Form ADV Part 2A

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This brochure provides information about the qualifications and business practices of M. Brown Financial Group, Inc. If you have any questions about the contents of this brochure, please contact us at (630) 637-8600. 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. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about M. Brown Advisors Group, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 175475.

Item 2. Material Changes

There were no material changes from the 2025 Firm Brochure for M. Brown Financial Advisors Group, Inc.

You may request a copy of this brochure by contacting M. Brown Advisors Group, Inc.'s Chief Compliance Officer at (630) 637-8600 or download it from our website at www.mbrownltd.com or the SEC's website at www.adviserinfo.sec.gov.

Item 3. Table of Contents Page

Item 1. Cover Page 1

Item 2. Material Changes 2

Item 3. Table of Contents 3

Item 4. Advisory Business 4

Item 5. Fees and Compensation 9

Item 6. Performance-Based Fees and Side-by-Side Management 15

Item 7. Types of Clients 15

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss 16

Item 9. Disciplinary Information 20

Item 10. Other Financial Industry Activities and Affiliations 20

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading 22

Item 12. Brokerage Practices 23

Item 13. Client Referrals and Other Compensation 27

Item 14. Custody 28

Item 15. Investment Discretion 28

Item 16. Voting Client Securities 28

Item 17. Financial Information 28

Item 4. Advisory Business

About Us:

M. Brown Financial Advisors Group, Inc. ("M. Brown") is an Illinois corporation formed in 2020 under the name "M. Brown Financial Advisors Group, Inc." and is registered as an Illinois Investment Adviser Firm in 2020.

M. Brown is privately held with Mark Brown as the primary owner.

Certain investment advisor representatives of M. Brown (the "advisor") are registered with the SEC as investment advisor representatives (IARs) and general sales representative (or a registered representative) with Ausdal Financial Partners, Inc. Therefore, M. Brown's advisors may be able to offer clients brokerage services and investment products through Ausdal Financial Partners, Inc. As further discussed below, certain M. Brown advisors are also licensed insurance agents and may offer insurance services through their insurance agency or on as an individual insurance agent. This brochure is limited to describing the investment advisory services M. Brown provides to its clients.

Advisory Services:

As discussed below, M. Brown offers sub-advisory services to Ausdal Financial Partners advisory clients, serving as the sub-advisor to Ausdal Financial Partners. M. Brown and its investment advisor representatives also provides sub-advisory services to other organizations, serving as the sub-advisor to a registered investment advisor when the registered investment advisor has contracted with M. Brown for sub-advisory services.

M. Brown offers investment advisory services through several options listed throughout this brochure.

Individual Portfolio Management

M. Brown provides asset management of client funds based on the individual needs of the client. The client's particular circumstances are discussed and maintained by Ausdal Financial Partners advisory personnel. As mentioned earlier in this brochure, certain M. Brown personnel are also IARs of Ausdal Financial Partners. M. Brown will create and manage a portfolio (including a subaccount for variable annuities) based on the strategy created after closely reviewing the client's circumstances, objectives, time horizons, risk tolerance, and liquidity needs.

We generally manage these advisory accounts on a discretionary basis, although we may manage them on a non-discretionary basis upon the client's' request. Account supervision is guided by the client's stated objectives (i.e., preservation of capital, income, growth and income, growth, or speculation), as well as tax considerations provided by the Ausdal Financial Partners or the Client's tax accountant. Ausdal will advise the M. Brown advisor of reasonable restrictions on investing in certain securities, types of securities, or industry sectors, which the M. Brown advisor takes into consideration when making recommendations or making changes to the client's portfolio. Once the client's portfolio has been established, we review the portfolio on a regular basis, and if necessary, rebalance the portfolio on a regular basis, all in accordance with the client's individual needs and reasonable restrictions, which have been communicated through Ausdal Financial Partners.

Proactive Asset Management Portfolio (PAM)

The Proactive Asset Management Portfolio ("PAM") is an active strategy that analyzes changing market conditions and recognizes that it may be prudent at times to be out of the market to protect principal. This differs from passive Buy-and-Hold programs that stay fully invested at all times.

PAM portfolios are actively managed. They are designed to participate in the majority of long-term market advances, while avoiding major market declines. Most of the time, PAM portfolios are fully invested but, **at times PAM implements an exit strategy by moving to cash**. This occurs when the manager believes the risk outweighs the potential for gain.

An exit strategy is important. Exiting and holding cash when risk is believed to outweigh return is an important strategy for protecting principal from large losses during periods of market decline.

The Program offers three allocation objectives: Growth, Growth & Income, and Income & Moderate Growth. M. Brown will allocate the client's assets, consistent with the client's stated investment objective, in one of these three allocation models.

Index, Maneuver, Passive, Active, Collaborate, Tactical ("IMPACT") Portfolio

IMPACT portfolios are expertly designed to help clients reach their long-term financial goals. Diversification is the cornerstone of IMPACT portfolios.

Clients will generally be fully invested in a broad mix of global stocks and bonds that align with the stated goals and risk tolerance of the account. The portfolio manager will adjust portfolio holdings as economic and political conditions change across the globe. Portfolio re-balancing will be completed as determined by market movements, to ensure investment risks are aligned with client goals. Portfolios and portfolio holdings are monitored daily.

The Program offers seven allocation objectives: Income, Conservative, Moderately Conservative, Moderate, Moderate Growth & Income, Growth, and Aggressive Growth. M. Brown will allocate the client's assets, consistent with the client's stated investment objective, in one of these seven allocation models.

Non-Program Accounts

In order to better serve its clients, M. Brown may provide discretionary investment management services through its Non-Program Accounts. These accounts are for clients who are better served using this model than being in the other programs. Typically, due to smaller account size or client's specific needs. Allocations for Non-Program Accounts are fully customized.

M. Brown will monitor performance versus the benchmark level and, to the extent necessary; changes or modifications will be made to the model.

Retirement Plan Accounts

Through the programs listed above, accounts for retirement plans may be established to provide nondiscretionary or administrative services. Each of these services is designed to assist plan sponsors of employee benefit plans ("Sponsor" or "Sponsors" as the case may be).

Trustee-Directed Plans

M. Brown and its advisors may be engaged to provide discretionary investment management services to ERISA retirement plans, whereby the Firm shall manage Plan assets consistent with the investment objective designated by the Plan trustees. In such engagements, M. Brown will serve as an investment fiduciary as that term is defined under the Employee Retirement Income Security Act of 1974 ("ERISA"). M. Brown will generally provide services on an "assets under management" fee basis per the terms and conditions of an Investment Advisory Agreement between the Plan and the Firm.

