Park Avenue Investment Advisory, LLC

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March 15, 2024

Park Avenue Investment Advisory UMA Program, SMA Program and Representative as Portfolio Manager Program Wrap Fee Program Brochure

This wrap fee program brochure ("Brochure") provides information about the qualifications and business practices of Park Avenue Investment Advisory, LLC, If you have any questions about the contents of this Brochure or would like to obtain a free copy of this Brochure, please contact us at (800) 879- 6934. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Park Avenue Investment Advisory, LLC is a registered investment adviser registered with the SEC and provides investment advisory services under the marketing name Park Avenue Investment Advisory.

Additional information about Park Avenue Investment Advisory, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Registration as an investment adviser does not imply a certain level of skill or training. (3/24)

2. Material Changes

Pursuant to SEC rules, this item summarizes the specific material changes, if any, that have been made to this Park Avenue Investment Advisory, LLC (“PAA”, “the Firm,” “we,” “our,” or “us”) Form ADV Wrap Fee Program disclosure brochure (“Wrap Program Brochure”) since the last annual update of the Wrap Program Brochure on March 15, 2023.

When required or appropriate, we will also provide clients interim summary updates of material changes to this Wrap Program Brochure. Clients may ask for a copy of our current Wrap Program Brochure, which includes all material changes since the previous Wrap Program Brochure, or a summary of material changes to the previous Wrap Program Brochure at any time, without charge, by contacting us at (800)879-6934.

The following is a summary of material changes to this Wrap Program Brochure since the last annual update on March 15, 2023.

March 15, 2024 Annual Amendment

Item 4. Services, Fees and Compensation

Additional details are provided regarding the Park Avenue Investment Advisory Unified Managed Account Program. Please see section *Park Avenue Investment Advisory Unified Managed Account Program (“UMA Program”)* for additional information.

Item 9. Additional Information

Compensation and conflicts associated with custodian payments received from Fidelity and Schwab are removed. These payment arrangements have been terminated.

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4. Services, Fees and Compensation

Types of Advisory Services Offered

Park Avenue Investment Advisory or PAA is a registered investment advisor offering a variety of investment advisory programs and services to retail investors through our investment adviser representatives ("IARs"). Based on your financial needs and objectives, your IAR will advise you on the management of investments which are comprised of wrap fee managed account portfolios (the "Programs"), such as the IAR as portfolio manager program, a separate managed account program and a unified managed account program. Under a wrap fee program, you pay a single asset-based fee for investment advisory services and execution of your transactions.

Understanding your Relationship with Park Avenue Investment Advisory

Park Avenue Investment Advisory is subject to the Investment Advisers Act of 1940 ("the Advisers Act"), and as a registered investment adviser Park Avenue Investment Advisory and its IARs have a fiduciary duty to you. This generally means that Park Avenue Investment Advisory and its IARs will act in your best interest when providing investment advice under the Advisers Act and will disclose or avoid all material conflicts of interest. **Throughout the various sections of this Brochure PAA has identified material conflicts of interest where you see such language bolded or within specific sections identified as discussing material conflict of interest**.

In providing investment advice, your Park Avenue Investment Advisory IAR will select from the various products and programs offered. This includes advice and recommendations to invest in various managed account portfolio programs that may be comprised of products such as load-waived and no-load mutual funds, exchange-traded funds ("ETFs"), closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products approved for use on the Park Avenue Investment Advisory platform.

Fidelity Brokerage Services LLC and National Financial Services LLC, (together "Fidelity"), Pershing Advisor Solutions LLC ("Pershing") and Schwab Advisor Services, a division of Charles Schwab & Co., Inc. ("Schwab") are approved to act as custodian of the securities held in your account.

To enroll in one of the Park Avenue Investment Advisory Programs, you must establish an account through Park Avenue Investment Advisory with one of the approved custodians. All trading activity under the Park Avenue Investment Advisory Programs will be processed through the custodian you have selected. Custodial firms perform custody, bookkeeping and execution functions.

Orion Advisor Technology, LLC ("Orion")

Park Avenue Investment Advisory has contracted with Orion, through its affiliate Orion Portfolio Solutions ("OPS"), to provide a technology structure and platform to provide a way for clients to efficiently connect with third-party portfolio managers and strategists. For the UMA/Strategist and SMA programs, OPS directs trades in your account by taking directions from the third-party portfolio manager/strategist to adjust asset allocations, add, remove or replace securities in the account, and rebalance the account as it deems necessary.

For Representative as Portfolio Manager Programs Park Avenue Investment Advisory performs administrative and trading duties at the direction of your IAR.

Rollovers and Fiduciary Acknowledgement

When Park Avenue Investment Advisory and its IARs recommend to a) participants in ERISA-covered retirement plans to roll over assets into an IRA or b) owners of IRAs to roll over or transfer assets to another IRA, Park Avenue Investment Advisory and its IARs are fiduciaries within the meaning of Title I of the

Employee Retirement Income Security Act of 1974 and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. Fiduciary status for this purpose does not necessarily mean Park Avenue Investment Advisory and its IARs are acting as fiduciaries for purposes of other applicable laws. This acknowledgement of fiduciary status does not confer contractual rights or obligations on you, Park Avenue Investment Advisory, or the IARs.

