Item 1: Cover Page

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This brochure provides information about the qualifications and business practices of SPC Financial, Inc. If you have any questions about the contents of this brochure, please contact us at 301-770-6800 or info@spcfinancial.com. 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 SPC Financial, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

SPC FINANCIAL®
Independent Registered Investment Advisor | SEC

May 2018

Item 2: Material Changes

SPC Financial, Inc. has not undergone material changes since its last wrap fee program brochure dated March 30, 2018.

Item 3: Table of Contents

Item 1: Cover Page 1

Item 2: Material Changes 2

Item 3: Table of Contents 3

Item 4: Services, Fees and Compensation 4

Item 5: Account Requirements and Types of Clients 10

Item 6: Portfolio Manager Selection and Evaluation 10

Item 7: Client Information Provided to Portfolio Managers 13

Item 8: Client Contact with Portfolio Managers 13

Item 9: Additional Information 13

Item 4: Services, Fee and Compensation

Wrap Fee Program

A "wrap fee" is a comprehensive fee which a Client pays an investment adviser for a bundle of services. Such services can include investment advice, investment research and brokerage services. A wrap fee program charges a specified fee not based directly on transactions in a Client's account. It is intended to be one fee paid by the Client to cover administrative costs, investment management, brokerage costs and related fees. Under a wrap fee arrangement with SPC, the Client pays an annual Asset-based Fee which is calculated as a percentage of assets under management in the account. The Asset-based Fee is paid on a calendar quarter basis.

Clients should bear in mind that Asset-based Fee arrangements, when compared with the traditional commission option, generally result in lower costs during periods when trading activity is heavier, often in the year an account is established. During periods when trading activity is lower, such arrangements may result in a higher annual cost for transactions. Thus, depending on the level of trading activity, or turnover, in an account, a Client that chooses an Asset-based Fee may pay more for transaction services than if they chose the commission alternative. Of course, the reverse is also true. The compensation arrangement will have no effect on the trading activity in the Client's account. In other words, portfolio management is conducted independently of how the client pays for brokerage services. Many Clients favor the Asset-based Fee because it fixes their brokerage cost at a predetermined level and the adviser is engaged to actively manage the Clients' investments. Whereas other clients may not find such an arrangement suits their needs because they anticipate their accounts will have low turnover. In any event, Clients are entitled to know the amount of the brokerage fees, the services provided for the fees, and anticipated turnover in the account. Clients should explore this subject thoroughly with their financial advisor in order to be able to determine whether an asset-based wrap fee arrangement is appropriate for their needs.

Services

SPC Financial, Inc. ("SPC") has been engaged since 1970 in Financial Planning and Portfolio Management services for individual, corporate, institutional, ERISA funds and charitable Clients. SPC is an Independent Registered Investment Advisor with the Securities and Exchange Commission ("SEC"). Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

As of December 31, 2017, SPC had $768,435,060 in assets under management, $639,232,553 of which was managed on a discretionary basis and $129,202,507 of which was advised on a non-discretionary basis.

SPC works with Clients to assess their investment objectives based on the information initially provided, and periodically thereafter, to determine which advisory services, if any, are appropriate to recommend to the Client. SPC tailors its advisory services to Clients' individual needs. Clients have the ability to choose which advisory services to utilize and can place restrictions on the types and classes of securities purchased for their account(s).

Ambassador Account

The Ambassador Account utilizes a wrap fee advisory account, offered and administered by Raymond James & Associates, Inc. ("Raymond James" or "RJA"), in which the Client is provided with ongoing investment advice and monitoring of securities holdings. SPC is the sponsor and manager of Ambassador Accounts. SPC supervises the accounts on a non-discretionary basis or manages the accounts on a discretionary basis, according to the Client's objectives. Ambassador offers Clients the ability to pay an Asset-based Fee in lieu of a commission for each investment transaction within the account.

Accounts previously offered as part of the Passport program were converted into the Ambassador program in about June 2017. SPC no longer offers the Passport program.

Delegation of Discretionary Investment Authority

Clients wishing to delegate investment discretion to SPC may do so. By delegating investment discretion to SPC, the Client authorizes SPC to invest the assets of the account without soliciting their consent prior to engaging in portfolio transactions. When Clients give investment discretion to SPC, it generally means that SPC develops the portfolio of securities to invest in, SPC establishes the trade plan, and SPC executes the trades. SPC often executes block trades for

Item 4: Services, Fee and Compensation

Clients and will allocate the shares/proceeds to Client accounts pro rata with the amount invested by the accounts. In general, 10,000 shares of stock or $200,000 worth of bonds are considered to be a block trade.

Clients may request reasonable restrictions on the investments made within their accounts or modify restrictions previously imposed. Reasonable restrictions may include designation of particular securities that should not be purchased in their account (such as Company XYZ or companies involved in a particular industry, etc.), or should be sold if held in their account. If it is determined by SPC that implementation of the restriction may be impractical, the Client will be notified promptly. SPC cannot accept instructions to restrict the purchase of specific securities held within mutual funds or ETFs purchased on behalf of a Client.