Assistance with Self-Directed Sponsors and Participants in Retirement Plans

M. Brown and M. Brown advisors may be engaged to provide non-discretionary retirement plan consulting services, as a fiduciary, pursuant to which they assist sponsors of self-directed corporate sponsored retirement plans with the selection and monitoring of investment alternatives (generally open-end mutual funds) from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. Such investment alternatives may include specific asset allocation programs devised by M. Brown based upon various investment objectives. When providing any non-discretionary investment advisory services, we will solely be making investment recommendations to the Sponsor, and the Sponsor retains full discretionary authority or control over assets of the retirement plan. We agree to perform any non-discretionary investment advisory services to the retirement plan, as a fiduciary, as defined in ERISA Section 3(21)(A)(ii), and will act in good faith and with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances.

Client Retirement Plan Assets

Non-Fiduciary Administrative Services.

In addition and to the extent requested by the plan sponsor, M. Brown will also provide non-fiduciary administrative services, such as participant education which is designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts. When providing any administrative services, we may support the Sponsor with plan governance and committee education; vendor management and service provider selection and review; investment education; or provide plan participant non-fiduciary education services. We agree to perform any administrative services solely in a capacity that would not be considered a fiduciary under ERISA or any other applicable law.

Use of Mutual Funds and Exchange Traded Funds. M. Brown may recommend that clients allocate investment assets to publicly-available mutual funds and exchange traded funds that the client could obtain without engaging M. Brown as an investment advisor. However, if a client or prospective client determines to allocate investment assets to publicly available mutual funds and exchange traded funds without engaging M. Brown as a sub-advisor, the client or prospective client would not receive the benefit of M. Brown's initial and ongoing investment advisory services.

Please Note: In addition to M. Brown's investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). Certain share classes of mutual funds will pay the broker-dealer a distribution fee and a Shareholder Service fee

(known collectively as a 12b-1 fee) and have other expenses that maybe shared with the broker-dealer or the representative executing the trade. M. Brown and its advisors will generally select the best share class for the selected mutual fund, but, if their selection is of a share class that pays a service fee or a 12b-1 fee to the executing broker-dealer. For accounts that are custodied with TD Ameritrade, such payments will not be shared with the M. Brown advisor, who may be entitled to receive such fees as a registered representative of Ausdal Financial Partners, Inc. M. Brown's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above.

Client Obligations. In performing its services, M. Brown shall not be required to verify any information received from, Ausdal Financial Partners, the client or from the client's other professionals and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify M. Brown if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising M. Brown's previous recommendations and/or services. If, and when, M. Brown is involved in a specific matter (for example, but not limited to estate planning, insurance, accounting or tax-related engagement), it is the engaged licensed professionals (i.e. attorney, accountant, insurance agent, etc.), and not M. Brown, that is responsible for the quality and competency of the services provided by the licensed professional.

Inverse/Enhanced Market Strategies. M. Brown may utilize long and short mutual funds and/or exchange traded funds that are designed to perform in either an: (1) inverse relationship to certain market indices (at a rate of 1 or more times the inverse [opposite] result of the corresponding index) as an investment strategy and/or for the purpose of hedging against downside market risk; and (2) enhanced relationship to certain market indices (at a rate of 1 or more times the actual result of the corresponding index) as an investment strategy and/or for the purpose of increasing gains in an advancing market. In rare instances, we may utilize option contracts, non-publicly traded REITs, or direct participation programs. There can be **no assurances** that any such strategy will prove profitable or successful. In light of these enhanced risks/rewards, a client may direct the M. Brown, in writing, not to employ any or all such strategies for his/her/their/its accounts. As the name implies, enhanced market strategy funds and ETFs seek to provide leveraged returns at multiples of the underlying benchmark or index they track. These enhanced market strategy funds and ETFs generally seek to provide a multiple (i.e., 200%, 300%) of the daily return of an index or other benchmark for a single day excluding fees and other expenses. In addition to using leverage, these funds and ETFs often use derivative products such as swaps, options, and futures contracts to accomplish their objectives. **The use of leverage as well as derivative instruments can cause leveraged funds and ETFs to be more volatile and subject to extreme price movements.**

Inverse Funds and ETFs. Inverse mutual funds and ETFs, which are sometimes referred to as "short" funds and ETFs, seek to provide the opposite of the performance of the index or benchmark they track. Inverse funds and ETFs are often marketed as a way to profit from, or hedge exposure to, downward moving markets. Some inverse funds and ETFs also use leverage, such that they seek to achieve a return that is a multiple of the opposite performance of the underlying index or benchmark (i.e., -200%, -300%). In addition to leverage, these funds and ETFs may also use derivative instruments to accomplish their objectives. **As such, inverse funds and ETFs are volatile and provide the potential for significant losses.**

Risks Associated with Leveraged and Inverse Funds, The risk associated with holding enhanced market strategies and inverse ETF's include, but are not limited to:

- **Use of Leverage and Derivative Instruments**: Many enhanced market strategy and inverse funds and ETFs use leverage and derivative instruments to achieve their stated investment objectives. As such, these funds and ETFs can be extremely volatile and carry a risk of substantial losses.

- **Most Enhanced Market Strategy and Inverse Funds and ETFs Seek Daily Target Returns**: Most leveraged and inverse funds and ETFs "reset" daily, meaning that they are designed to achieve their stated objectives on a daily basis. Due to the effect of compounding, the return for investors who invest for a period different than one trading day may vary significantly from the fund's stated goal as well as the target benchmark's performance. This is especially true in very volatile markets or if a leveraged fund is tracking a very volatile underlying index.

- **Higher Operating Expenses and Fees**: Investors should be aware that enhanced market strategy funds and ETFs typically rebalance their portfolios on a daily basis in order to compensate for anticipated changes in overall market conditions. This rebalancing can result in frequent trading and increased portfolio turnover. Leveraged and inverse funds will therefore generally have higher operating expenses and investment management fees than other funds and ETFs.

- **Tax Treatment of Leveraged and Inverse Funds and ETFs May Vary**: In some cases, enhanced market strategy and inverse funds and ETFs may generate their returns through the use of derivative instruments. Because derivatives are taxed differently from equity or fixed-income securities, investors should be aware that these funds may not have the same tax efficiencies as other funds.