With respect to rollover transactions, certain portions of this Wrap Program Brochure disclosure are intended to comply with requirements under the U.S. Department of Labor's Prohibited Transaction Exemption 2020-02, specifically; (i) information regarding the scope of services provided by Park Avenue Investment Advisory and its IARs, (ii) the fiduciary acknowledgement above, and (iii) the description of the material conflicts of interest under which Park Avenue Investment Advisory and your IARs are operating.

Rollovers

Park Avenue Investment Advisory and your IAR get paid when you engage in a rollover transaction. Park Avenue Investment Advisory can recommend that you rollover assets from your workplace retirement plan or from an existing IRA into an IRA account with Park Avenue Investment Advisory. When you engage in a rollover to an IRA, Park Avenue Investment Advisory and your IAR will receive compensation in connection with the investments you will acquire for your IRA account and hold in the account. This compensation incentivizes Park Avenue Investment Advisory and your IAR to make a rollover recommendation.

Transferring an Existing Account to Park Avenue Investment Advisory Programs

There may be instances in which you have chosen to open a Park Avenue Investment Advisory account that requires you to liquidate existing investment assets or accounts and transfer the proceeds to the Park Avenue Investment Advisory Program in which you wish to participate. In liquidating assets and transferring proceeds, you may experience costs. These costs can include, but are not limited to, account termination charges, contingent deferred sales charges, surrender charges, and commissions on the sale of stocks, bonds, exchange traded funds, closed end mutual funds, limited partnership shares or any other securities you hold in these accounts. If you redeem, surrender or sell existing assets to fund an account you should carefully consider the costs and benefits of the transaction including any tax liability.

You should also ask your IAR if the sale of the assets used to fund your account will benefit your IAR and take that into consideration before liquidating assets to fund your account. The liquidation of an investment may trigger losses or taxable gains, or the Alternative Minimum Tax (AMT) and may require additional quarterly estimated tax payments. Neither Park Avenue Investment Advisory nor your IAR provide tax advice or tax management services. You are responsible for any taxable consequences. You should always consult with your tax advisor for specific tax advice.

Tailored Client Relationships

For Park Avenue Investment Advisory Programs your IAR will request information from you regarding your financial background, investment experience, investment objectives, risk tolerance, and any reasonable restrictions that you wish to impose on investing in certain specific securities and types of securities and will provide important disclosures to you. Your IAR will work with you to help you determine your investment goals and will assist you in selecting the appropriate Programs or other services. As your goals and objectives change over time, your IAR will update your records and client file and may provide new recommendations and advice to fit your needs. You should notify your IAR promptly if there are any changes in your financial situation, risk tolerance, investment objectives or account restrictions. Your IAR will periodically review performance and other reports provided to you and will offer to meet with you at least annually to review your financial situation and investment objectives.

Investment Program Agreement

If you select a Park Avenue Investment Advisory Program, you will sign an Investment Program Agreement. The Investment Program Agreement will detail all the important information pertaining to your account, and you are encouraged to read all the terms of the Investment Program Agreement.

Park Avenue Investment Advisory Programs

Park Avenue Investment Advisory is the sponsor of the Park Avenue Investment Advisory Programs which offer a range of investment strategies, from conservative income to aggressive growth.

For all Park Avenue Investment Advisory Programs, your IAR will analyze your individual financial situation and make recommendations as to an appropriate program based on your individual needs and investment objectives. Prior to funding a Park Avenue Investment Advisory Program account, your Park Avenue Investment Advisory IAR will help you complete a custodial account application and other forms in order to determine your target risk profile. Your target risk profile is described in your Proposal and is the level of risk you are willing to take with your investments. Your Proposal includes your recommended Park Avenue Investment Advisory Program based on the information you have provided. The program you have selected may include closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products approved for use within the Park Avenue Investment Advisory platform.

Park Avenue Investment Advisory Programs are fully discretionary. Your IAR or the applicable third-party manager manages your assets within the parameters of the program and model portfolio you select without requiring you to approve transactions in advance. In a discretionary program, you maintain the ability to impose reasonable restrictions or modify any existing restrictions on the management of your account.

For all Park Avenue Investment Advisory Programs, your IAR is available on an ongoing basis to assist you in evaluating your portfolio strategy and asset allocation. Your IAR will provide you with advice and guidance that is based on the information you provide at the time you open your Park Avenue Investment Advisory Program account and as you update or amend your information from time to time. To assist you in managing your account assets, Park Avenue Investment Advisory will provide you with:

- Electronic periodic performance reports if electronic delivery is selected; and
- Opportunities for you to engage in periodic account reviews with your IAR to address progress toward your investment objectives.

You may transfer securities from outside accounts into your Park Avenue Investment Advisory Program account; however, your IAR may recommend that you sell some or all of the securities if he or she believes that holding such securities is not appropriate for the current recommended investment strategy. Any securities held in your account that are classified as Unsupervised Assets are not managed by Park Avenue Investment Advisory or your IAR but may remain in the account at your discretion.

