Thrive Capital Management

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FORM ADV PART 2A
DISCLOSURE BROCHURE

This brochure provides information about the qualifications and business practices of Thrive Capital Management, LLC. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 800-516-5861. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, or by any state securities authority.

Additional information about Thrive Capital Management, LLC (CRD #281347) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The Material Changes section of this brochure is updated annually or when material change occurs since the previous release of the Firm Brochure.

Changes / Material Changes since the Last Update

Since the last annual filing in March 2023, the following changes have occurred at Thrive Capital Management (“Thrive” or “TCM”):

- In Item 5: Fees and Compensation, Thrive clarified that fees will be assessed on total assets under management including cash and cash equivalents.

- In Item10: Thrive has expanded the disclosure of its affiliated company, Thrive Financial Services and Thrive Insurance Group (“TFS” and “TIG” respectively). Thrive has provided details regarding the conflict employees may have in their dual capacity as an investment advisor representative and insurance agent.

- In Item 12: Brokerage Practices, Thrive discloses an update to their preferred custodians from TD Ameritrade to Charles Schwab.

Additional changes were made throughout for language consistency and clarification.

Item 3: Table of Contents

Item 4: Advisory Business

Firm Description

Thrive Capital Management, LLC, ("Thrive") is a fee-based investment management and financial planning firm founded in 2015. Thrive is wholly owned by Thrive Holdings, LLC, which represents the interests of the firm's managing partners Bret Elam, David Bezar and Karen Bezar. Investment Advisor Representatives ("IARs") of the firm may be dual employees of Thrive and its affiliated entity that sells insurance products.

Thrive advises its clients regarding cash flow, retirement planning, tax planning and estate planning. An evaluation of each client's initial financial situation is conducted by Thrive. Thrive monitors clients' accounts on an ongoing basis and conducts periodic reviews as part of their investment management and financial planning process. Communication is provided to the client regarding the specific courses of action that Thrive recommends.

If applicable, other professionals (e.g., lawyers or accountants) are engaged directly by the client. Any conflict of interest will be disclosed to the client in the event it should occur.

Types of Advisory Services

Thrive provides investment management services and furnishes financial planning and investment advice to its clients.

Asset Management

Thrive offers discretionary asset management services to advisory clients. Discretionary authority means Thrive will determine the specific securities, and the amount of securities, to be purchased or sold for your account without prior approval for each transaction. All discretionary trades made by Thrive will be in accordance with each client's investment objectives and goals.

Thrive will offer clients ongoing portfolio management services by determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocations, portfolio monitoring, and the overall investment program will be based on the above factors.

After conducting our initial review, Thrive will determine an asset allocation strategy customized to your specific goals, investment objectives and risk tolerance. The portfolio recommendations may involve the sale of positions currently held by you. Thrive generally utilizes exchange traded funds; stocks; bonds; mutual funds, money market funds; and third-party money managers.

In performing its asset management services for each client, Thrive will utilize a third-party platform operated by an unaffiliated investment advisor, AE Wealth Management ("Sub-Advisor"). The Sub-Advisor provides Thrive with certain sub-advisory administrative, technical and support services. Thrive will provide you with the Sub-Advisor's disclosure documents, including Form ADV 2A. Please refer to these disclosure documents for additional details regarding the Sub-Advisor.

Use of Model Portfolios

Thrive has constructed a number of diversified model portfolios that vary in characteristics including but not limited to risk profile, asset allocation, and investment objectives. The portfolios primarily consist of exchange traded funds and are monitored by Thrive's Investment Committee. Model Portfolios are intended to provide a diversified investment approach to target a particular balance of return and risk or portfolio objective.

Use of Other Investment Managers

Thrive may use the services of other unaffiliated third-party money managers when selecting investment strategies for clients. Such services may involve active or passive asset management using a customized or a model portfolio approach. In all cases, Thrive will monitor the third-party money managers and possess the discretionary authority to hire and fire any such outside manager. Additional fees may apply when utilizing a third-party money manager. Please see Item 5 for additional details.

Financial Planning and Consulting

Thrive provides financial planning services on a one-time basis. These fees are detailed in the "Fees and Compensation" section of this brochure. Services include, but are not limited to, a thorough review of all applicable topics including Retirement Analysis, College and Major Goal Funding, Estate Plan/Trusts Review, Investment Related Tax Planning, and Insurance Needs Analysis. Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You are under no obligation to act upon the financial planning recommendations. Should you choose to act on any of the recommendations, you are under no obligation to affect the transaction through Thrive. Thrive is not authorized or qualified to give legal advice, prepare legal documents, or to act as a trustee. You should consult your attorney, accountant, and other personal advisers for these services.

