusts ("REITs"). Although it is unlikely that such investments will cause a tax-exempt investor to recognize "unrelated business taxable income" ("UBTI"), no assurances can be made that no UBTI will be recognized. If any investment causes a tax-exempt investor to recognize UBTI, and that tax-exempt investor is a charitable remainder trust, all of the income of the charitable remainder trust would be subject to federal income tax for the tax year in which the UBTI was recognized. Therefore, charitable remainder trusts should consult with a tax adviser before investing in real estate investment disciplines.

Risks Relating to Money Market Funds. You could lose money in money market funds. Although money market funds classified as government funds (i.e., money market funds that invest 99.5% of total assets in cash and/or securities backed by the U.S. government) or retail funds (i.e., money market funds open to natural person investors only) seek to preserve value at \$1.00 per share, they cannot guarantee they will do so. The price of money market funds will fluctuate and when you sell shares, they may be worth more or less than originally paid. Money market funds may impose a fee upon sale or temporarily suspend sales if liquidity falls below required minimums. During suspensions, shares would not be available for purchases, withdrawals, check writing or ATM debits. Moreover, in some circumstances, money market funds may be forced to cease operations when the value of a fund drops below \$1.00 per share. In that event, the fund's holdings are liquidated and distributed to the fund's shareholders. This liquidation process could take up to one month or more. During that time, these funds would not be available to you to support purchases, withdrawals and, if applicable, check writing or ATM debits from your account.

Risks Relating to Differing Classes of Securities. Different classes of securities have different rights as creditor if the issuer files for bankruptcy or reorganization. For example, bondholders' rights generally are more favorable than shareholders' rights in a bankruptcy or reorganization.

Tax and Legal Considerations. You are responsible for all tax liabilities and tax return filing obligations arising from the transactions in your account or any other investment advice offered by us. Changing your investment strategy or engaging in portfolio rebalancing transactions may result in sales of securities which may subject you to additional income tax obligations. Consult your independent tax or legal advisor with respect to the services described in this

Brochure. NewEdge does not provide tax, legal, accounting, estate or actuary advice, and this Brochure or any other document received from NewEdge in connection with the Platform should not be construed as providing such advice.

Cybersecurity Risks. We must rely in part on digital and network technologies (collectively, “networks”) to conduct our investment advisory business. Such networks, including those of service providers, are susceptible to cyber-attacks that could potentially seek unauthorized access to digital systems for purposes such as misappropriating sensitive information, corrupting data or causing operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Cyber-attacks against, or security breakdowns, of us or our service providers, if applicable, may adversely impact us and our clients, potentially resulting in, among other things, financial losses; our inability to transact business on behalf of our clients; reputational damage; and/or additional costs. The Firm may incur additional costs related to cybersecurity risk management and remediation. In addition, cybersecurity risks may also impact issuers of securities in which we invest on behalf of our clients, which may cause our clients’ investment in such issuers to lose value.

Coronavirus Outbreak Risks The recent global outbreak of the 2019 novel coronavirus (“COVID-19”), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect certain investments and the industries in which they operate. Furthermore, our ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary to carry out clients’ investment strategies and objectives and our business and to satisfy its obligations to clients and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among our personnel and service providers would also significantly affect our ability to properly oversee the affairs of clients (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a client’s investment activities or operations.

*** This list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in connection with the Firm’s investment offerings or the management of client accounts. In addition, prospective clients should be aware that, as a client’s investment portfolio develops and changes over time, the account may be subject to additional and different risks.

Voting Client Securities

NewEdge does not accept the authority to vote a client’s securities (i.e., proxies) on their behalf. Clients receive proxies directly from their custodians and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations. Clients may be able to delegate proxy voting authority to Independent Managers.

NewEdge will not render any advice to or take any actions on behalf of clients with respect to the initiation or pursuit of any legal proceedings, including bankruptcies and shareholder litigation, to which any securities or other investments transacted or held in client accounts, or the issuers thereof, become subject. The right to take any actions with respect to any legal proceedings, including bankruptcies and shareholder litigation, and the right to initiate or pursue any legal proceedings, including shareholder litigation, with respect to transactions, securities or other

investments held in a client account is the client's responsibility.

Item 7. Client Information Provided to Portfolio Managers

NewEdge, through its PWAs, tailors its Advisory Services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. NewEdge consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify NewEdge if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts.

Item 8. Contact with Portfolio Managers

For PWA Managed Portfolios, because PWAs serve as the portfolio managers, Clients have unrestrictive access to their portfolio manager. For Independent Managers in the SMA Program, clients may be limited in their direct contact with the portfolio managers or other investment personnel. For model delivery Program strategies, the client will not have the ability to contact portfolio managers at the model provider. However, PWAs are available to address any questions or concerns regarding these strategies.

Item 9 Additional Information

Disciplinary Information

Within the last 10 years, there have not been any material legal or disciplinary events involving the Firm or its management personnel.

Other Financial Industry Activities and Affiliations

MID ATLANTIC CAPITAL CORPORATION

NewEdge's PWAs, officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on NewEdge's behalf and are subject to the Firm's supervision or control ("Supervised Persons") may, in their individual capacities, as insurance agents or registered representatives of a broker-dealer, including our affiliated broker dealer, and/or other professionals be separately retained to render securities brokerage and insurance services under a separate commission-based arrangement.