Park Avenue Investment Advisory and your IAR do not provide investment advisory services regarding Unsupervised Assets, do not charge an advisory fee on such assets, and do not assume responsibility for their management. Park Avenue Investment Advisory, your IAR, and/or any third-party portfolio manager/strategist do not consider Unsupervised Assets when providing investment advice for your Park Avenue Investment Advisory Program account.

Your account can be managed in a tax-sensitive manner; however, neither Park Avenue Investment Advisory nor your IAR may provide tax advice or tax management services. You are responsible for any taxable events in all instances. You should always consult with your tax advisor for specific tax advice.

Park Avenue Investment Advisory Wrap Fee Programs

All Park Avenue Investment Advisory Programs are wrap fee programs. Under a wrap fee program, you pay a single asset-based fee for investment advisory services and execution of your transactions. Unless otherwise noted, administrative and investment advisory fees, along with transaction fees, are “wrapped” into one comprehensive fee, which is paid quarterly. A portion of the wrap fee is used to pay Park Avenue Investment Advisory and your IAR for investment advisory services. A wrap fee program may cost you more or less than purchasing such services separately, depending on the level of trading activity in your account and the individual costs of the services if provided separately.

Your advisory fee Is not impacted by your level of trading however; Park Avenue Investment Advisory has an incentive to limit the trading in your account because Park Avenue Investment Advisory is charged for your executed trades. Park Avenue Investment Advisory does not place trade limitations on its IARs or its third-party investment managers which mitigates this conflict.

Park Avenue Investment Advisory Unified Managed Account Program (“UMA Program”)

The UMA Program is a discretionary investment advisory program sponsored by Park Avenue Investment Advisory that provides clients access to unaffiliated third-party investment managers. Investment managers provide trading direction to Orion Portfolio Services (“OPS”) consistent with a model portfolio they create and maintain. By executing the Investment Program Agreement, you grant investment managers discretionary authority to buy and sell securities and investments in your account. Based upon your objectives and risk tolerance, your IAR will recommend one or more investment managers to fulfill your overall investment strategy. In a UMA account, a single account contains multiple investment manager models where each model is considered a subaccount or “sleeve” of the account. Investment managers will periodically adjust and rebalance your portfolio to remain consistent with the model’s investment strategy. Investment managers do not provide personalized investment advice to you.

In addition to recommending an investment manager(s), your IAR may also, on a discretionary basis, select individual securities to fulfill your overall investment strategy.

Your IAR will periodically review your account with you. You can impose reasonable restrictions on the management of your account.

Park Avenue Investment Advisory may remove an investment manager from the UMA Program at its discretion, at which point you shall be notified. Your IAR will work with you to reposition your assets into an appropriate investment option. If your UMA assets remain with an unapproved investment manager, the assets will remain in-kind and unmanaged until you and your IAR select another Investment Manager or Strategist.

Park Avenue Investment Advisory Separately Managed Account Program (“SMA Program”)

The SMA Program is a discretionary investment advisory program sponsored by Park Avenue Investment Advisory that provides you with access to unaffiliated third-party investment managers. By executing the Investment Program Agreement, you grant investment managers discretionary authority to buy and sell securities and investments in your account. Based upon your objectives and risk tolerance, your IAR will recommend one or more investment managers to fulfill your overall investment strategy. In the SMA program, each account contains the model of a single investment manager. Investment managers will periodically adjust and rebalance your portfolio to remain consistent with the model’s investment strategy.

Investment managers do not provide personalized investment advice to you. Your IAR will periodically review your account with you. You can impose reasonable restrictions on the management of your account.

Park Avenue Investment Advisory may remove an investment manager from the SMA Program at its discretion, at which point you shall be notified. Your IAR will work with you to reposition your assets into an appropriate investment option. If your SMA assets remain with an unapproved investment manager, the assets will remain in-kind and unmanaged until you and your IAR select another investment manager.

Park Avenue Investment Advisory Representative as Portfolio Manager Program ("Rep as PM")

Park Avenue Investment Advisory Representative as Portfolio Manager Program ("Rep as PM") is an asset allocation program managed on a fully discretionary basis. Your IAR acts as the portfolio manager in this Program. Based on your objectives and risk, your IAR builds a portfolio constructed with a variety of securities that satisfy an asset allocation based on your portfolio objectives.

Astoria Portfolio Advisors LLC ("APA")

Park Avenue Investment Advisory has engaged APA as a sub-advisor for the Rep as PM program and APA shall act in such capacity at the client's election. If the client elects to have APA as the sub-advisor on the account APA will assist the IAR associated with the client by building the investment portfolios and managing those portfolios on an ongoing basis. APA is a SEC Registered Investment Advisor offering a comprehensive range of investment management strategies, research, and services for independent investment advisory firms. By selecting APA as your sub-advisor, you grant APA the authority and discretion for implementing all trading aspects in your account on an ongoing and continuous basis and grant them the authority to have access to all your account information and data. APA will provide the following portfolio types and services to Park Avenue Investment Advisory:

- Core Risk Based ETF portfolios
- Thematic ETF and Stock Portfolios
- Environmental, Social and Governance equivalent model portfolios
- Quantitatively driven US stock portfolios
- Portfolio construction and the management of customized investment portfolios
- Provide research including market commentaries and market reviews, portfolio analytics, portfolio construction, analysis on mutual funds, single stocks, and ETFs, and management of customized investment portfolios as requested

APA will implement the agreed upon investment strategy relying on the Park Avenue Investment Advisory's IAR's recommendation and the client's stated strategy and goal.