In addition, the Client as owner of the securities in the account(s) has the right to:

1. Withdraw securities or cash from their account(s), provided they maintain the minimum account balance, as appropriate based on their particular account type;
2. Vote securities, or delegate the authority to vote securities to another person (proxies, tender offers, etc.);
3. Be provided written confirmation, in a timely manner, of securities transactions placed for your account; and
4. Proceed directly against any issuer (class action participation) and not be obligated to join other parties as a precondition to initiating such a proceeding.

The above notice is provided to clients in their December, March, June and September Ambassador statements as a reminder of their continuing rights with respect to the investment program(s) they have chosen. Since investment goals and financial circumstances change over time, Clients should review their investment program at least annually with their financial advisor.

Raymond James Financial Services (“RJFS”) has established guidelines with respect to the standards necessary for a financial advisor to manage a discretionary account, which generally include, but are not limited to the following:

- Appropriately registered as an Investment Adviser Representative;
- Five years of experience in the securities industry;
- Certain minimum commissions/fees earned and client assets in the prior twelve months;
- No significant customer complaints or disciplinary action against the financial advisor; and
- Additional compliance and investment management training may be required. Certain relevant industry professional designations may be applicable.

Several SPC IARs have been approved for discretionary trading.

Clients who have Freedom accounts, have delegated investment discretion to RJFS through its Asset Management Services (AMS) Investment Committee. Clients who have Eagle accounts, have delegated investment discretion to Eagle Asset Management. See *Freedom* and *Eagle Asset Management Services* sections below.

Termination of Advisory Services

The Client’s investment adviser agreement with RJFS for the Ambassador Account may be terminated by the Client, RJFS or SPC at any time upon providing notice to the other party. There is no penalty for terminating the advisory agreement. Upon termination, the Client will receive a refund of the portion of the prepaid Asset-based Fee that has not yet been earned by RJFS or SPC. Termination of the advisory agreement will end the investment advisory relationship between the Client, SPC and RJFS as it pertains to that account and SPC will have no further obligation to recommend or take any action with respect to the securities or cash remaining in the account. Upon termination of the advisory agreement, a Client may provide instructions to either liquidate the securities or to hold these securities in a brokerage account. If the Client does not give such instructions, the advisory account will be converted by RJFS to a commission-based brokerage account governed by the Client’s account opening documents. Termination of SPC does not automatically terminate SPC or its investment advisor representative (“IAR”) as the financial advisor or agent of record on a Client’s brokerage account.

Item 4: Services, Fee and Compensation

Accounts in the Ambassador program are not for day trading or other extreme trading activity, including excessive options trading or trading in mutual funds based on market timing. As such, pursuant to the advisory agreement, RJFS reserves the right to terminate, in its sole discretion, any Client account in the Ambassador program that it feels has engaged in or exhibited excessive trading.

Additional Advisory Services

SPC may, from time to time, issue consolidated financial reports, financial plans, special reports, charts, graphs, etc., to Clients. SPC also may also offer investment advisory consulting services in the following areas: financial statement preparation and analysis, investment analysis, retirement needs analysis, education needs analysis, survivor needs analysis, employer retirement plan review and allocation, federal and state income tax review, life insurance review, disability insurance review, long term care insurance review, business interest review, estate tax planning, and gift tax planning. Fees for such services are disclosed in an Investment Advisory Agreement entered into by the Client with SPC.

FEES AND COMPENSATION

Client Agreement/Assignment

The Asset-based Fee paid by the Client to SPC is based upon the Ambassador (Discretionary or Non-Discretionary) Investment Adviser Client Agreement. Asset-based Fees are discussed by SPC with the Client to determine the appropriate fee, which will be set forth in the Ambassador agreement. The amount of the fee may take into account the nature and size of the overall Client relationship with SPC and the type of advisory or financial services being or expected to be provided.

The IAR recommending the Ambassador wrap fee program to a Client receives a portion of his compensation from the fees earned from the Ambassador program. The amount of the compensation will vary depending upon which SPC IAR is making the recommendation, which IAR is managing the Client relationship, the individual IAR's employment agreement with SPC, the amount of the Asset-based Fee, and the amount of Client assets over which the IAR has primary responsibility. The amount of this compensation may be more than what the person would receive if the Client participated in a RJFS brokerage account. Therefore, the IAR may have a financial incentive to recommend the wrap fee program over other programs or services offered by RJFS.

SPC will not assign a Client Agreement without the Client's consent.

Accounts

Asset-based Fees paid by Clients for investment advice and services are based upon the value of assets in their account(s), independent of the level of trading activity. By deciding to pay a fee based on asset values rather than commissions on transactions, a Client's fee may be higher than the cost of a commission alternative during periods of lower trading activity.

RJFS is the custodian of Ambassador Accounts used by SPC. The fee schedule for Ambassador Accounts is set by RJFS. While these fees are the maximum allowed by RJFS, SPC has the discretion to use a lower fee suitable for each Client relationship.