The Firm's Supervised Persons, in their individual capacities as registered representatives of MACC, may provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons will be entitled to a portion of the brokerage commissions paid to MACC, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. Prior to effecting any transactions, clients are required to enter into a separate brokerage account agreement.

Clients should be aware that the Firm does not have the ongoing advisory responsibility to manage the assets held in the MACC brokerage relationship. The Firm has policies and procedures to review whether an advisory client should have such a brokerage relationship.

Management personnel of our Firm are also officers of MACC. In their capacity as supervisory principals of MACC, they also devote time to the oversight of the operations of that broker/dealer.

MACC Bank Deposit Program (no longer available for new accounts)

The Mid Atlantic Capital Corporation Bank Deposit Sweep Program (the “Program” or “BDP”) is a sweep investment vehicle used to hold cash balances in accounts held at NFS. In the Program, cash balance in eligible accounts are deposited automatically or “swept” into interest-bearing FDIC-insurance eligible Program deposit accounts (“Deposit Accounts”) at one or more FDIC insured depository institutions that participate in the Program (collectively, “Program Banks”).

Each Deposit Account constitutes a direct obligation of the Program Bank to the depositor and is not directly or indirectly an obligation of MACC or NFS. Neither MACC nor NFS guarantee in any way the financial condition of the Program Banks or the accuracy of any publicly available financial information concerning such Banks. The establishment of a Deposit Account does not create a direct account relationship between the depositor and the Program Banks. To the extent available in your account, NFS, as your agent and custodian, will establish the Deposit Accounts for you at each Program Bank and make deposits to and withdrawals from the Deposit Accounts.

Depending on the interest rate environment, the Program can create financial benefits for MACC and NFS. MACC seeks receive a fee from NFS in connection with the Program (equal to a percentage of all participants’ average daily deposits at the Program Banks). Amounts will vary but in no event will be more than 1.75% (net of third-party fees) on an annualized basis, as applied across all Deposit Accounts (including brokerage accounts introduced by MACC). In our discretion, we may reduce our fee and may vary the amount of the reductions among clients. The fee we receive may vary from bank to bank. The amount of fee received will affect the interest rate paid to customers by NFS. In addition to our fee, other service providers with respect to the Program will receive fees from NFS (collectively, with the fees paid to us and/or NFS, “Program Fees”). Your PWA will not receive a portion of these fees or credits. In addition, NewEdge will not receive cash compensation or credits in connection with the BDP for assets in the deposit accounts for Retirement Plans or Coverdell Education Savings accounts.

The revenue generated by MACC through the Program may be greater than revenues generated by other sweep options at the firm, sweep options at other brokerage firms and may be greater than other account sweep vehicles currently available to you or possible core account investment vehicles that we have used in the past or may consider using in the future. As a result of the fees and benefits described above, the Program may be significantly more profitable to MACC than other available sweep options, if any. MACC and/or Fidelity may also benefit from the possession and temporary investment of cash balances prior to the deposit of such balances in the Program.

In certain rate environments, Program Banks may also have the opportunity to earn income on the BDP assets through lending activity. Through the Program, each Program Bank will receive a stable, cost-effective source of funding. Each Program Bank intends to use deposits in the Deposit Accounts at the Program Bank to fund current and new businesses, including lending activities and investments. The profitability on such loans and investments is generally measured by the difference, or “spread,” between the interest rate paid on the Deposit Accounts at the Program Banks and other costs of maintaining the Deposit Accounts, and the interest rate and other income earned by the Program Banks on those loans and investments made with the funds in the Deposit Accounts.

NewEdge seeks to address the foregoing conflicts by disclosing them to clients, such as in this Brochure, and by not directly sharing the revenue generated from client cash sweeps with PWAs. Clients should refer to the “Fees and Compensation – Other Firm Compensation” section below for further information on such compensation and any conflicts of interests that may arise as a result thereof and steps NewEdge takes to mitigate such conflicts.

A list of participating Program Banks is available from your PWA. A current version of the Bank Deposit Sweep Disclosure Document can be found at <https://www.macg.com/app/uploads/BDSP-Disclosure-Document-11-6-19->

[Clean-v2.pdf](#). Should you have any questions regarding the Program, Program Banks, current interest rates or our compensation, please refer to www.macg.com or direct any questions you may have to your PWA.

MID ATLANTIC TRUST COMPANY

NewEdge is under common control with Mid Atlantic Trust Company ("MATC"), a South Dakota non-depository trust company which could handle the custody, directed trustee, paying agent, and reporting services for corporate retirement plans, and custody of mutual fund and ETF assets for some clients of NewEdge to the extent recommended by their PWA. While NewEdge is not directly compensated by MATC for revenue generated due to this arrangement, it does benefit indirectly, due to the companies being under common control.

While NewEdge and its PWAs at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

MID ATLANTIC FINANCIAL MANAGEMENT, INC.