Please note, APA sub-advises the AXS Astoria Inflation Sensitive exchange traded fund (ticker symbol PPI) which may be purchased in your account. AXS pays APA an annual sub-advisory fee based on the Fund's average daily net assets. AXS is responsible for paying the entirety of Astoria's sub-advisory fee. The Fund does not directly pay Astoria. While Park Avenue Investment Advisory does not receive a portion of this payment, this payment causes a conflict in APA selecting and purchasing the fund in your account as it will increase APA's sub-advisory fee it collects from AXS. As previously stated, you may impose reasonable restrictions on the management of your account which includes the ability to restrict the purchase of this fund in your account.

Park Avenue Investment Advisory Program Fees and Compensation

Fees paid to Park Avenue Investment Advisory are based on the value of the assets within your account and may be individually negotiated by the client. At its discretion, Park Avenue Investment Advisory pays a portion of the fee it receives to IARs. **Fees earned by an IAR vary by program. Therefore, an IAR has an incentive**

to recommend one program over another.

There is no guarantee that the Park Avenue Investment Advisory services offered will result in the client's goals and objectives being met. Nor is there any guarantee of profit or protection from loss. The fees and expenses in connection with these advisory services may be higher than the cost of similar services offered through other financial firms or the fees associated with other financial services. Use of asset-based fee or "wrap fee" programs may result in the payment of fees by clients in excess of the combined total of separate advisory fees and brokerage commissions paid on an individual transaction basis. In investment advisory accounts, the Park Avenue Investment Advisory IAR is not paid a sales commission or trail commission. Please note that a client may be able to purchase recommended no-load mutual funds outside of a Park Avenue Investment Advisory Program at little or no transaction cost and without the payment of advisory fees; however, the client will not receive the benefit of the investment advice and other services that Park Avenue Investment Advisory provides to clients participating in its advisory programs.

In general, compensation payable to Park Avenue Investment Advisory in connection with investment advisory services is comparable to compensation charged by other full-service firms for the same services. In some cases, similar services may be available from other sources at lower fees and charges (which may have the effect of lowering the cost to the customer and/or increasing the return on the product). Often, but not always, firms that offer such products and services (which include, among others, discount brokers and direct marketers) do not provide the same level of personalized advice and/or service as Park Avenue Investment Advisory seeks to provide.

Park Avenue Investment Advisory and its IARs provide investment management advice to a variety of different clients. Certain types of clients and fee arrangements create conflicts of interest for Park Avenue Investment Advisory. Some IARs provide advice or manage accounts "side by side" with accounts that have different characteristics. As such, these IARs have an incentive to favor some accounts over others.

Park Avenue Investment Advisory IARs may also provide advisory services to retail clients via other Park Avenue Investment Advisory programs. You should carefully review the description of each program and the related fees and consider which program may be more appropriate. If you want a description of all advisory programs, please contact Park Avenue Investment Advisory or, alternatively, you may go to www.adviserinfo.sec.gov to view all the Form ADVs available for Park Avenue Investment Advisory.

Park Avenue Investment Advisory is conscious of these potential conflicts. Overall, where we are providing fiduciary services, the goal of our policies and procedures is to act in good faith and to treat all client accounts in a fair and equitable manner over time, regardless of their strategy, fee arrangements or the influence of their owners or beneficiaries. These policies include those addressing the fair allocation of investment opportunities across client accounts and the best execution of all client transactions.

Advisory Fees

The maximum annual Client Fee is 3%. The Client Fee is stated in your proposal. Fees are negotiable and tailored to the specific types of services provided to each client. You and your IAR may select from a standard fee schedule applicable to the program selected. Discounts on the minimum advisory fee that Park Avenue Investment Advisory may charge are not generally available to clients but are made in very limited situations. The advisory fee for Park Avenue Investment Advisory Programs is based on the average daily balance of assets in your account during the previous calendar quarter and is payable in advance for the following quarter. You will pay one total fee for the services provided in the program selected. If your account was not open for the entire quarter, then the fee will be prorated.

Your Total Client Fee consists of the following components:

- An Advisor Fee for the advisory services provided by your IAR.
- A Platform Fee for the technology related services and/or custodial/operational services provided by Park Avenue Investment Advisory and its vendors.
- A Strategy Fee for the advisory services provided by Investment Managers (as applicable).
- A sub-advisory fee for the sub-advisor services provided by Astoria Portfolio Advisors within the Rep as PM Program (as applicable).