Your M. Brown advisor will be able to advise you on the risks associated with this strategy, so please discuss the use of this strategy with your M. Brown advisor.

Portfolio Activity. M. Brown has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, M. Brown will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when M. Brown determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by M. Brown will be profitable or equal any specific performance level(s). Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity.

Margin Accounts: Risks/Conflict of Interest. M. Brown does not recommend the use of margin for investment purposes, but may allow its use upon the client's request. A margin account is a brokerage account that allows investors to borrow money to buy securities. By using borrowed funds, the customer is employing leverage that will magnify both account gains and losses. The custodian charges the investor interest for the right to borrow money and uses the securities as collateral, but does not share that revenue with M. Brown or its advisors. Should a client determine to use margin, M. Brown does not include the entire market value of the margined assets when computing its advisory fee. Accordingly, M. Brown's fee is not based upon a higher margined account value, resulting in the M. Brown earning a correspondingly higher advisory fee. As a result, there is no potential conflict of interest since M. Brown has no economic disincentive to recommend that the client terminate the use of margin. If you have any questions regarding the use of margins or its associated fees, please discuss this with your M. Brown advisor. M. Brown's Chief Compliance Officer is also available to address any questions that a client or prospective client may have regarding the use of margin.

M. Brown shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, M. Brown's investment adviser representative will ascertain each client's investment objective(s). Thereafter, M. Brown and its representative shall allocate and/or

recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on M. Brown's services.

M. Brown offers a Wrap Fee Programs to serve Clients who want to have the costs of custody, trading and investment advice combined into one single fee. Accounts available through the wrap fee programs are not managed differently from accounts managed in non-wrap programs to the extent the same or similar investment strategy is available from the same Advisor.

Advisory Services in General. For each program discussed above, our investment recommendations may include advice regarding the following securities:

- Exchange-listed securities
- Securities traded in the over-the-counter markets
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Other alternative investments
-

Because some types of investments involve certain additional degrees of risk, they will only be recommended and/or implemented if and only if they are consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Assets Under Advisement:

As of December 31 2020, M. Brown had $232,172,046 in assets under advisement/sub-advisement on a discretionary basis.

Item 5: Fees and Compensation

Investment Management and Advisory Services:

Clients can engage M. Brown and its advisors to provide active discretionary investment management services or retirement plan consulting services on a negotiable *fee* basis. M. Brown's annual investment advisory fee shall generally be based upon a percentage (%) of the market value and type of assets placed under the M. Brown's management and generally, in accordance with the following fee schedule:

Assets Under Management or Assets Under Advisement	Maximum Fee Rate

$0.00 to $250,000.99	2.50%
$250,001 to $500,000.99	2.25%
$500,001 to $1,000,000.99	2.00%
$1,000,001 and above	1.75%

Please Note that the fee schedule set forth above is the maximum fee charged for each tier. M. Brown and its advisors will have discretion to charge less than the maximum fee rate. For example, M. Brown and its advisors have a policy to provide a 10 basis point discount (0.10%) to any Client who has been a client of an advisor who was affiliated with M. Brown or M. Brown's previous registered investment advisor for three (3) years or more. Please consult with M. Brown or its advisor on the specific fees that will be charged for your account.

M. Brown's monthly investment advisory fee shall be paid monthly, in advance, based upon the market value of the assets on the last business day of the previous month. M. Brown, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its annual minimum fee requirement, if any, based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). The applicable form of agreement between M. Brown and the client will continue in effect until terminated by either party by written notice in accordance with the terms of such agreement. Upon termination, M. Brown shall credit the account for the pro-rated portion of the pre-paid advisory fee based upon the number of days that services were provided during the billing period.

Clients are generally required to have M. Brown's advisory fees deducted from their custodial account. The applicable form of client agreement and the custodial/clearing agreement may authorize the custodian to calculate and debit the account for the amount of the M. Brown's investment advisory fee and to directly remit that management fee to M. Brown in compliance with regulatory procedures. In the limited event that M. Brown bills the client directly, payment is due upon receipt of the M. Brown's invoice. If the Client directs the Custodian to deduct the fees, the Custodian shall deduct fees and/or bill the clients monthly in advance, based upon the market value of the assets on the last business day of the previous month. With respect to certain non-discretionary retirement plans, M. Brown may be required by the plan custodian or plan recordkeeper to deduct fees or bill clients monthly or quarterly, in arrears or in advance, (as set forth in the advisory agreement) based upon the average daily balance of plan assets during the previous quarter or month.

Fee Dispersion: M. Brown's investment advisory fee schedules are negotiable at M. Brown's discretion, depending upon objective and subjective factors, including, but not limited to: the amount of assets to be managed; portfolio composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the service(s); prior relationships with the M. Brown and/or its representatives, and negotiations with the client. Certain legacy clients may have accepted different pre-existing service offerings from M. Brown's previous registered investment advisor and may therefore receive services under different fee schedules than as set forth above. As a result of these factors, similarly-situated clients could pay different fees. The services to be provided by the M. Brown and its advisors to any particular client could be available from other advisors at lower fees, and certain clients may have fees different than those specifically set forth above. If you have any questions regarding fees, please discuss this with your M. Brown advisor or, if you wish, you may address any questions regarding the above fee determination to M. Brown's Chief Compliance Officer.

RETIREMENT PLAN CONSULTING SERVICES

Fees for retirement plan services may be based on a percentage of plan assets, an hourly rate or a specified flat fee as set forth in the investment advisory agreement for such service. The fees may be paid by the retirement plan record keeper directly from plan assets, accounts or investments. Alternatively, fees for retirement plan services may be billed to the plan sponsor.
M. Brown's fees for non-discretionary retirement plan consulting services are set forth in the terms and conditions of a Retirement Plan Services Agreement between M. Brown and the plan sponsor. M. Brown's retirement plan consulting fees may vary based on benchmark data reflecting industry norms for similar sized plans receiving similar services.

M. Brown's Custodial Broker. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the M. Brown shall generally recommend a custodial broker (currently, it is recommending the survivor of the Charles Schwab and TD Ameritrade combination) to serve as the broker-dealer/custodian for client investment management assets. The selected Custodian Broker will hereinafter be referred to as the Custodian Broker. Generally, the Custodial Broker will charge transaction, wrap fees, or ticket/trade fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds and fixed income securities transactions). In addition to M. Brown's investment management fee and brokerage transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom M. Brown and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC-registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade away" fee charged by the Custodial Broker).