Seminars and Workshops

Thrive holds seminars and workshops to educate the public on different types of investments and the different services it offers. The seminars are educational in nature and no specific investment or individual tax advice is given. Thrive does not charge a fee for attendance for these seminars.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect client stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Wrap Fee Programs

Thrive does not sponsor any wrap fee programs.

IRA Rollover Recommendations

For purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you.

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and

- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

Client Assets under Management

As of December 31, 2023, Thrive has approximately $392,766,587 in client assets under management on a discretionary basis.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

ASSET MANAGEMENT

Thrive offers discretionary asset management services to advisory clients. The fees for these services will be based on a percentage of Assets under Management as follows:

Assets Under Management	Total Annual Fee
First $1,000,000	1.25%
Next $2,000,000	0.85%
Next $3,000,000	0.75%
Over $6,000,000	0.65%

Our fee schedule is tiered based on total assets under management (AUM) including cash and cash equivalents, which typically includes money market funds. Fees are assessed at different rates at different AUM thresholds. For purposes of fee calculations, we group accounts managed by Thrive together by household to determine the blend of our fees.

Fees are generally billed monthly in arrears based on the average daily balance of the account. In some instances, as described in your investment management agreement, Thrive will bill quarterly in arrears based on the amount of assets managed as of the close of business on the last day of each quarter. Advisory fees are deducted from the clients' accounts by the custodian at the direction of the Client.

Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation. Clients may terminate advisory services with thirty (30) days written notice. Thrive will be entitled to a pro rata fee for the days that service was provided in the final billing period, as applicable to the client. Clients shall be given thirty (30) days prior written notice of any increase in fees.

Most Thrive clients choose to authorize an automatic fee withdrawal through their independent custodian (custodian). The client must provide written authorization permitting the adviser's fees to be paid directly from the client's account held by the custodian. The custodian will send the client, at least quarterly, a statement indicating all amounts disbursed from the account. Clients should carefully review these statements for accuracy. Fee invoices for each client are available upon request from Thrive.

Use of Other Managers Fees

When Thrive utilizes a third-party manager to manage your accounts, the third-party manager fee will be deducted directly from your account. This fee will be in addition to Thrive's advisory fee as described above. Depending on the product and the manager the third-party manager fee ranges between 0.05% - 0.50%. Third-party managers' fees are billed monthly in arrears based on the average daily balance of the account.

Financial Planning and Consulting

Thrive charges financial planning and consulting fees on an hourly basis at a rate of $350 - $500 per hour. Prior to the planning process the client will be provided with an estimated overall plan fee, with a minimum engagement of 10 hours. The complexity and sophistication of a client's finances cause differences in terms of the time it takes to set forth a plan. Financial planning services include, but are not limited to, a thorough review of all applicable topics including Estate Plans/Trusts, Investments, Taxes, and Insurance. Services are completed and delivered within ninety (90)days.

Fees for financial plans are billed in part, in advance, based on the estimated total planning fee. The balance is due upon delivery of the financial plan. If the client terminates the agreement during the planning period, client will be billed on a pro- rata basis for the number of hours spent on the plan until the time of termination.

Additional Client Fees Charged

In addition to Thrive's fees, custodians may charge transaction fees on purchases or sales of certain mutual funds, equities and exchange-traded funds.

Thrive uses various securities instruments in client portfolios, including, but not limited to, equities, exchange traded funds and mutual funds. Thrive may also recommend or select other investment managers to manage some or all of a client's portfolio. To the extent that a client's assets are invested in these vehicles or managed by another investment manager, the client will pay management and other product specific fees in addition to the fees paid by the client to Thrive. As applicable, those fees are described in each vehicle's prospectus or each third-party manager's Form ADV.

For more details on brokerage practices, see Item 12 of this brochure.

External Compensation for the Sale of Securities to Clients

Thrive does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of Thrive.

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

Thrive does not earn fees based on a share of the capital gains or capital appreciation of managed securities. Thrive does not receive any performance-based fee structure compensation.

Item 7: Types of Clients

Description

Thrive generally provides investment advice to individuals, high net worth individuals, businesses and charitable organizations or foundations. Client relationships vary in scope and duration depending upon the level of service.