The total Client Fee can change over time due to changes in your selected Park Avenue Investment Advisory Program(s), changes in the third-party strategists or investment manager you have selected within the Program(s), and as well as the amounts allocated to each, **the amount of the assets in your account**, and the investment performance. These changes could result in a higher or lower fee being charged against your program assets. More specifically, the Platform Fee is based on a tiered grid in which the level of assets in your account determines the rate of your Platform Fee. The Platform Fee listed in your Proposal is based on the initial level of assets within your account. However, the Platform Fee will change over time if the assets in your account move above or below the tiered rates. The higher the level of assets in your account the lower the fees and vice versa. The Platform Fee grid is provided below for your reference so you can determine the different rate which will be charged in the event your account(s) move above or below the tiered rates based on your selected Program(s).

Tiered Platform Fee		
Assets Under Management	SMA/UMA Program	Representative as Portfolio Manager Program
$0-$100,000	0.23%	0.20%
$100,000 - $250,000	0.21%	0.18%
$250,000 - $500,000	0.18%	0.15%
$500,000 - $1,000,000	0.16%	0.13%
$1,000,000 - $2,000,000	0.13%	0.10%
$2,000,000 - $5,000,000	0.11%	0.08%
$5,000,000 or more	0.08%	0.05%

If you choose a standard fee schedule rather than a negotiated flat fee, and your assets exceed a fee breakpoint or fall below a fee breakpoint, your advisory fee will be adjusted to the appropriate fee tier in the subsequent quarter. The advisory fee does not include any investment management or other fees and expenses charged by the ETFs and/or mutual funds in which account assets are invested, all of which are fully disclosed in the ETF's and/or mutual fund's prospectus. If cash or cash-equivalent funds in your account are not sufficient to pay the fee or any of the other fees charged in connection with your account or transactions for your account, investments in your account may be liquidated to pay the outstanding fees. If your account is managed for only a portion of the quarter, the fee will be prorated accordingly.

Rep as PM Accounts sub-advised by APA

For accounts sub-advised by APA, you will pay a fee to APA in the amount of .15%. For example, if your fee is 1.00%, .15% will be paid to APA for their sub-advisory services.

Additional Fees

The advisory fee also excludes other related charges, including but not limited to, express postage and handling charges, returned check charges, short-term mutual fund trading fees, fees listed in a mutual fund prospectus, checking account fees, trade fees and taxes associated with transacting in American Depository Receipts, costs associated with exchanging foreign currencies, odd lot differentials, activity assessment fees, transfer taxes, exchange fees, legal transfer fees, safekeeping fees, valuation fees, wire or transfer fees, foreign clearing, settlement and custodial fees, transfer taxes, exchange fees, other fees mandated by law, non-brokerage related fees such as Individual Retirement Account ("IRA") trustee or custodian fees and tax qualified retirement plan account fees, each of which is charged separately. In addition, trading fees associated with trades executed away from a Custodian will not be included in wrap fees (Advisory Program fees).

As stated above, in addition to the advisory fee paid by you for advisory services under a Park Avenue Investment Advisory Program, each mutual fund in the program has its own separate investment management fees and other expenses. Park Avenue Institutional Advisers LLC ("PAIA"), an affiliate of Park Avenue Investment Advisory, acts as a sub-advisor to mutual funds which may be held in the Program. Further, certain "load" mutual funds may be purchased in client accounts at net asset value ("NAV") without a sales charge ("NAV Funds"). Certain mutual funds available through the Park Avenue Investment Advisory Programs make payments to broker-dealers with respect to sales of fund shares pursuant to Rule 12b-1 under the Investment Company Act of 1940 ("Rule 12b-1 Service/Distribution Fees") or otherwise as administrative service fees. These fees are described in the prospectus for the respective mutual fund. Such payments are made from mutual fund assets and have the effect of reducing fund performance. Park Avenue Investment Advisory does not negotiate these payments, which are made solely at the discretion of the mutual fund.

Mutual Fund Share Class Selection in Park Avenue Investment Advisory Programs

Park Avenue Investment Advisory makes multiple share classes available from mutual fund sponsors and may not offer the least expensive share class that a mutual fund has available. Other custodians and financial services firms may offer the same mutual fund and make available share classes that have a lower overall cost to the investor than is available through Park Avenue Investment Advisory. An investor who holds a more expensive share class of a mutual fund will pay higher fees over time and earn lower investment returns than an investor who holds a less expensive share class of the same mutual fund. Clients should consult with their IAR as to which share classes are available at Park Avenue Investment Advisory and consider these factors when deciding between types of investments, types of investment products and types of investment accounts.

Lending Services

Non-Purpose Loan Program

Park Avenue Investment Advisory through its Custodians makes non-purpose loans (each a "NPL") available to clients through agreements the Custodian has with third party financial institutions. You may apply using your account as collateral and must enter into an NPL agreement directly with the financial institution providing the NPL (the "Loan Provider"). These eligible securities accounts may include one or more of your Park Avenue Investment Advisory Program accounts.

Your Park Avenue Investment Advisory Program account will be pledged to support any loans extended under the Non-Purpose Loan Program. You will not be permitted to take withdrawals from the account unless there is sufficient collateral otherwise supporting the loans (as determined by Park Avenue Investment Advisory in its sole discretion).