AMBASSADOR FEE SCHEDULE

Account Value*	Annual Asset-based Fee**
Up to $1 million	2.25%
$1 million up to $2 million	2.00%
$2 million up to $5 million	1.75%
$5 million up to $10 million	1.50%
$10 million and up	1.25%
**The minimum Account value is $25,000.*	***This fee schedule is retroactively applied to the first dollar as each breakpoint is met.*

Item 4: Services, Fee and Compensation

Aggregating Related Fee-Based Accounts

The aggregate value of related RJFS fee-based accounts will be used to determine the applicable standard advisory rate applied to each account. “Related accounts” are accounts of an individual, his or her spouse, and their children under the age of 21. This includes individually owned accounts, individual IRAs, self-directed accounts (i.e., directed by individual participants) under an employee-benefit pension plan (ERISA plan), and ERISA plans in which an individual is the sole participant. Aggregating accounts will decrease the overall Client fee by allowing Clients to attain higher asset breakpoints where the scheduled rate is lower. Furthermore, accounts of the same corporation or business entity are normally deemed as related. For example, if ABC Manufacturing has both a profit sharing plan and a pension plan (non-directed), these two accounts will be considered related. However, corporate accounts such as corporate cash would not be related to such retirement plan accounts. Also, charitable trusts are not included in the aggregation.

Calculating Fees

For purposes of calculating and assessing asset-based fees, RJFS uses the term “Account Value”, which may be different than the asset value as reported on brokerage statements provided to Clients. Pursuant to the investment management or advisory agreement, Account Value is defined as the total absolute value of the securities in the Account, long or short, plus all credit balances, with no offset for any margin or debit balances.

The annual asset-based fees associated with the aforementioned account programs are typically payable quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the Account Value as of the last business day of the previous calendar quarter and becomes due the following business day.

If cash or securities, or a combination thereof, amounting to at least $100,000 are deposited to or withdrawn from a Client’s account on an individual business day in the first two months of the quarter, RJFS will: (i) assess asset-based fees based on the value of the assets on the date of deposit for the pro rata number of days remaining in the quarter, or (ii) refund prepaid asset-based fees based on the value of the assets on the date of withdrawal for the pro rata number of days remaining in the quarter. No additional asset-based fees or adjustments to previously assessed asset-based fees will be made in connection with deposits or withdrawals that occur during the last month of the quarter unless requested by the Client. Notwithstanding the above $100,000 adjustment threshold, RJFS reserves the right, in its sole discretion, to process or not process fee adjustments when the source and destination of deposits and withdrawals involve a Client’s other fee-based advisory accounts.

The Client authorizes and directs RJFS, acting as custodian, to deduct asset-based fees from the Client’s account. Clients will be provided brokerage statements, at least quarterly, showing all amounts disbursed from their account, including the amount of the asset-based fee, the Account Value on which the fee was based, and the manner in which the fee was calculated.

Employees of SPC are eligible for lower management fee arrangements for their personal accounts.

Administrative Only Investments

Certain securities may be held in the Client’s Ambassador account and designated “Administrative-Only Investments”. There are two primary categories of Administrative-Only Investments: Client-designated and RJFS-designated. Client-designated Administrative-Only Investments may be designated by financial advisors that do not wish to collect an advisory fee on certain assets, while RJFS-designated Administrative-Only Investments are designated as such by RJFS in conformance with internal policy. For example, a financial advisor may make an arrangement with a Client that holds a security that the financial advisor did not recommend or the Client wishes to hold for an extended period of time and does not want their financial advisor to sell for the foreseeable future. In such cases the financial advisor may elect to waive the advisory fee on this security but allow it to be held in the Client’s advisory account – such designations fall into the Client-designated category. Alternatively, RJFS may determine that certain securities may be held in an advisory account but are temporarily not eligible for the advisory fee (such as for mutual funds purchased with a front-end sales charge through RJFS within the last two years, new issues and syndicate offerings). Assets designated by RJFS as temporarily exempt from the advisory fee fall into the RJFS-designated category.

Item 4: Services, Fee and Compensation

Please note: Due to Department of Labor ("DOL") regulations, the designation of Client-designated Administrative-Only Investments and the maintenance of such positions in the Client's account are not permissible in DOL-impacted retirement accounts (such as IRAs and employer sponsored retirement plans). The underlying premise of this prohibition is that the maintenance of assets in an advisory account that are not being assessed an advisory fee introduces a potential conflict that the financial advisor's advice may be biased as a result of their not being compensated on this asset. As a result, the financial advisor may recommend a course of action in his or her interest and not the Client's best interest (such as selling the security to increase the financial advisor's compensation). RJFS has elected to preserve the ability for Clients and their financial advisors to designate assets as Client-designated Administrative-Only in their non-DOL impacted accounts in order to maintain Client choice and avoid the need to maintain a separate account to hold these securities or cash. Nevertheless, while RJFS cannot accommodate this level of flexibility in DOL-impacted retirement accounts, Clients can choose to maintain securities or cash in their brokerage account that they do not wish to be assessed an advisory fee.

Administrative-Only Investments will not be included in the Account Value when calculating applicable asset-based advisory fee rates. For example, a Client whose Ambassador account holds $750,000 of cash and securities that includes $150,000 of Administrative-Only Investments will only have the asset-based fee rate assessed based on the $600,000 Account Value. For Clients with multiple fee-based accounts, the Relationship Value will be used to determine the applicable fee rate that will be assessed. However, Clients should understand that any assets held as Administrative-Only Investments will not be included in the Relationship Value. Please see the Aggregation of Related Fee-Based Accounts section for additional information on how RJFS combines related accounts for fee billing purposes.