Thrive does not require an account minimum or have any requirements for clients to engage our services.

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

Thrive's investment process focuses on identifying, recommending, and monitoring investment opportunities with a goal of attaining long-term, risk-adjusted returns. We adhere to a well-defined analytical process based on diligent research. Our portfolios include, but are not limited to, individual stocks, cash equivalents, and ETFs.

Thrive uses its own model portfolios as well as third party asset managers for building our clients' investment strategies. For our internal model portfolios, we perform formal quarterly reviews on all of our model portfolios' asset allocations to determine if rebalancing is necessary. If a decision is made to make adjustments to our models, we initiate a rebalance of accounts associated with the models to bring client accounts in line with the updated model allocation. Our firm uses the following method of analysis when formulating our investment advice and our own internal portfolios for Thrive clients.

Fundamental Analysis: This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, and other qualitative and quantitative factors. Fundamental analysts study what affects a security's value, including macroeconomic factors (like the overall economy and industry conditions) and individual specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price with the goal of determining the type of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis.

Fundamental analysis is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to less-than-optimal investment decisions and forecasting.

The main sources of information include financial newspapers and magazines, research materials prepared by others including other investment managers, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategy

The investment strategy for a specific client is based upon the objectives and risk tolerances stated by the client during consultations. The client may change these objectives at any time.

Account Minimums

Thrive does not require an account minimum. Third party money managers or sub-advisor programs may impose minimum requirements.

Material Risks

Investing in securities involves risk of loss that clients should be prepared to bear. Past performance is not a guarantee of future returns.

All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with Thrive:

- ***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 Risk*****:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- ***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 of 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.
- ***Equity Risk*****:** Equities generally have more risk and volatility than fixed income securities.
- ***Financial Risk*****:** Excessive borrowing to finance a business' operations increases the risk of profitability, 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.
- ***Currency Risk*****:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of an investment's originating country. This is also referred to as exchange rate risk.
- ***Overall market volatility***: Due to COVID-19, political uncertainty, and other global effects, the market has seen increased volatility. Market volatility is a risk born by all investors. World events trigger market uncertainty which can translate into investment losses.
- ***Long-term purchases*****:** Long-term investments are those vehicles purchased with the intension of being held for more than one year. Typically, the expectation of the investment is to increase in value so that it can eventually be sold for a profit. In addition, there may be an expectation for the investment to provide income. One of the biggest risks associated with long-term investments is volatility, the fluctuations in the financial markets that can cause investments to lose value.
- ***Short-term purchases*****:** Short-term investments are typically held for one year or less. Generally, there is not a high expectation for a return or an increase in value. Typically, short-term investments are purchased for the relatively greater degree of principal protection they are designed to provide. Short-term investment vehicles may be subject to purchasing power risk — the risk that your investment's return will not keep up with inflation.
- ***Trading risk*****:** Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.

Selection of Third-Party Money Managers

In addition to utilizing our firm's own model portfolios, Thrive has contracted with a Sub-Advisor registered with the United States Securities and Exchange Commission. This contract provides Thrive clients with access to model portfolios, and third- party money managers. Our selection process cannot ensure that third-party money managers will perform as desired and Thrive has no control over the day-to-day operations of any of its selected third-party money managers. Thrive conducts initial and ongoing due diligence of third- party money manager and sub-advisors as part of its fiduciary duty to its clients. Thrive retains its discretion over accounts and client assets which are invested in such models.

Item 9: Disciplinary Information

Without admitting or denying any liability and prior to and separate from Thrive, a member of Thrive's current management team entered into a consent agreement with the FDIC in May 2017 as related to a prior business relationship. The facts surrounding the consent agreement relate to business activities for a correspondent mortgage division of a banking company in 2008. As part of the consent agreement, the FDIC issued an order which requires that this member of Thrive's management team not participate in any future banking activities for an FDIC-related institution without prior written approval by the FDIC.

Administrative Enforcement Proceedings

Neither Thrive nor its management have been involved in any criminal or civil action.

Self-Regulatory Organization Enforcement Proceedings

Neither Thrive nor its management persons have been involved in legal or disciplinary events related to past or present investment clients.

Item 10: Other Financial Industry Activities and Affiliations

Thrive is affiliated and under common control with two insurance agencies, Thrive Insurance Group ("TIG") and Thrive Financial Services ("TFS").