If you participate in the NPL Program, you will pay interest to the Loan Provider on the loan value in addition to any Program advisory fees charged in the Park Avenue Investment Advisory Program account being used as collateral. Park Avenue Investment Advisory and its IARs do not receive any portion of the interest paid by clients for non-purpose loans.

Funds borrowed and proceeds from any recommended Lending Service may not be used to purchase securities or fund brokerage accounts.

Important Considerations relating to Lending Services

In certain circumstances, for example to avoid tax consequences or to allow for potential appreciation of assets, your IAR may recommend an NPL in your advisory account. Your IAR will benefit from a NPL because you do not liquidate assets in your account, which would diminish the assets held in the account and the potential fees and commissions that could be earned by your IAR managing those assets. For example, with a fee-based account, by recommending a NPL to fund some purchase or financial need rather than liquidate securities, Park Avenue Investment Advisory and your IAR continue to earn fees on the full account value and may also earn revenue from the new loans.

You must meet certain eligibility requirements and complete loan documentation prior to applying for a non-purpose loan. Specifically, you will be required to execute loan documents with the lender.

The decision to use Park Avenue Investment Advisory Program account assets as collateral rests with you and should only be made if you understand:

- the risks of borrowing and the impact of the use of borrowed funds on advisory accounts;
- how the use of loans may affect your ability to achieve investment objectives;
- the risk that you may lose more than your original investment; and
- the possibility you may not benefit from collateralizing your account for a non-purpose loan in a Program account if the performance of your account does not exceed the interest expense being charged on the loan plus the additional advisory fees incurred by your account because of the deposit of the loan proceeds.

Defaults – Non-purpose loans are full recourse, demand loans and clients with non-purpose loan accounts may need to deposit additional cash or collateral or repay part or all of the loan if the value of the portfolio declines below the required loan-to-value ratio. The Loan Provider may demand repayment at any time.

Failure to promptly meet a request for additional collateral or repayment or other circumstances (e.g., a rapidly declining market) could cause the custodian, at its discretion, to liquidate some or all of the collateral account or accounts to meet the loan requirements. Depending on market circumstances, the prices obtained for the securities may be less than favorable. Any required liquidations may disrupt your long-term investment strategies and may result in adverse tax consequences. Park Avenue Investment Advisory does not provide legal or tax advice; you should consult your legal and tax advisors regarding the legal and tax implications of borrowing and using securities as collateral for a loan. You are personally responsible for repaying the loan in full, even if the value of the collateral is insufficient.

Neither Park Avenue Investment Advisory nor its IARs will act as investment adviser to you with respect to the liquidation of securities held in a Park Avenue Investment Advisory Program account to meet a non-purpose loan demand. Those liquidations will be executed in the custodian's capacity as broker-dealer and may, as permitted by law, result in executions on a principal basis in your account. In addition, as creditors, Park Avenue Investment Advisory may have interests that are averse to your interests. Additional limitations and availability may vary by state.

There are substantial risks associated with the use of borrowed funds for investment purposes and securities as collateral for a loan.

Margin Accounts

Clients should be aware that margin borrowing involves additional risks. Margin borrowing will result in increased gain if the value of the securities in the account goes up but will result in increased losses if the value of the securities in the account goes down. Interest will be charged on the amount loaned to purchase the additional securities, and therefore any gains must exceed the interest amount for this to be profitable. The custodian, acting as the client's creditor, will have the authority to liquidate all or part of the account to repay any portion of the margin loan, even if the timing would be disadvantageous to the client.

If an account is approved for trading on margin and you have entered into a margin agreement with the custodian, you will be charged margin interest on any credit extended to or maintained by the client. Your advisory fee is not charged on any margin debit balance, rather only on the net equity of the account.

5. Account Requirements and Types of Clients

Park Avenue Investment Advisory provides investment advisory services to available to individuals, high net-worth individuals, corporations and other business entities, trusts, foundations, and endowments. Park Avenue Investment Advisory programs generally require clients to meet certain program account minimums. In some cases, account balances may be combined at the household level to satisfy the account minimum. Park Avenue Investment Advisory and unaffiliated investment managers may waive the account minimum requirements for their respective programs in their sole discretion.

Account minimums in the Park Avenue Investment Advisory Wrap Fee programs are as follows:

- $50,000 for the SMA and UMA Programs, except for Strategists who maintain their own minimum requirements.
- $25,000 for the Rep as PM Program

6. Portfolio Manager Selection and Evaluation

Park Avenue Investment Advisory Platform Due Diligence

On the Park Avenue Investment Advisory Services platform, the IAR is responsible for the overall investment advice and management services offered to clients, and the client selects the IAR who manages the account. Among other investments, Park Avenue Investment Advisory makes available managers and strategists in the form of Separately Managed Accounts (SMAs), mutual funds, and ETFs. The IAR is responsible for the selection of the appropriate manager or strategist and allocation for each client. The Park Avenue Investment Advisory Research Team conducts an evaluation of the strategists and SMAs before they are made available on the platform. While the Park Avenue Investment Advisory Research Team is responsible for the screening process, in certain circumstances, they will also utilize other third-party services. The screening process, in general includes the following:

Quantitative Criteria

Review the managers performance on an absolute basis and relative to appropriate benchmarks and, when appropriate, peer groupings. Additional quantitative factors include:

- Rate of return
- Risk taken to achieve return
- Consistency of returns
- Assets under management
- Expenses

Qualitative Criteria include

- Sound Investment philosophy and process that drives performance
- Assessment of the investment manager and team
- Risk controls
- Legal and compliance issues
- Number of employees and accounts
- Years in the business

Orion Portfolio Solution (OPS) Methods of Analysis, Investment Strategies and Risk of Loss for Strategist & Investment Manager Programs

OPS utilizes specific qualitative and quantitative screening criteria to identify appropriate Strategists and Investment Managers for the UMA and SMA programs. The quantitative review focuses on the performance and track record of the Strategist/Investment Managers as compared against benchmarks. Our qualitative analysis reviews information surrounding the operations of the Strategists, including history, experience, firm size and structure, investment analysis and decision-making process, and portfolio risk review. Qualitative screening includes a review of each Strategist/Investment Manager's organizational history and stability, including depth/experience of investment team and research group, investment process and strategy, internal resource allocation, legitimacy of track record, experience with taxable clients, client servicing capabilities, relationship with OPS, and other characteristics. Each Strategist/Investment Manager is reviewed and analyzed, in detail, by the OPS Investment Committee. On at least an annual basis, the Investment Committee will review the performance of each Strategist/Investment Manager Model along with any organizational changes that may have occurred during the year.

To monitor Strategist/Investment Managers and manage the OPS strategies, we utilize a proprietary risk scoring methodology. This tool assists IARs in developing and selecting model portfolios by assigning a risk score to each Strategist/Investment Manager Model on the OPS platform. The tool also defines each Strategist/Investment Manager Model according to their investment style or mandate tolerance.

Rep as PM Sub-advised Accounts (Astoria Portfolio Advisors LLC)
Methods of Analysis, Investment Strategies and Risk of Loss

- APA may also hold or supervise individual stocks and bonds, mutual funds, non-listed REITs, as well as options, typically resulting from pre-existing client holdings prior to becoming an APA client. As a result, APA may direct clients on when transition out of their pre-existing holdings into a portfolio constructed by APA.
- APA utilizes macro and quantitative investment analysis when constructing an investment portfolio. We believe asset allocation is the primary driver of investment portfolio performance. Moreover, APA believes that portfolio diversification is important. We monitor macro-economic data to determine whether to increase or minimize the overall volatility of a portfolio. We may increase or decrease our portfolios' exposures to various asset classes when we believe conditions are warranted. We do not try to time the market and hence we normally stay fully invested in asset allocations.
- Active asset allocation and investment in the model portfolio involve market risk and an investment in a model portfolio could lose money over short or even long periods. Trading can affect investment performance, particularly through increased brokerage costs and taxes.
- APA's portfolios are formed using stocks and ETFs that track specified investment themes for the purpose of targeting long-term investment goals. APA's criteria for selecting ETFs includes, but is not limited to, targeted investment exposures or themes, management fees, bid/offer, the reputation of ETF sponsor, trading liquidity, and assets under management. APA's stock portfolios are designed using a quantitative approach using pre-defined rules developed by APA's research team. All portfolios are systematically reviewed by the Investment Committee and reallocation of positions occurs pursuant to changes in investment decisions made by the Investment Committee. Accounts are rebalanced to the model, defined as a targeted allocation plus or minus a tolerance range.

- The ETFs and mutual funds utilized by APA may include investments in domestic, developed international, emerging market equities, preferred equities, Real Estate Investment Trust (REITs), corporate and government fixed income securities, convertible bonds, commodities, and liquid alternatives. Equity securities may include large capitalization, medium-capitalization, and small capitalization stocks. Options strategies, if utilized, would consist of covered options, uncovered options, or spreading strategies.

Methods of Analysis

- APA's investment strategies use macro and quantitative models which may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

Investment Strategies

- APA uses long term trading strategies to build portfolios. Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Performance Based Fees and Side by Side Management

Park Avenue Investment Advisory does not use a performance-based fee structure (fees based on a share of capital gains or capital appreciation of the assets of a client).

Methods of Analysis

Park Avenue Investment Advisory Programs offer several investment strategies that involve investing in a wide range of securities and other financial instruments, including but not limited to:

- Equity securities
- Options
- Exchange Traded Funds
- Mutual Funds
- Exchange-listed securities
- Over-the-counter securities
- Securities of foreign issuers (including ADRs, EDRs and GDRs)
- Corporate debt
- Commercial paper
- Certificates of deposit
- United States government securities
- Municipal securities

Investment Strategies

Clients utilizing Park Avenue Investment Advisory's Rep as Portfolio Manager Programs receive asset allocation and securities recommendations from the IAR(s) associated with their account.

Clients utilizing the UMA and SMA Programs receive recommendations from their IAR on the investment manager(s) to manage the risk/return strategy. Clients receive asset allocation and securities solutions via portfolios created and maintained by the investment manager.