Billing Cash Balances

RJFS assesses advisory fees on cash balances and money market funds ("cash") held in advisory accounts. Cash balances are generally expected to be a small percentage of the overall account value in Ambassador, Freedom, and Eagle, although cash balances may fluctuate at any given time at the discretion of the manager.

Billing cash balances, particularly when the cash balance is maintained for an extended period of time or comprises a significant portion of the Account Value, may create a financial incentive for a financial advisor to recommend maintenance of this cash versus investing in an otherwise advisory fee-eligible security. For example, it is generally expected that the advisory fee will be higher than the interest a Client will earn on this cash balance through their sweep account or the return earned on money market funds, so the Client should expect to achieve a negative return on this portion of their account, although such cash balances will not be subject to market risk (that is, risk of loss) typically associated with securities investments. As a result, Clients should periodically re-evaluate whether their maintenance of a cash balance is appropriate in light of their financial situation and investment goals and should understand that this cash may be held outside of their advisory account and not subject to advisory fees. For cash sweeps in IRAs and ERISA plans, RJFS uses its bank affiliate exclusively as a depository.

If cash or securities, or a combination thereof, amounting to at least $100,000 are deposited to or withdrawn from an account on an individual business day in the first two months of the quarter, RJFS will: (i) assess asset-based fees to the deposited assets based on the value of the assets on the date of deposit, or (ii) refund prepaid asset-based fees based on the value of the assets on the date of withdrawal. No additional asset-based fees or adjustments to previously assessed asset-based fees will be made in connection with deposits or withdrawals that occur during the last month of the quarter unless requested by the client. Notwithstanding the above, RJFS reserves the right, in its sole discretion, to process or not process fee adjustments, as applicable, when the source and destination of deposits and withdrawals involve a client's other fee-based advisory accounts. In addition, RJFS may, in its sole discretion, take any action it considers fair and reasonable with respect to the application of fee adjustments based upon its review of the timing and amounts of deposits to and withdrawals from a client's account.

Additional Expenses Which May Not Be Included in the Asset-Based Advisory Fee

Clients may also incur charges for other account services not directly related to the advisory, execution and clearing services provided by RJFS including, but not limited to, IRA custodial fees, safekeeping fees, charges/interest for maintenance of margin and/or short positions, certified or cashier's checks, account termination or transfer fees, and fees for legal or courtesy transfers of securities. For a complete list of account service charges, please contact SPC or visit the RJFS public website: (Client Account Fees and Charges) www.raymondjames.com/services_and_charges.htm.

Item 4: Services, Fee and Compensation

The asset-based fees associated with the aforementioned managed and advisory account programs include all execution and clearing charges except: (1) certain dealer-markups and odd lot differentials, taxes, exchange fees charged to Clients to offset fees RJFS pays to exchanges and/or regulatory agencies on certain transactions and any other charges imposed by law with regard to any transactions in the account; and (2) offering concessions and related fees for purchases of public offerings of securities as more fully disclosed in the prospectus.

Certain open-end mutual funds that are acquired by Clients, in addition to assessing management fees, internally may assess a distribution fee pursuant to section 12(b)-1 of the Investment Company Act of 1940, or an administrative or service fee (jointly "12b-1 fees"). 12b-1 fees are included in the calculation of the annual operating expenses of a mutual fund and are disclosed in the fund prospectus. If received by RJFS from mutual funds held in an Asset-based Fee account such as the Ambassador account, 12b-1 fees are credited back to the Client's account by RJFS, with the following exceptions: Mutual fund shares with a sales load, typically Class C shares, are deemed to be non-billable assets in an Asset-based Fee account. Although an Asset-based Fee is not assessed on these mutual fund shares, when these Class C share mutual funds pay 12(b)-1 fees, the fees are paid to the financial advisor instead of the Clients. Notably, the Ambassador account prohibits the purchase of mutual fund shares with a sales load, i.e., Class C shares. Thus, the mutual fund investments which pay 12b-1 fees to the financial advisor are often investments purchased in brokerage accounts or held directly by a Client before being transferred into Ambassador.

Clients should understand that the annual advisory fees charged in the aforementioned programs are in addition to the management fees and operating expenses charged by open-end, closed-end and exchange-traded funds ("ETFs"). To the extent that a Client intends to hold fund shares for an extended period of time, it may be more economical for the Client to purchase fund shares outside of these programs. Clients may be able to purchase mutual funds directly from their respective fund families without incurring the RJFS advisory fee, or where applicable, processing and handling fees. When purchasing directly from fund families, Clients may incur a front- or back-end sales charge.

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

Clients should be aware that ETFs incur a separate management fee, typically 0.20%-0.40% of the fund's assets annually (although individual ETFs may have higher or lower expense ratios), which is assessed by the fund directly and not by RJFS. This management fee is in addition to the ongoing advisory fee assessed by SPC and will generally result in Clients which utilize an SMA Manager or Investment Strategy that invests in ETFs paying more than Clients utilizing one that invests in individual securities, without taking into effect negotiated asset-based fee discounts, if any.