Broker-Dealer or Representative Registration

Neither Thrive nor any of its employees are registered representatives of a broker-dealer.

Futures or Commodity Registration

Neither Thrive nor its employees are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

Conflicts of Interest

Due to the firm's financial planning philosophy, it is common for our financial professionals to recommend that clients utilize insurance products (for example, a fixed index annuity ("FIA") as part of the client's overall financial plan in lieu of separately managed accounts (specifically, in lieu of cash and fixed income asset classes).You should be aware that there are a number of conflicts of interests that are present due to our planning philosophy and recommendations to utilize insurance products in this nature.

As an estimate, our financial professionals that are registered as investment advisor representatives spend approximately half of their time on insurance sales and services and half of their time on investment advisory services. Please refer to Item 5 – Fees and Compensation and Item 14 – Client Referrals and Other Compensation for more details.

You may therefore work with your Thrive financial professional in both their capacity as an investment adviser representative of Thrive, as well as in their capacity as an insurance agent through our affiliated company Thrive Financial Services and Thrive Insurance Group ("TFS" and "TIG" respectively). As such, your Thrive financial professional, in their dual capacity as an IAR and insurance agent, may advise you to purchase insurance products (general disability insurance, life insurance, annuities, and other insurance products), and then assist you in implementing the recommendations by selling you those same products.

In exchange for selling you those products, the financial professional will typically be paid a commission. This recommendation that a client purchase an insurance product through them as an insurance agent presents a conflict of interest, as the receipt of commissions is an incentive to recommend products that could potentially be based on commissions rather than your personal needs and objectives.

Furthermore, commissions may vary by product, and each individual product may have different commission rates, encouraging the financial professional to recommend products that may pay higher commissions over the products that make the most sense for you.

In addition, insurance products may also have different payment schedules depending on the nature of the product, and the timing of the payments is likely to differ from that of the advisory options offered by Thrive. This timing difference has the potential to create a conflict of interest since some financial professionals may have the incentive to recommend a product that pays commissions now, over an advisory product that pays commissions over a relatively longer period. As an example, all other variables held equal, a 5% commission paid by an insurance company upon sale of a $100,000 annuity product, may be more attractive to a financial professional than a one percent (1%) advisory fee charged on a $100,000 account paid over a period of five (5) years, despite the overall pre-tax compensation paid to the financial professional being equal.

There are other conflicts present as well. Our affiliate company, TFS, utilizes the services of, a third-party insurance marketing organization ("IMO") to select the appropriate product. The purpose of the IMO is to assist us in finding the insurance company product that best fits the client's situation, although the IMO also offers special incentive compensation to our investment adviser representatives when they act in their separate capacities as insurance agents if they meet certain overall sales goals by placing annuities and/or other insurance products through the IMO. These awards are typically awarded to the Firm based upon the aggregate sales of insurance products. This creates a conflict of interest for TFS financial professional to utilize the products recommended by the IMO.

The IMO is an affiliate of Advisors Excel. Advisors Excel provides affiliate members such as our insurance firm, TFS, with marketing assistance and business development tools to acquire new clients, technology with the goal of improving the client experience and our firm's efficiency, back office and operations support to assist in the processing of our insurance (through Advisors Excel) and investment advisory services (through AE Wealth Management) for clients, and business succession planning for our firm. Although some of these services may directly benefit a client, other services obtained by us from Advisors Excel such as marketing assistance and business development may not benefit an existing client. There is a conflict of interest when we use the sub-adviser and financial planning services of AE Wealth Management because we are influenced to use AE Wealth Management based upon our relationship and services provided and support of Advisors Excel.

We have taken a number of steps to manage this conflict of interest. As a fiduciary, we expect and require that each investment adviser representative only recommend insurance and annuities when in the best interest of the client. The sale of commission-based products is supervised by the firm's Managing Members, and the firm makes periodic reviews of its insurance recommendations to ensure that our financial professionals act in accordance with our fiduciary duty. If you have any questions or concerns about annuity recommendations made during the financial planning process, we encourage you to immediately bring it to the attention of your investment professional or the CCO.

Finally, you should be aware that there are other insurance products that are offered by other insurance agents other than those recommended by our financial professionals. You are under no obligation to implement any insurance or annuity transaction through TFS.