Securities Commission Transactions. In the event that the client desires, the client can engage M. Brown's advisors, in their individual capacities, as registered representatives of Ausdal Financial Partners, Inc. a FINRA member broker dealer ("Ausdal"), to implement investment recommendations on a commission basis in a non-advisory account. In the event the client chooses to purchase investment products through Ausdal in a brokerage account, Ausdal will charge brokerage commissions to effect securities transactions, a portion of which commissions Ausdal shall pay to M. Brown's advisors, acting in their capacity as registered representatives, and not in their capacity as investment advisors or investment advisor representatives. The brokerage commissions charged by Ausdal may be higher or lower than those charged by other broker-dealers. In addition, Ausdal, as well as M. Brown's, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

Conflict of Interest: The recommendation that a client purchase a commission product from Ausdal presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from M. Brown's representatives. If you have any questions regarding this or other conflicts of interest, please consult with your advisor or, if you like, you can contact M. Brown's Chief Compliance Officer to discuss this and other conflicts of interest. You should also note that Clients are able to purchase investment products recommended by M. Brown through other, non-affiliated broker dealers or agents.

On occasion, M. Brown advisors may recommend products that are only available through Ausdal Financial Partners, Inc. Clients are not obligated to purchase such products and may advise M. Brown to select other investments for their advisory portfolio. However, if the client desires to include such products in their advisory portfolio, M. Brown's advisors may sell such investment product on a commission basis in his or her capacity as a registered representative of Ausdal. If M. Brown's advisors receive such commissions in their capacity as registered representatives of Ausdal Financial Partners, Inc., M. Brown will not charge an advisory fee in addition to the commissions paid by the clients to the registered representatives for such product. When providing services on an advisory fee basis, M. Brown's advisors do not also receive commission compensation for such advisory services. However, a client may engage the M. Brown to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from the M. Brown's advisor acting in his, her capacity as a registered representative on a separate commission basis.

General Information:

Termination of the Advisory Relationship

A client agreement with M. Brown's registered investment advisory firm may be canceled at any time, by either party, for any reason pursuant to the terms of the agreement, which generally provides for advance written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. Generally, the unearned fees are calculated on a pro rata basis according to the number of days remaining in the billing period.

Early termination fees may apply to certain investment programs managed by third-party money managers in the Co-Advisory Program or the Solicitors Program when the account is closed within a specified time frame as set forth in the investment advisory agreement. These early termination fees are also identified in the investment advisory agreement the clients entered into with the third-party money manager and may also be disclosed in the third-party money manager's Form ADV, which is provided to the clients.

Mutual Fund Fees

Please note the comments regarding mutual fund fees in the section above under Item 4, *Use of Mutual Funds and Exchange Traded Funds.* As stated above, all fees paid to M. Brown for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders (collectively referred to hereinafter as "mutual fund fees"). Clients should note that many mutual funds have different share classes, with some share classes paying a distribution fee or a service fee to broker-dealers (a "12b-1 fee") and others that do not. These mutual fund fees and expenses, including those assessed by different mutual fund share classes, are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. M. Brown will generally not recommend a share class that pays a 12b-1 fee to its broker-dealer when there is another share class with similar characteristics that does not pay a 12b-1 fee to the broker-dealer. However, in situations where the only share class that is available is a share class that pays a 12b-1 fee, M. Brown and its advisors will disclose the fee to the clients and recommend that share class if that share class is in the best interest of the client.

A client could invest in a mutual fund directly, without our services or the services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. The client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Various vendors, product providers, distributors and others may provide non-monetary compensation by providing training, education and publications that may further M. Brown's employees' skills and knowledge. Some vendors may occasionally provide M. Brown with gifts, meals and entertainment of reasonable value consistent with industry rules and regulations. M. Brown may, in accordance with its compliance policies, accept lodging or travel expenses from third parties or third-party payment of its conference fee costs or fees to attain professional designations. The existence of these gifts, meals and entertainment provided by these vendors and others, which are consistent with industry rules and regulations and M. Brown's Code of Ethics, may create a conflict of interest that could influence M. Brown and its advisors to use these vendors that may have higher costs or less favorable services than other suitable alternatives which do not provide equivalent compensation to M. Brown or its advisors.

Advisory Fees in General

Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees

Under no circumstances do we require or solicit payment of fees in excess of $500 more than six months in advance of services rendered, unless federal statutes preempt the state blue sky laws. In that case, we will not require or solicit payment of fees in excess of $1200 more than six months in advance of services rendered.

Compensation

Certain M. Brown advisors are registered representative of the Ausdal Financial Partners; Inc. Accordingly, these advisors will receive some or all of the fees, ticket charges and/or the advisory service fee. M.Brown will share the compensation its advisors received as registered representatives with M Brown according to the agreement between the representative and M. Brown. While M. Brown will recommend the best program for its clients, it is possible that the amount of compensation received, directly or indirectly, by M. Brown and its representatives, as a result of recommending a wrap fee program, a Co-Advisory Program, a Solicitors Program or any other program, may be more than the amount of compensation M. Brown and its IARs would receive if they recommended another investment program.

Unless specifically excluded by the terms of the investment advisory agreement, account balances in the money market funds are included as part of the account. Consequently, any asset-based fees owed under the investment advisory agreement will be based, in part, on the balances in these investments. In addition, the custodian may serve as adviser, distributor, or administrator to the money market funds and receive compensation for those services. The money market funds may also pay shareholder servicing, shareholder communication, sub-accounting, and 12b-1 fees and charges to the custodian, as well as fees for the execution of purchases of fund shares, or for trade clearance, settlement, custodial or other functions ancillary thereto. These fees and charges are expenses of the money market funds, which the client will bear, indirectly, as a fund shareholder.

M. Brown's broker-dealer and the custodian are permitted to route client orders for over-the-counter and listed equity securities to selected market makers or market centers for execution. While they have an obligation to provide best execution services to the client, the client should note that both entities may receive compensation in the form of a per-share cash payment for directing order flow to these market makers or market centers.

General Fee Practices

Transactions that have not settled prior to the last trading day of a calendar quarter may be included in either the current or the following calendar quarter, as determined by M. Brown pursuant to its policies, procedures and practices. Fees are not charged on the basis of all or some of the funds of a share of capital gains or capital appreciation of an advisory client. Unless otherwise provided in the investment advisory agreement, M. Brown will calculate fees on the basis of a 365-day year so that the amount payable each quarter will be based on the actual number of calendar days in that quarter. If a client terminates their account prior to the end of any quarter, they will receive a pro-rated refund, if any, of advisory fees paid in advance.