Certain no-load variable annuities may be purchased in or transferred into accounts in the Ambassador program and may be charged an asset-based advisory fee. The annual advisory fees charged for these no-load variable annuities are in addition to the annual management fees and operating expenses (which are typically higher than either mutual funds or ETFs) charged by the insurance companies offering these products.

Freedom

Freedom is a wrap fee, investment advisory program managed and sponsored by RJA. RJA allocates assets in Freedom accounts through discretionary mutual fund management based upon a Client's financial objectives and risk tolerances. In prior years, some investment adviser representatives of SPC utilized Freedom accounts. Fees range from 1.00% to 2.25% annually and are paid quarterly in advance. The aggregate value of related RJFS fee-based accounts will be used to determine the applicable standard advisory rate applied to each account. See Aggregating Related Fee-Based Accounts, above. SPC no longer recommends Freedom to Clients. However, Freedom accounts originally established continue to be managed under the pre-existing management agreement.

Eagle Asset Management Services

In prior years, some investment adviser representatives of SPC utilized Eagle Asset Management, Inc. ("Eagle"), an investment adviser registered with the SEC, to implement investment management and asset allocation strategies for Clients. Eagle is the wrap fee program and Eagle is the manager of the program. RJA is the sponsor. Fees range from .43% (for an employee related account) to 2.35% annually and are paid quarterly in advance. SPC no longer recommends Eagle to Clients. However, Eagle accounts originally established continue to be managed under the pre-existing management agreement.

Item 5: Account Requirements and Types of Clients

As the custodian of Ambassador Accounts, RJFS has established a minimum account value of $25,000 to open and maintain an account. However, SPC can open Ambassador Accounts for Clients with only $5,000 depending upon their facts and circumstances. SPC does not require a minimum amount of assets in order to open and maintain an Ambassador Account; however, SPC will consider with the Client whether the Ambassador is a suitable program for the Client if the assets to be invested over time are low. For a Freedom account, RJFS requires a minimum investment of $50,000.

SPC has the following types of clients:

- Individuals
- Estates
- Corporations
- Trusts
- Charitable Organizations
- Pension and Profit Sharing Plans

Item 6: Portfolio Manager Selection and Evaluation

SPC is the manager of Ambassador Accounts. The day-to-day management of Client accounts is handled by SPC. SPC recommends the asset allocation model to the Client, indicating how the Client should allocate investments across various asset classes (e.g., equities, fixed income, bonds, etc.). SPC also recommends the investments (e.g., individual stocks, bonds, mutual funds, ETFs, etc.) that will be used to implement the allocation. SPC evaluates the performance of Client portfolios and modifies target allocations based on market conditions and Client needs. The programs may be discretionary or non-discretionary.

In the selection of mutual funds, SPC evaluates portfolio managers on a number of metrics, utilizing several research databases. Metrics which SPC considers include, but are not limited to, net expense ratio, Morningstar rating (stars & medals), performance vs. benchmark, performance vs. peers, Sharpe Ratio, Sortino Ratio, upside/downside capture, manager's personal ownership of fund, duration and yield.

SPC does not calculate portfolio manager performance but relies instead on databases such as Morningstar. SPC compares a fund's performance to its stated benchmark and the Morningstar peer group. SPC does not review performance information to determine or verify its accuracy or its compliance with presentation standards.

Several SPC IARs act as portfolio managers on behalf of SPC's day-to-day management of Client accounts. These IARs are selected on the basis of their education, experience, knowledge, professional certifications, and securities licenses. SPC does not evaluate its own IARs using the same metrics as used for mutual fund managers, and SPC does not utilize a third-party to review the performance of its portfolio managers. However, for internal purposes, SPC evaluates the performance of its managed portfolios against industry benchmarks as it routinely considers whether to modify the allocations and selection of securities in its portfolios. In essence, the performance of the portfolio managers is monitored through the evaluation of the managed portfolios. SPC IARs do not receive incentive or bonus compensation based upon the performance of Client accounts.

In selecting itself as the manager of Client accounts, a conflict exists because SPC does not consider whether Client accounts would perform better if they were managed by a third-party manager.

Advisory Business

Since 1970, SPC has provided Financial Planning and Portfolio Management services for individual, corporate, institutional, trusts, ERISA funds, and charitable clients. SPC primarily invests in the following types of investments:

- Equity securities (exchange listed, over-the-counter, and foreign issuers)
- Corporate debt securities (other than commercial paper)
- Certificates of deposits
- Municipal securities
- Investment company securities (variable life insurance, variable annuities, and mutual fund shares)
- Exchange Traded Funds
- U.S. government securities
- Options contracts on securities
- Other types of investments including: collectibles, hard assets, life insurance, unit investment trusts, alternative investments and fixed annuities

Item 6: Portfolio Manager Selection and Evaluation

Advice is tailored to individual Client needs. Client needs are identified by the collection of pertinent information through interviews with the Client and detailed financial planning, as applicable. Clients may be able to impose reasonable restrictions on their accounts. Reasonable restrictions may include the designation of particular securities or types of securities that should not be purchased in their account (i.e., Company XYZ or companies involved in a particular industry, etc.), or should not be sold if held in their account. However, in some cases, since investment discretion has been delegated to SPC or a third-party manager, SPC or the manager may determine that the implementation of such a restriction may be impractical. In the event such a determination is made, the Client will be notified promptly.