As stated in Item 4, Thrive utilizes a Sub-Advisor to assist with back-office / operations functions. This relationship includes certain economic benefits. Thrive obtains investment research for its own model portfolios, technology, account billing, trading, and client service support through its Sub-Advisor contracts. Based upon the total client assets under management that Thrive brings to a Sub-Advisor, Thrive is provided with certain additional economic benefit for doing so. With specific regard to AEWM, Thrive may receive various services from other investment managers retained or otherwise made available by the Sub-Advisor and the cost of such services may be paid by the Sub-Advisor, thus creating an incentive for Thrive to use the Sub-Advisor.

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

Code of Ethics Description

The employees of Thrive have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Thrive employees and address conflicts that arise. The Code requires, among other things, that all employees comply with applicable federal securities laws and affirms our fiduciary duty to always act in the best interest of clients.

One area the Code addresses is when employees buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

Thrive's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or director of Thrive may recommend any transaction in a security or its derivative to advisory clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Thrive's Code is based on the guiding principle that the interests of the client are our top priority. Thrive's officers, directors, advisors, and other employees have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When a conflict arises, it is our obligation to put the client's interests over the interests of either employees or the company. Thrive will provide a copy of the Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Thrive and its employees do not recommend securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Thrive and its employees may buy or sell securities that are also held by clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Thrive with copies of their brokerage statements.

The Chief Compliance Officer will review the personal trading of employees to ensure that the personal trading does not affect the markets and that clients of the firm receive preferential treatment over employee transactions.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Thrive does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, employees may buy or sell securities at the same time they buy or sell securities for clients. In order to mitigate potential conflicts of interest, employees are required to obtain pre-approval from the CCO or his designee for certain transactions, disclose all reportable securities transactions and provide copies of their brokerage statements.

The CCO and/or his designees review access person trades each quarter.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank and you must enter into a separate agreement with that firm. All custodians do not charge the same commission rates and other fees; you should carefully review the fee schedule outlined in that agreement. Thrive maintains a Custodian List that is reviewed and revised from time to time depending on a periodic evaluation of the custodians. Factors that Thrive considers in determining whether a custodian will be added or continued to be included on its Custodian List include our historical relationship with custodian, and the custodian financial strength, reputation, market access and execution capabilities, clearance and settlement capabilities, transaction confirmation and account statement practices, reasonableness of the commission rates charged, ability to negotiate commissions, potential volume discounts, research, and quality and range of services.

The Firm recommends that clients use Charles Schwab & Co, Inc. ("Schwab") as its preferred custodian. Lower fees for comparable services may be available from other sources. Clients pay for any and all custodial fees in addition to the advisory fee charged by Thrive.

No special consideration is given to Thrive by Schwab. These services are the same as those offered to any other institutional investment manager and have no correlation to the client assets or accounts managed at the Firm.

Thrive is not under common control or ownership of any broker/dealer or custodian.

Directed Brokerage

Thrive does not use directed brokerage. In circumstances where a client directs Thrive to use a certain broker-dealer, Thrive still would have a fiduciary duty to its clients. However, in that circumstance, Thrive would be unable to negotiate commissions, obtain volume discounts, and there may be a disparity in commission charges among clients.

Best Execution

Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. The determination of what constitutes best execution and price in the execution of a securities transaction by a broker involves a number of considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to affect the transaction where a large block is involved, the operational facilities of the broker- dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. Thrive does not receive any portion of the trading fees.

While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction. Rather, it appears to be a collective consideration of factors concerning the trade in question. 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 a broker-dealer's services, including the 25 value of research provided, execution capabilities, commission rates, and responsiveness.. Accordingly, although Thrive seeks competitive rates, it will not always 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, Thrive's investment management fee.

Soft Dollar Arrangements

Thrive does not have any "soft dollar" arrangements. Thrive participates in custodian offered programs and through custody of client assets with custodians on the Custodian List. Thrive receives from custodians without cost (or at a discount) support services or products, certain of which assist Thrive to better monitor, and service your account(s) maintained at such institutions. These support services include software and other technology that provide access to your account data including account statements, access to trading desk and facilitation of trade execution and the allocation of block orders for multiple accounts, research related products and tools, pricing information and other market data, payment of our fees directly from your account-if authorized in your advisory agreement, assistance with back-office functions, recordkeeping and client reporting, compliance and practice management-related publications, discounted and gratis attendance at conferences, meetings, and other educational and social events, and marketing support, all of which is used by the Thrive furtherance of its investment advisory business operations. There is no commitment made by Thrive to custodians or any other entity to invest any specific amount or percentage of our client assets in any specific mutual funds, securities or other investment products as a result of any of these support services. Additionally, the benefits received by Thrive in any such custodian program do not depend on the amount of brokerage transactions directed to that custodian. However, the receipt of economic benefits by Thrive or its related persons creates a conflict of interest and may indirectly influence Thrive's recommendation of a custodian or broker-dealer to our clients. As part of our fiduciary duties to our clients, we endeavor at all times to put your interests first. We examined this potential conflict of interest when we chose to enter into the relationship with each custodian and have determined that the relationship is in your best interests and satisfies our obligations to you, including our duty to seek best execution for your accounts. Aggregating Securities Transactions for Client Accounts