Unless otherwise limited by the custodian or a separate account program, and subject to usual and customary securities settlement procedures, a client may make additions or withdrawals from their account at any time. Clients should understand that additions to or withdrawals from certain accounts may affect the fees for the accounts as the fees are calculated based upon the assets under management. Clients are advised to discuss how additions or withdrawals may affect the calculation of the assets under management with their M. Brown advisor. Additions and withdraws from certain accounts may also create a tax liability which should be discussed with a qualified tax professional. No fee adjustment will be made for appreciation or depreciation in the value of any account during the fee calculation period. No refund or other adjustment of a fee already paid will be made as a result of a decline in value of the account (whether due to market losses or withdrawals). In the event the investment advisory agreement is terminated within five days after its initial execution, all advisory fees will be refunded pursuant to the terms in the investment advisory agreement.

The client should note that by signing an investment advisory agreement, they have directed the custodian to pay the advisory fee as instructed by M. Brown on a scheduled basis without any additional prior notice. All account assets, transactions, and advisory fees will be shown on the monthly or quarterly statements provided by the custodian.

Conflicts of Interest

As previously stated, some M. Brown advisors are also registered representatives of M. Brown's broker-dealer. As a result, all programs offered by its advisors are conducted through M. Brown's broker-dealer's

programs. Although M. Brown and its advisors will recommend the best program for their clients, it is possible that the compensation received, directly or indirectly, by M. Brown or its advisors for recommending a program may be more than the compensation M. Brown or its advisors would receive if they recommended another program.

Some M. Brown advisors are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. As stated above, clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations, but should note that the M Brown advisors may be recommending products or services in which they may receive additional compensation. While the implementation of any or all recommendations is solely at the discretion of the client, clients should be aware that there may be other insurance products that are offered by other insurance agents at a lesser cost than those recommended by the M. Brown advisor in his or her capacity as an independent insurance agent.

Consequently, M. Brown and its representatives may have a financial incentive to recommend a wrap-fee program over other programs or services that might meet the needs of their clients at a lower cost (such as, mutual funds, ETFs, or fee plus commission arrangements).

Please note that the amounts charged to the client's account for services, fees, expenses, or costs that M. Brown has performed, incurred, advanced, or paid on the client's behalf (whether or not billed to the client, the account, or M. Brown) will include a reasonable profit, unless prohibited under the investment advisory agreement or applicable laws, regulations, or rules. The existence of this profit may create a conflict of interest that could influence M. Brown to recommend opening or maintaining accounts that may have higher costs or less favorable services than other suitable alternatives which do not provide equivalent compensation to M. Brown or its representatives.

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

Performance-based fees are fees in which representatives are compensated based on a share in capital gains or capital appreciation of assets in a client account.
Neither M. Brown nor any supervised person of M. Brown accepts performance-based fees.

Item 7. Types of Clients

M. Brown serves as the sub-advisor to certain Ausdal Financial Partners. Clients. As mentioned earlier, M. Brown may also have non-Ausdal clients. The M. Brown, in its sole discretion, may charge a lesser investment management fee and/or reduce or waive its aggregate account minimum based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

Please Note: Clients may be subject to an annual minimum fee. Advisory accounts generally have an initial account minimum of $25,000. Advisory clients are subject to M. Brown's minimum account requirements and advisory fees which were in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements may differ among clients, depending upon when the clients entered into an advisory agreement with M. Brown.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis:

M. Brown advisors may use one or more the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting - In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis - (analysis performed on historical and present data, with the goal of making financial forecasts). We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis - (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices).
We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices). In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security price or earnings per share and predict changes to that data. A risk in using cyclical analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis - We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement and predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation - Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis - We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in

another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for All Forms of Analysis - Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Investment Strategies:

We use the following strategy or strategies in managing client accounts, provided that such strategy or strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance and time horizons. In certain strategies, increased brokerage and/or trading costs may affect investment returns.

Long Term Purchases (securities held at least a year)

We purchase securities with the intent of holding them in the client's account for a year or longer. Typically, we employ this strategy when (i) we believe the securities to be currently undervalued, and/or (ii) we want exposure to a particular asset class over time, regardless of the current projection for this class or (iii) the yield (income) of the investment is attractive and consistent with the investment objectives of our client. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell. Finally, a security may, at any time and without prior notice, decrease/suspend/terminate its payment of dividends, coupon payments, or return on capital, thereby decreasing the yield of stated investment.

Short Term Purchases (securities sold within a year)

When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. A risk inherent in short-term purchase strategy is that if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Options

We may use options as an investment strategy. Certain standardized options issued by the Options Clearing Corporation are securities, regulated by the SEC. An option is also considered a "derivative" because it derives its value from an underlying asset. The two types of options are calls and puts:

- A call gives the holder (the buyer of the call) the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will

increase substantially before the option expires.

- A put gives the holder (the buyer of the put) the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for a client's portfolio. We use "covered calls", in which we sell an option on a security the client owns. In this strategy, the client receives a premium for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price. We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that the client buys and a call option that the client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

M. Brown's method of analysis and investment strategy does not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis, M. Brown must have access to current/new market information. M. Brown has no control over the dissemination rate of market information; therefore, unbeknownst to M. Brown, certain analyses may be compiled with outdated market information, severely limiting the value of M. Brown's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

M. Brown's investment strategies, including Long-Term Purchases and Short-Term Purchases, are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy.

M. Brown may practice tactical asset allocation and mainly recommends investment in diversified investment vehicles such as mutual funds and exchange traded funds. M. Brown strives to reduce investment risk through diversification while pursuing a desired rate of return range by spreading an individual's investments over a number of asset classes with different risk and return characteristics. These asset classes include, but are not limited to, large-cap stocks, mid-cap stocks, small-cap stocks, foreign stocks, emerging market stocks, corporate bonds, bond funds, exchange traded notes, municipal bonds, government bonds, commodities, and money market instruments.

Client Objectives:

All portfolios are comparable to certain benchmark indexes. Our portfolios offer seven allocation objectives: Income, Conservative, Moderately Conservative, Moderate, Moderate Growth and Income, Growth, and Aggressive Growth. M. Brown will allocate the client's assets, consistent with the client's stated investment objective, in one of these seven allocation models.