There are differences between how SPC provides portfolio management services for its Ambassador Accounts compared to how it manages brokerage accounts. The differences are explained in the chart below:

Ambassador Accounts (wrap fee)	Brokerage Accounts
Typically managed on a discretionary basis	Always managed on a non-discretionary basis
Ability to maintain diversification and make securities trades without client authorization for each transaction	Client authorization required before a trade can be placed; securities trades placed on either a solicited or unsolicited basis
New investments consist principally of ETFs, stocks, bonds, some mutual funds, cash and cash equivalents	New investments tend to be limited to mutual funds except for specific stocks, bonds and cash equivalents requested by the Client or solicited by SPC
More actively managed and traded account	Less actively managed and traded account
Annual percentage fee known in advance	Commissions paid on transactions; potentially more expensive if account is actively traded
Better suited for Clients and SPC in terms of SPC's ability to manage; provides scalability	Not as suitable for the Client desiring an actively managed account
Administrative-Only investments can be designated by the Client to bypass the Asset-based Fee, but not in retirement	Better suited for securities which the Client wants to hold onto without trading and paying an Asset-based Fee
SPC's compensation derived from the Asset-based Fee without regard to securities traded	Compensation paid to SPC's registered representatives derived from commissions on securities traded

Performance-Based Fees and Side-By-Side Management

SPC does not have performance-based fees or utilize side-by-side management. Performance-based fee arrangements involve the payment of fees based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The investment programs and strategies recommended to clients are based upon the client's investment objectives, time frame, financial situation and needs, and tolerance for risk, as identified during consultations with our financial advisors and other representatives. It is important for an investor to review investment objectives, risk tolerance, time horizon, tax objectives and liquidity needs with their financial advisor prior to selecting an investment product, program or strategy. All investments carry a certain degree of risk and no one particular security, investment product, investment style or portfolio manager is suitable for all types of investors.

SPC and its financial advisors recommend and offer a broad spectrum of investment products, programs and strategies. Given the number of financial advisors providing advice at SPC, the methods of analysis and investment strategies recommended will vary based upon the individual financial advisor making the Client assessment and providing the advice.

Item 6: Portfolio Manager Selection and Evaluation

Methods of Analysis

SPC and its financial advisors may employ one or more of the following methods of investment analysis:

Fundamental Analysis: involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Technical Analysis: involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.

Cyclical Analysis: a type of technical analysis that involves evaluating recurring price patterns and trends. The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

SPC obtains research from several sources including Raymond James research, financial publications, research materials prepared by others, corporate rating services, annual reports, prospectuses and filings with the Securities and Exchange Commission.

Investment Strategies

SPC provides numerous investment management styles and strategies, including large and small cap equity, international equity, fixed income, and a broad spectrum of mutual funds and exchange traded funds, either individually or in combination within a portfolio. Generally, SPC recommends a long-term approach to investing and provides clients a diversified investment strategy incorporating domestic and international equities, fixed income, and other asset classes such as real estate, and commodities. However, sell stop or portfolio hedging strategies may be utilized to limit downside risk, which may result in short term holding periods. SPC also may employ shorter term strategies as economic conditions warrant or for tax benefits. SPC strives to build assets over time with sound investments. Investment strategies are structured only after careful analysis of a Client's overall financial situation, risk tolerance, and investment objectives. As economic conditions change, recommendations and investment philosophy may change accordingly to maximize benefits and minimize risk to Client portfolios.

SPC lARs may utilize margin and option trading for Clients based upon a Client's financial situation, risk tolerance, and investment objectives. All margin and option accounts must be approved by RJFS Compliance and consented to in writing by the Client. The exact composition of recommended programs and investment strategies will be determined by the Client's legal and tax considerations and greatly influenced by the Client's liquidity needs and tolerance for risk (fluctuations in portfolio values).

SPC also provides investment advice based on asset allocation strategies through the Eagle, Freedom, Freedom UMA, and RJFS managed account programs offered through Raymond James. Unaffiliated asset allocation products may also be available through SPC. Unless specifically noted, tax efficiency is not a primary consideration in the management of accounts offered by Raymond James through the programs named above.

SPC, through its financial advisors, may offer advice on collectibles, hard assets, fixed insurance, unit investment trusts, and business valuation and succession planning. Raymond James, through its advisors, may also offer non-publicly traded products, including non-listed real estate investment trusts, limited partnerships, hedge funds, equity funds and other structured products.

Principal Risks

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

Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Item 6: Portfolio Manager Selection and Evaluation

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.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk: Business risk refers to the possibility that the issuer of a stock or a bond may experience a substantial decline in revenues or may go bankrupt or be unable to pay interest or principal in the case of bonds.

Voting Client Securities

SPC does not vote proxies on the behalf of Clients. Clients should receive their proxy materials from the Custodian or transfer agent. However, in the event the Advisor receives such material, it will forward all proxy materials to Clients. Furthermore, the Advisor will not advise Clients on how to vote their proxies.