The processing of trades in client accounts is delegated by Thrive, to the Sub-Advisor. Thrive will send trade instructions to the Sub-Advisor. The Sub-Advisor is responsible for submitting transactions for clients on behalf of Thrive, on an individual or aggregated basis, according to the Sub-Advisor's policies. For a complete description of the Sub-Advisor's policies regarding aggregate trading, please refer to the Sub-Advisor's Form ADV2A.

In some instances, Thrive will aggregate purchases and sales for client accounts in the same securities. All clients participating in an aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis. Transactions and trade instructions received by the Sub-Advisor are submitted based on the instruction of Thrive.

Mutual Funds Share Class Selection: Mutual funds generally offer multiple share classes available for investment based upon certain eligibility and/or purchase requirements. For instance, in addition to retail share classes (typically referred to as class A, class B and class C shares), funds may also offer institutional share classes or other share classes that are specifically designed for purchase by investors who meet certain specified eligibility criteria, including, for example, whether an account meets certain minimum dollar amount. Institutional share classes usually have a lower expense ratio than other share classes. Thrive generally does not recommend investments in mutual funds, however, in some instances clients will transfer in or hold mutual fund positions in their account. Thrive will review these holdings and consider available share classes and select the most appropriate share classes based on various factors including but not limited to: minimum investment requirements, trading restrictions, internal expense structure, transaction charges, availability and other factors. When considering all the appropriate factors Thrive can select a share class other than the 'lowest cost' share class. In order to select the most appropriate share class, Thrive considers retail, institutional or other share classes of the same mutual fund. Regardless of such considerations, clients should not assume that they will be invested in the share class with the lowest possible expense ratio. Clients should ask their IAR whether a lower cost share class is available instead of those selected.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Individual account reviews are performed by Thrive investment adviser representatives at least annually. Account reviews are performed more frequently when market conditions dictate. Financial plans are considered to be complete when recommendations are delivered to the client. A review of financial plans may be done upon the request of the client and may carry additional fees.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of clients' accounts are changes in the tax laws, new investment information, and changes in a client's own personal or financial situation.

Content of Client Provided Reports and Frequency

Clients receive written account statements no less than quarterly, issued by the custodian. Clients receive confirmations of each transaction in their accounts from their Custodian.

Item 14: Client Referrals and Other Compensation

Thrive does not receive economic benefit from a non-client party in regard to providing investment advisory services to Thrive's clients. Thrive does not compensate for client referrals.

Item 15: Custody

Thrive does not maintain physical possession of client assets. All assets are held by qualified custodians. When advisory fees are deducted directly from client accounts at client's custodian, Thrive is deemed to have limited custody of client's assets and must have written authorization from the client to do so. Custodians provide account statements directly to clients at their address of record at least quarterly. Clients are encouraged to carefully review their account statements received directly from their custodians.

Item 16: Investment Discretion

Discretionary Authority for Trading

Thrive accepts discretionary authority to manage securities accounts on behalf of clients. With investment discretion, Thrive has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

Discretionary trading authority facilitates placing trades in your accounts on your behalf so that we may promptly implement the investment policy that you have approved in writing.

The client approves the custodian to be used. Thrive does not receive any portion of the transaction fees or commissions paid by the client to the custodian on trades.

Item 17: Voting Client Securities

Proxy Votes

Thrive does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

Item 18: Financial Information

Thrive does not serve as a custodian for client funds or securities. Thrive does not require pre-payment of fees of more than $1,200 per client, six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Thrive is aware of no condition that is reasonably likely to impair its ability to meet contractual commitments to our clients.

Bankruptcy Petitions during the Past Ten Years

Neither Thrive nor anyone on its management team has filed any bankruptcy petition in the last ten years.