PAM and IMPACT investment portfolios have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs

with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to M. Brown's management of client assets:

1. Initial Interview – at the opening of the account, M. Brown, through its designated representatives, will obtain from the client information sufficient to determine the client's financial situation and investment objectives;

2. Individual Treatment – the account is managed on the basis of the client's financial situation and investment objectives;

3. Ability to Impose Restrictions – the client will have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct M. Brown and its advisors not to purchase certain mutual funds.

4. No Pooling – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;

5. Separate Account – a separate account is maintained for the client with the Custodian; and

6. Ownership – each client retains indicia of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

M. Brown believes that its annual investment management fee is reasonable in relation to (i) the advisory services provided under the Investment Advisory Agreement; and (ii) the fees charged by other investment advisers offering similar services/programs. However, M. Brown's annual investment management fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to M. Brown's annual investment management fee, the client will also incur charges imposed directly at the mutual and exchange traded fund level (e.g., management fees and other fund expenses).

Please Note: M. Brown's investment programs may involve above-average portfolio turnover which could negatively impact the net after-tax gain experienced by an individual client in a taxable account.

Participants may select from one of the following seven allocation objectives:

Income: This investment structure is intended to preserve capital and generate a stable level of income, which may be reinvested. Capital appreciation is acceptable, although it is not the primary objective. A low level of principal fluctuation is possible and acceptable. The portfolio may consist of a determined allocation among equities, fixed income, and cash, with a primary emphasis on fixed income.

Conservative: This investment structure is intended to generate a stable level of income which may be reinvested, with capital appreciation as a secondary objective. A modest level of principal fluctuation is expected and acceptable in this investment structure, which may consist of a determined allocation among equities, fixed income, and cash, with a primary emphasis on fixed income.

Moderately Conservative: This investment structure is intended to generate a stable level of income, which may be reinvested, and also some future capital appreciation. Some principal fluctuation is expected

and acceptable. An intended investment time horizon is at least five years or more. Under this investment structure, the typically determined allocation may consist of equities, fixed income, and cash.

Moderate: This investment structure is intended to generate both current income and future capital appreciation. Principal risk and fluctuation are expected and acceptable. An intended investment time horizon is more than five years. Under this investment structure, the typically determined allocations may consist of equities, fixed income, and cash.

Moderate Growth & Income: This investment structure is intended for future capital appreciation and to generate some income. Some principal risk and fluctuation are expected and acceptable. A long-term investment time horizon which is, typically, more than five years. Under this investment structure, the typically determined allocations may consist of equities, fixed income, and cash, with a primary emphasis on equities.

Growth: This investment structure is intended to generate future capital appreciation, with the generation of current income being a secondary objective. Principal risk and fluctuation are expected and acceptable. A long-term investment time horizon which is, typically, more than five years. Under this investment structure, the typically determined allocations may consist of equities, fixed income, and cash, with a primary emphasis on equities.

Aggressive Growth: This investment structure is intended to generate future capital appreciation. Principal risk and fluctuation are expected and acceptable. A long-term time horizon which is, typically, more than five years. Under this investment structure, the typically determined allocations may consist of equities, fixed income, and cash, with a primary emphasis on equities.

Risk of Loss: Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal. Most securities investments are not guaranteed and the client may lose money on their investments. We ask that the client work with us to help us understand the client's tolerance for risk.

Item 9. Disciplinary Information

M. Brown has not been the subject of any disciplinary action.

Item 10. Other Financial Industry Activities and Affiliations

Neither M. Brown, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Registered Representatives of Ausdal. As disclosed above in Item 5. above, M. Brown's Principal and certain representatives are also registered representatives of Ausdal, a FINRA member broker-dealer. Clients can choose to engage M. Brown's Principal and/or its advisors, in their individual capacities, to effect securities brokerage transactions on a commission basis.

Investment Adviser Representative of Ausdal. As disclosed above in Item 5 above, M. Brown's Principal and certain representatives are also investment adviser representatives of Ausdal, a SEC registered investment adviser. As mentioned in various portions of this document, M. Brown is responsible for the management of investable assets and Ausdal is responsible for the client relationship.

Licensed Insurance Agents. Certain of M. Brown's representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4. above, clients can engage certain of M. Brown's representatives to effect insurance transactions on a commission basis.

Sub-Advisory Service. M. Brown may provide sub-advisory services for other registered investment advisors and utilize M. Brown advisors to perform investment advisory services for clients of other registered investment adviser. In its performance of such services, M. Brown will utilize its PAM portfolio, its IMPACT Portfolio or any one or more of the strategies discussed in the Brochure. When performing such services as a sub-advisor to a registered investment advisor, we agree to perform any such services to the clients of the registered investment advisor, as a fiduciary and will act in good faith and with the degree of diligence, care and skill that a prudent person rendering similar services would exercise under similar circumstances.

Other Information Regarding Conflicts of Interest:

The recommendation by M. Brown or its related persons that a client purchase securities products on a commission basis presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from M. Brown's related persons. Clients are reminded that they may purchase securities and insurance products recommended by M. Brown through other, non-related broker-dealers and/or insurance agents. M. Brown's Chief Compliance Officer is available to address any questions that a client or prospective may have regarding the above conflicts of interest.

M. Brown's Principal and certain representatives are also investment adviser representatives of Ausdal, a SEC registered investment adviser. As mentioned in various portions of this document, M. Brown is responsible for the management of investable assets and Ausdal is responsible for the client relationship. Although, clients do not pay any higher fees when representatives are registered with two RIAs, this relationship may cause a conflict of interest in certain circumstances.

Clients should be aware that the receipt of additional compensation by M. Brown 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. M. Brown 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:

- M. Brown has adopted and strictly adheres to a Code of Ethics, wherein, among other things, we mandate that our representatives put their clients' interests first at all times.

- We disclose to clients the existence of all 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 advise our clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies as that decision is entirely at their discretion;

- 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 periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm;

- 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; and

- We conduct initial and periodic due diligence on the selected investment advisers to establish that the advisers are suitable to recommend to our clients.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We have adopted a Code of Ethics expressing our commitment to ethical conduct. Our Code of Ethics describes our fiduciary responsibilities to our Clients, and our procedures in supervising the personal securities transactions of our supervised persons who have access to information regarding Client recommendations or transactions ("access persons").