Item 7: Client Information Provided to Portfolio Managers

The following information about the Client is collected by SPC as the manager of the Ambassador program and communicated by SPC to the wrap program Client's portfolio manager (Freedom or Eagle, if applicable) at the time the account is opened: name, social security/tax identification number, address, phone number, employer, occupation, date of birth, number of dependents, net worth, annual income, investment experience, retirement status, investment objective, risk tolerance and time horizon.

Item 8: Client Contact with Portfolio Managers

There are no restrictions on Clients' ability to contact SPC and consult with its portfolio managers about the Ambassador program. The investment management agreement involving Freedom and Eagle is between the Client and RJFS, and there is no direct agreement between the managers of those programs and the Client. Clients may contact the Manager but would generally do so through their financial advisor or the AMS Client Services department of RJFS.

Item 9: Additional Information

Disciplinary Information

There are no legal, disciplinary or administrative events affecting SPC, its management or its IARs.

Other Financial Industry Activities and Affiliations

IARs in their individual capacities as Registered Representatives of Raymond James Financial Services, Inc. are paid a portion of the commissions charged on securities transactions in brokerage accounts. The amount of the commissions is disclosed to Clients on the confirmation statements which are mailed to Clients after a securities transaction has been executed in a brokerage account. In addition, Registered Representatives are paid a portion of the commissions on the purchase of mutual funds in brokerage accounts. Some mutual funds may pay a 12b-1 fee to Registered Representatives for marketing and distributing their products. The commission percentage and 12b-l fee are disclosed in the mutual fund prospectus provided to brokerage account Clients. Securities transactions in Ambassador Accounts are not charged commissions; therefore, IARs do not receive commission on securities transactions in Ambassador Accounts. For 12b-l

Item 9: Additional Information

fees paid on mutual funds held in Ambassador Accounts, the Registered Representatives do not receive the fees and RJFS credits the fees back to the Clients' accounts, with the following exceptions: Mutual fund shares with a sales load, typically Class C shares, are deemed to be non-billable assets in an Asset-based Fee account. Although an Asset-based Fee is not assessed on these mutual fund shares, when these Class C share mutual funds pay 12(b)-1 fees, the fees are paid to the financial advisor instead of the Clients. Notably, the Ambassador account prohibits the purchase of mutual fund shares with a sales load, i.e., Class C shares. Thus, the mutual fund investments which pay 12b-1 fees to the financial advisor are often investments purchased in brokerage accounts or held directly by a Client before being transferred into Ambassador.

IARs who are Registered Representatives and receive commissions from securities transactions, mutual fund purchases, and 12b-1 fees have an inherent conflict of interest when they recommend brokerage account transactions because they are paid commissions on recommendations which are acted upon. Even the recommendation to hold a mutual fund is an inherent conflict of interest if the mutual fund pays 12b-l fees. Another conflict interest exists for a mutual fund being purchased in a brokerage account if there are lower-cost classes available and the Registered Representatives who are IARs do not disclose the availability of the lower-cost shares.

Raymond James & Associates, Inc. ("RJA"), a New York Stock Exchange member firm, executes securities transactions for RJFS. Transactions and compensation are governed by SEC regulations regarding disclosure requirements. SPC also offers, through RJFS, public and private limited partnerships and Real Estate Investment Trusts.

Commission charges may vary depending upon any number of factors, including type of security, purchase or sale, secondary market price, volume of trading, market float, and traded or listed exchange. SPC believes that commissions charged by RJFS are competitive with other full-service broker-dealers and, while generally fair and reasonable, are not the lowest in the industry.

Client accounts which are charged a Portfolio Management fee (Asset-based Fee accounts) are not charged commissions and transaction fees. However, Clients who have a brokerage account and execute brokerage transactions through RJFS are charged commissions and transaction fees. Brokerage transactions are placed only through RJFS. There is an inherent conflict of interest in this arrangement in that SPC through its IARs or related persons who are Registered Representatives of RJFS share in a percentage of the brokerage commissions; however, commission charges paid by Clients are not higher as a result. Also, SPC is unable to arrange a broker-dealer platform for its Clients which may be lower in cost than RJFS, which is an inherent conflict of interest.

IARs and related persons may recommend Raymond James Consulting Services, an account platform offered by RJA. Raymond James Consulting Services retains outside portfolio managers who are Registered Investment Advisers. RJA also sponsors Eagle Asset Management, a Registered Investment Adviser. IARs or related persons may recommend to Clients any of these platforms and receive fees and/or commissions.

Quarterly fees to Eagle and other portfolio managers under Raymond James Consulting Services are automatically deducted from Client accounts and detailed on RJA statements. The statement includes line items showing the value of the Client's assets upon which the fee is based and the manner in which the fee is calculated. It is the Client's responsibility to review these statement entries for accuracy and to notify SPC of any discrepancies.

Insurance Broker/Agent

SPC and its IARs or related persons have insurance company affiliations, individually, from which they receive commissions. Insurance products (life, disability, and long-term care insurance) are offered by SPC's licensed advisors. Clients are under no obligation to execute recommendations relating to insurance and/or annuity products through SPC's IARs. Variable insurance products are placed through Raymond James Insurance Group, an affiliate of RJFS.