NewEdge is under common control with Mid Atlantic Financial Management ("MAFM"). MAFM is an investment adviser registered with the SEC that provides investment advisory services to retail investors.

GWM ADVISORS, LLC.

NewEdge is under common control with GWM Advisors, LLC ("Goss"). Goss is an investment adviser registered with the SEC that provides investment advisory services to retail investors.

Licensed Insurance Agents

A number of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that NewEdge recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Relationship with Fidelity

Mid Atlantic maintains a business relationship with Fidelity which provides the Firm with operational and back-office support including access to a network of service providers. In addition, certain of the Firm's Supervised Persons are registered representatives of MACC and/or principals of the Firm's parent company and may provide clients with securities brokerage services under a separate commission-based arrangement.

Through Fidelity's network of service providers, the Firm has access to trading technology, transition support, reporting, custody, brokerage, investments, compliance and other related services. The Firm reviews all such relationships, including the service providers engaged through MACC, on an ongoing basis to ensure clients are receiving competitive rates in relation to the quality and scope of the services provided.

NewEdge may receive without cost from Fidelity computer software and related systems support, which allow NewEdge to better monitor client accounts maintained at Fidelity. NewEdge may receive the software and related support without cost because the Firm renders investment management services to clients that maintain assets at

Fidelity. The software and support is not provided in connection with securities transactions of clients (i.e., not “soft dollars”). The software and related systems support may benefit NewEdge, but not its clients directly. In fulfilling its duties to its clients, NewEdge endeavors at all times to put the interests of its clients first. Clients should be aware, however, that NewEdge’s receipt of benefits from a broker/dealer creates a conflict of interest since these benefits may influence the Firm’s choice of broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, NewEdge may receive the following benefits from Fidelity (1) receipt of duplicate client confirmations and bundled duplicate statements, (2) access to a trading desk that exclusively services its institutional traders, (3) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and (4) access to an electronic communication network for client order entry and account information.

Conflicts of Interest

Clients should be aware that the receipt of additional compensation by NewEdge and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. NewEdge endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client’s financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client’s needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Code of Ethics

NewEdge has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. The Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of NewEdge personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Firm’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly affect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless (1) the transaction has been completed, (2) the transaction for the Supervised Person is completed as part of a batch trade with clients; or (3) a decision has been made not to engage in the transaction for the client. These requirements are not applicable to certain types of securities. Clients and prospective clients may contact NewEdge to request a copy of its Code of Ethics.

Brokerage for Client Referrals

NewEdge does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

Clients may direct NewEdge and/or its subadvisors, in writing, to use a particular financial institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that financial institution and the Firm will not seek better execution services or prices from the other financial Institutions or be able to “batch” client transactions for execution through other financial institutions with orders for other accounts managed by NewEdge (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, NewEdge may decline a client’s request to direct brokerage if, in the Firm’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers.

Other Compensation

Client Referrals and Other Compensation

Our firm may pay referral fees to independent persons or firms for introducing clients to us. Such referrals are compensated in accordance with applicable cash solicitation rules.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

PWAs may also refer clients to unaffiliated third-party firms for certain services, such as lines of credit, mortgages and other investment related services. In making such referrals, we will seek to identify reputable unaffiliated third parties who offer commercially reasonable terms, but we do not undertake to perform any level of due diligence on or ongoing monitoring of such third parties or to search for the providers who offer the most favorable terms to clients unless we agree to do so in writing. Clients should carefully evaluate these unaffiliated third parties and their terms of service relative to other providers in the marketplace before entering into a service relationship with them.

In certain cases, these referral arrangements will involve the payment of referral fees to, or participation in revenue sharing arrangements with, NewEdge and potentially the PWAs making the referral.

In addition to receiving fees in their capacity as an investment adviser or solicitor, NewEdge and its PWAs may receive reimbursements or marketing allowances for marketing expenses and business development costs incurred by the PWA. In addition, PWAs may receive invitations to conferences and meetings that are sponsored by firms that offer third-party programs to the advisor. Portfolio strategists, investment managers, and product manufacturers may contribute to the cost of the conferences and meetings, may be identified as a sponsor of the conference or meeting, and may have the opportunity to promote their products, programs, and services directly to NewEdge and its PWAs.

Additionally, the advisor's travel-related costs and expenses, meals, and entertainment may be paid or subsidized by the firms. These payments to NewEdge and its PWAs present a conflict of interest because they provide a financial incentive for advisors to recommend clients to the products of the payers.

Recruiting Expenses

As a part of our business, the firm hires outside parties (recruiters) to help find investment advisers interested in joining NewEdge or using our platform services. The recruiters are typically paid a fee based on a percentage of the total revenue of the investment adviser or business referred to NewEdge. At times, others will contribute to the recruiting expense NewEdge might incur, including custodians of client assets such as Fidelity. When a third-party custodian contributes to the recruiting expense, it presents a conflict of interest, as NewEdge has an incentive to refer the client to the third-party custodian sharing the cost of the recruitment expense over another custodian.

Financial Information

NewEdge is not required to disclose any financial information due to the following (1) the Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered, (2) the Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and (3) the Firm has not been the subject of a bankruptcy petition at any time during the past ten years.