A copy of our Code of Ethics is available to our Clients and prospective Clients. You may request our Code of Ethics by calling us at (800) 722-8732.

We owe a duty of loyalty, fairness, and good faith towards our Clients and have an obligation to adhere not only to the specific provisions of the Code of Ethics but also to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of our access persons' quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by M. Brown's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code also provides for oversight, enforcement, and recordkeeping provisions. Our Chief Compliance Officer may grant exceptions to certain provisions contained in the Code where we reasonably believe the interests of our Clients will not be materially adversely affected or compromised. Doubts arising in connection with personal securities trading should be resolved in favor of the Client even at the personal expense of our employees.

Our Code of Ethics prohibits the misuse of material non-public information. While we do not believe that we have any particular access to material non-public information regarding publicly traded companies that would be subject to misuse, all employees are reminded that any such information may not be used in a personal or professional capacity.

M. Brown and its principals, officers, affiliates, employees and Advisors may act as investment adviser for others, may manage funds or capital for others, may have, make and maintain investments in its or their own names, or may serve as an officer, director, consultant, partner or stockholder of one or more

investment partnerships or other businesses, subject to compliance with M. Brown's Code of Ethics. In doing so, M. Brown or such persons may give advice, take action, and refrain from taking action, any of which may differ from advice given, action taken or not, or the timing of any action, for any particular Client. Neither M. Brown nor any Advisor has any obligation to purchase or sell, or to recommend for purchase or sale, any security which M. Brown or any principal, officer, employee or Advisor purchases or sells for his own account or for the accounts of other Clients, unless such conduct is a fiduciary obligation.

Confidentiality Of Client Information.

Protecting the confidentiality of our customers' nonpublic information is paramount for M. Brown. As such, we have instituted policies and procedures to ensure that nonpublic customer information is kept confidential. We do not disclose nonpublic personal information about our Clients or former Clients to any non-affiliated third parties, except as provided pursuant to our privacy policies or as required by or permitted by law.

In the course of servicing a Client's account, M. Brown may share Client information with service providers, such as Sponsors, Managers, Custodians, transfer agents, accountants, and attorneys. M. Brown will share information about the Client, the Client's account, and account activity.

Item 12. Brokerage Practices

A. Factors Used to Select Custodian and/or Broker/Dealers

In the event that the client requests that M. Brown recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct M. Brown to use a specific broker-dealer/custodian), M. Brown generally recommends that investment management accounts be maintained with its custodian, which currently is the entity formed by the combination of *Charles Schwab* and *TD Ameritrade* (M. Brown's "Custodian"). Prior to engaging M. Brown to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with M. Brown setting forth the terms and conditions under which M. Brown shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that M. Brown considers in recommending its current Custodian (or any other broker-dealer/custodian to its clients) include the historical relationship the Custodian has with M. Brown (or its predecessor advisory firms), the financial strength, reputation, execution capabilities, pricing, research, and services provided by the Custodian. Although the commissions and/or transaction fees paid by M. Brown's clients shall comply with M. Brown's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction even if M. Brown determines, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although M. Brown will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, M. Brown's investment management fee. M. Brown's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Some of the advisory programs offered by M. Brown contains fees that are similar to the fees charged to a

traditional brokerage account. In those programs, M. Brown has established a fee for items such as "postage fees", "ticket charges" and other miscellaneous fees. These fees are established by M. Brown and do not necessarily reflect the fees that M. Brown is charged for similar services by its custodian or other third party service providers.

Support Products and Services

The Custodial Broker may provide M. Brown with access to their institutional trading and custody services, which are typically not available to retail investors. These services are generally available to independent investment advisers on an unsolicited basis. Some of the services provided by the Custodial Broker also include brokerage, custody, research and access to certain mutual funds and other investments that may not otherwise be available to non-institutional investors or would require a significantly higher minimum initial investment.

The Custodial Broker may also make available to M. Brown other products and services that benefit M. Brown but may not benefit our clients' accounts. Some of these other products and services may assist M. Brown in managing and administering clients' accounts. These may include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitation of trade execution (and allocation of aggregated trade orders for multiple client accounts), providing research pricing information and other market data and assisting with back-office functions, recordkeeping and client reporting. Many of these services may be used to service all or a substantial number of M. Brown's accounts, including accounts not maintained at the Custodial Broker providing the services. The Custodial Broker may also make available to M. Brown other services intended to help M. Brown manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, the Custodial Broker may make available, arrange and/or pay for these types of services rendered to M. Brown by other independent third parties. As such, M. Brown has an incentive to select or recommend a Custodial Broker based on its interest in receiving the research or other products or services, rather than on the clients' interest in receiving most favorable execution. While as a fiduciary, M. Brown endeavors to act in our clients' best interests, M. Brown's requirement that clients maintain their assets in accounts at the Custodial Broker may be based in part on the benefit to M. Brown of the availability of some of the foregoing products and services.

In addition, due to the fact that M. Brown does not directly pay for these services, including any research received, it may be construed as receipt of an economic benefit by M. Brown and therefore, a conflict of interest exists between M. Brown and the client.

B. Research and Other Non-Soft-Dollar Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, M. Brown may receive from the entity that is formed after the corporate combination of *Charles Schwab* and *TD Ameritrade* (or another broker-dealer/custodian, investment platform, unaffiliated investment manager, vendor, and/or mutual fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist the M. Brown to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by M. Brown may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by M. Brown in furtherance of its investment

advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist M. Brown in managing and administering client accounts. Others do not directly provide such assistance, but rather assist M. Brown to manage and further develop its business enterprise.

M. Brown's clients do not pay more for investment transactions effected and/or assets maintained at its Custodian as a result of this arrangement. There is no corresponding commitment made by the M. Brown to the Custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement. M. Brown's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

Services that Benefit the Client

Ausdal Financial Partners Inc. and/or M. Brown's Custodian (which is currently the entity formed by the combination of Charles Schwab and TD Ameritrade's institutional brokerage services) include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through the Custodian include some services to which M. Brown might not otherwise have access or that would require a significantly higher minimum initial investment by its clients. The current Custodian's services described in this paragraph generally benefit clients' account.