Tax Preparation

SPC IARs or related persons offer tax preparation services through the related firm Sella & Martinic, LLC through a separate engagement letter with clients. Sella & Martinic, LLC charges separate fees for preparation and/or amending of Client income tax returns based upon the complexity of the return and the time involved by the preparer. Fees for income tax preparation are payable by the client upon completion of the return. Sella & Martinic, LLC provides additional accounting services but does not provide any attest services (such as audits, reviews and compilations). Sella & Martinic, LLC is not a registered broker/dealer and is independent of RJFS.

Item 9: Additional Information

Other Activities

SPC IARs and related persons may participate in events or accept speaking engagements regarding various financial topics unrelated to investment services or securities products. SPC IARs or related persons may render general tax and financial advice to Clients when providing financial planning services. For more information regarding other financial industry activities and affiliations by a specific IAR, please consult the Brochure Supplement for the respective individual.

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

SPC IARs or related persons may buy or sell securities that are also recommended to Clients. SPC has adopted specific policies to prevent its IARs and related persons from trading ahead of Client orders, from receiving better pricing than Clients when trading in the same securities at the same time, from the misuse of material, non-public information to trade in securities, and from the misuse of any Client information to trade in securities. SPC also prohibits without pre-approval from its Chief Compliance Officer, purchase by its IARs or related persons of any Initial Public Offering or privately issued securities, to prevent misappropriation of an investment opportunity from Clients. SPC strictly monitors IARs and related persons' securities accounts and employs additional specific procedures and reviews to enforce these policies. SPC policies and procedures are contained in SPC's Code of Ethics, a copy of which will be furnished to Clients or prospective Clients upon request.

A potential conflict may exist as a result of the compensation associated with the Ambassador Account because SPC may have a financial incentive to recommend a fee-based program rather than recommending that the Client pay for investment advisory services, brokerage, and other services separately. Recommending an Asset-based Fee account to a Client is a conflict of interest if the IAR is incentivized to make that recommendation rather than recommending a brokerage account or other alternative program. This potential conflict could extend to the various share classes of mutual funds available and the fees assessed by the funds. Ambassador is an advisory account, and SPC is being paid for its knowledge, judgment, advice and investment management; therefore, SPC is not required to recommend the lowest cost alternative to Clients. However, as a fiduciary, SPC considers whether the fee which Clients are paying is appropriate based on the services provided. In addition, in retirement accounts, if lower cost mutual fund shares are available, SPC will recommend them for new purchases.

SPC, its IARs, and related persons have a duty to exercise authority and responsibility for the benefit of the Client, to place the interests of the Client first, and to refrain from having outside interests that conflict with the interests of the Client. All SPC IARs and related persons must avoid any circumstances that might adversely affect, or appear to affect, the duty of complete loyalty to the Client. All SPC IARs and related persons must adhere to SPC's Code of Ethics.

Review of Accounts

SPC IARs offer annual reviews/updates to all Clients. More frequent meetings may be triggered by a Client request, or by market or economic events, including changes in governing law. Portfolio Management Client accounts are periodically monitored by SPC IARs for ongoing correlation of the Client portfolio to the Client stated investment objectives and risk tolerance. Portfolio Management Clients (non-discretionary) are contacted by SPC IARs as warranted by changes in the Client portfolio allocation, portfolio performance, market or economic events, known changes in the Clients financial situation, changes in governing tax law, and new or varied securities offerings.

Clients are assigned a month each year for their annual review. SPC IARs and/or the Financial Planning department contact the Client for their current financial data. One or more Financial Planning team members prepares the Clients annual financial documents and submits to the IAR for their review. The IAR then conducts the Client annual meeting, occasionally in conjunction with Financial Planning staff.

SPC offers a variety of reports to Clients as applicable, including Client personal financial statements, retirement projections, an estimate of survivor needs at death, overview of education funding needs, and asset allocation reports, including Morningstar Detail and Snapshot reports. For Portfolio Management Clients, SPC also provides performance reports, including historical, realized gain and loss, and performance by security. Raymond James also furnishes either quarterly or monthly account statements to SPC Clients who maintain Raymond James accounts.

Item 9: Additional Information

Client Referrals and Other Compensation

If a Client acts upon the IAR advice and chooses to use one of RJFS's affiliates as a money manager, custodian or to purchase insurance, SPC or its IAR may receive compensation in the form of commissions from the affiliate. If a Client chooses to use an IAR in his individual capacity as an insurance agent, the individual IAR will receive a commission. Additionally, if a Client purchases a mutual fund containing a 12b-1 fee, SPC and the IAR may receive such fees if the mutual fund is purchased outside of an Ambassador Account.

As part of its fiduciary duties to Clients, SPC endeavors at all times to put the interests of its investment advisory Clients first. Clients should be aware, however, that the receipt of economic benefits by SPC or its related persons in and of itself creates a potential conflict of interest. There is an inherent conflict of interest when SPC IARs recommend the Ambassador Account because a portion of the compensation of the IARs is derived from the fees earned.

SPC does not pay for or receive compensation for client referrals.