Services that May Not Directly Benefit the Client

Ausdal Financial Partners Inc and/or M. Brown's Custodian (which is currently the entity formed by the combination of Charles Schwab and TD Ameritrade's institutional brokerage services) also makes available to us other products and services that benefit M. Brown but may not directly benefit the client or the clients' account. These products and services assist M. Brown in managing and administering M. Brown's clients' accounts. They include investment research, both those of the current Custodian and that of third parties. M. Brown may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at the Custodian. In addition to investment research, the current Custodian also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Ausdal Financial Partners Inc and/or the current Custodian's Monetary Assistance:

The current Custodian and/or Ausdal Financial Partners may also offer to provide monetary assistance to

M. Brown. There is no asset commitment relative to the current Custodian's custodial platform and this arrangement.

Services that Generally Benefit Only M. Brown

Ausdal Financial Partners Inc and/or the current Custodian also offers other services intended to help us manage and further develop M. Brown's business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Ausdal Financial Partners Inc and/or our current Custodian may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to M. Brown. The current Custodian may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. The current Custodian may also provide M. Brown with other benefits such as occasional business entertainment of our personnel.

M. Brown believes, however, that when its recommendation of the current Custodian as custodian and broker is in the best interests of its clients and that the decision to use the current Custodian is supported by the scope, quality and price of the current Custodian's services. Thus, the potential for conflicts of interest is mitigated by M/ Brown's decision making process and the rationale used to make the decision.

M. Brown does not receive referrals from broker-dealers.

C. Aggregating and Allocation of Transactions

For certain Programs, the Advisory Agreement authorizes, but does not require, M. Brown to aggregate orders of more than one Client for the same security into "block trades." Proprietary accounts of our firm or its supervised persons (employees) may participate in block orders on the same basis as Clients. For certain types of investors and accounts, the ability to have their orders aggregated into a "block order" with other Clients can offer economic benefits, including the potential for volume discounts on their orders, potentially timelier execution, a potential reduction of adverse market effects that can occur from separate, competing orders, and mutual sharing of transaction costs. For accounts that purchase individual securities, such as stocks or bonds, the broker may be able to negotiate price improvements for block orders. Block orders are typically placed through an "average price account" or similar account such that transactions for accounts participating in the order are averaged as to price (which will be NAV for all mutual fund securities), and the securities purchased or net proceeds received are allocated pro rata among the accounts in proportion to their respective orders placed that trading day. Typically, partial fills will be allocated among accounts in proportion to the total orders participating in the block, unless we determine that another method of allocation is equitable (such as an alphabetical rotation, rotation based on the Clients of a particular Advisor, or other method). Exceptions may be granted or allowed due to varying cash availability, divergent investment objectives, existing concentrations, tax considerations, investment restrictions, or a desire to avoid "odd lots" (an amount of a security that is less than the normal unit of trading for that security). Because M. BROWN

manages more than one client account, there may be a conflict of interest related to the allocation of investment opportunities among all accounts managed by M. Brown. M. Brown may give advice and take action with respect to any of our clients that may differ from advice given or the timing or nature of action taken with respect to any other client based upon individual client circumstances. It is M. Brown's policy, to the greatest extent practicable, to allocate investment opportunities over a period of time on a fair and equitable basis relative to all clients. M. Brown is not obligated to acquire for any client account any security that it or its owners, officers, employees or affiliated persons may acquire for their own accounts or for the account of any other client, if in the discretion of the portfolio managers, based upon the client's financial condition and investment objectives and guidelines, it is not practical or desirable to acquire a position in such security for that account.

D. Trade Error Policies

When effecting trades to implement the investment decisions we make on your behalf, we may make an error while placing a trade. If we make an error, we will bear the costs of correcting the trade. Trade errors that result in a benefit to the client (for example, failed to sell a security in a timely manner, security price subsequently increases and then the position is sold, resulting in more gain for the client) are generally left in the client's account. For errors that cannot be moved out of a Client's account and create a loss, the Client will be credited the dollar amount needed to make the Client whole. Where multiple transactions are involved, gains and losses resulting from the trade correction process may be netted in determining the dollar amount to make the Client whole. However, M. Brown works with several different custodians that handle trade errors in different ways according to their own policies and procedures. Therefore, trade errors that result in a gain can be handled one or more of the following ways:

- Trade errors that result in a gain will be credited to the client's account;

- Trade errors that result in a gain are donated to charity;
- Trade errors resulting in a gains that are considered nominal (i.e. $100 or less) are written off by the custodian; and

- Trade errors that occur on the same day or during the same quarter may be netted, resulting in gains offsetting losses.

Offsetting of trade error gains presents a conflict of interest as M. Brown has an incentive to transact to produce trade errors that result in a gain to offset the trade errors that result in a loss. However, all net gains are ultimately donated to charity and not retained by M. Brown. "Soft dollars" may not be used to pay for correcting trade errors. The handling of errors is one of the qualitative factors that is reviewed by M. Brown as part of the best execution review.

Item 13. Client Referrals and Other Compensation

As referenced above, M. Brown receives economic benefits from its current Custodian (the entity formed by the corporate combination of Charles Schwab and TD Ameritrade) including support services and/or products without cost or at a discount. M. Brown’s clients do not pay more for investment transactions effected and/or assets maintained at M. Brown’s current Custodian as a result of this arrangement. There is no corresponding commitment made by the M. Brown to the current Custodian or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

M. Brown's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest created by such arrangement.

M. Brown does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

Item 14. Custody

M. Brown shall have the ability to have its advisory fee for each client debited by the custodian on a monthly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. M. Brown may also provide a written periodic report summarizing account activity and performance.

Because the custodian calculates the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.
When performing retirement plan services, custody of all retirement plan assets will be maintained with a third-party custodian, and the retirement plan recordkeeping will be provided by a third-party recordkeeper selected by the Sponsor.

Our firm does not have actual or constructive custody of client accounts.

Item 15. Investment Discretion

The client can determine to engage M. Brown to provide investment advisory services on a discretionary basis. Prior to M. Brown assuming discretionary authority over a client's account, client shall be required to execute an *Investment Advisory Agreement*, naming M. Brown as client's attorney and agent in fact, granting M. Brown full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage M. Brown on a discretionary basis may, at any time, impose restrictions, in writing, on the M. Brown's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the M. Brown's use of margin, etc.).

Clients may limit this authority by giving us written instructions. Clients may also change or amend such limitations by once again providing us with written instructions.

Item 16. Voting Client Securities

M. Brown does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact M.

Brown to discuss any questions they may have with a particular solicitation.

Item 17. Financial Information

M. Brown does not solicit fees six months or more in advance.

M. Brown is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

M. Brown has not been the subject of a bankruptcy petition.