Asset allocation, often referred to as “tactical” or “strategic” asset allocation, is a strategy that seeks to diversify assets across various types of asset classes which may include broad asset classes (such as equity or fixed income), or sub-asset classes (such as large cap, small cap, or international). The weights assigned to each asset class are expected to result in an overall portfolio with risk and return characteristics that meet the client’s investment objectives. Asset allocation does not account for individual security risk.

“Strategic asset allocation” assumes that the mix of asset classes will remain relatively consistent over a long period of time. The client’s asset allocation targets typically are not changed unless the client’s circumstances or objectives change. There are risks associated with asset allocation. One such risk is that the client may not participate in sharp increases in a particular security, industry or market sector. Clients with a strategic asset allocation strategy may not achieve their investment objectives and may lose money.

“Tactical asset allocation” is a strategy that actively adjusts a portfolio’s asset allocation based upon short-term trends that could include financial market trends, economic cycles and asset class valuations. Based upon short-term assumptions, the portfolio allocations to certain asset classes are increased, while the portfolio allocations to other asset classes are decreased. There are risks associated with tactical asset allocation.

Clients with a tactical asset allocation may not achieve their investment objectives and may lose money.

Tactical asset allocation does not account for individual security risk. At different points in time, the tactical asset allocation and structure of the client’s portfolio vary significantly. There is no guarantee that a tactical asset allocation will correctly predict or track market movements or that it will provide comparable returns or decreased volatility relative to traditional strategic asset allocation programs. Clients in tactical asset allocations are relying significantly on the skills and experience of the manager’s ability to correctly judge changes in market behavior and construct a portfolio that predicts market behavior. In addition, even if the portfolio is correctly positioned, there is no guarantee that the client will not experience substantial losses. The tactical asset allocation strategy may result in a portfolio that experiences more frequent trading in order to take advantage of anticipated changes in market conditions. A high level of portfolio turnover may negatively impact performance by generating greater tax liabilities and brokerage and other transaction costs.

Park Avenue Investment Advisory and IARs may also offer what are commonly known as focused/completion strategies. Focused/completion strategies are portfolios that are concentrated in a certain asset class or deploy a narrow strategy. Generally, focused/completion strategies are used to complement other holdings. There are unique risks associated with focused and completion strategies, such as increased volatility since portfolios are often concentrated in a particular asset class.

Park Avenue Investment Advisory recommends load-waived and no-load mutual funds, exchange-traded funds (“ETFs”), closed-end funds, options, stocks and bonds as well as separately managed accounts and other securities products approved for use to fulfill the recommended client asset allocation strategy.

Tax Harvesting

Subject to meeting minimum balance requirements, you may direct Park Avenue Investment Advisory to employ a tax harvesting strategy in managing taxable accounts. This means that, once the tax harvesting threshold is met, Park Avenue Investment Advisory will sell securities in your account at a gain or loss to offset potential capital gains, although the type and amount of capital gains will not be monitored by Park Avenue Investment Advisory for this purpose. By authorizing tax harvesting, Park Avenue Investment Advisory will sell one or more securities in the account and will hold proceeds in cash to avoid the 30-day wash rule. Once 30 days have passed, the funds will be reinvested in the model. Within Park Avenue Investment Advisory Programs, the Investment Manager or Park Avenue Investment Advisory may select another ETF not substantially comparable to the security harvested to replace the securities that have been purchased or sold in your account.

You should consult with your professional tax advisors or review the Internal Revenue Service ("IRS") website at www.irs.gov regarding the consequences of tax harvesting in light of your particular circumstances and its impact on your tax return. If your IAR recommends a tax harvesting strategy for your account, that advice is not intended as tax advice. Neither Park Avenue Investment Advisory nor your IAR represent that any particular tax results will be obtained. You are responsible for monitoring any accounts in your household, or accounts for which you maintain control (at Park Avenue Investment Advisory or with another firm) to ensure that transactions in the same security or a substantially similar security do not create a "wash sale." A wash sale is the sale at a loss and repurchase of the same security, or substantially similar security, within 30 days. If a wash-sale transaction occurs, the IRS may disallow or defer the loss for current tax reporting purposes. More specifically, the wash-sale period for any sale at a loss consists of 61 days: the day of the sale, the 30 days before the sale, and the 30 days after the sale (these are calendar days, not trading days). The wash-sale rule postpones losses on a sale if replacement shares are bought around the same time. The effectiveness of the tax harvesting strategy to reduce your tax liability will depend on your entire tax and investment profile, investments (e.g., taxable or non-taxable) or holding period (e.g., short-term or long-term).

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Clients may experience loss in the value of their account due to market fluctuations. There is no guarantee that a client's investment objectives will be achieved by participating in any of the Programs described in this brochure. Prior to investing, clients should carefully read a copy of the current prospectus for each security, where a prospectus is available, or other offering documents associated with the particular investment. The prospectus or offering documents contain information regarding the fees, expenses, investment objectives, investment techniques, and risks of each particular investment. The investment returns on a client account will vary and there is no guarantee of positive results or protection against loss. No warranties or representations are made by Park Avenue Investment Advisory or IARs concerning the benefits of participating in the Programs described in this Brochure.

Park Avenue Investment Advisory and IARs do not provide legal or tax advice. Clients with tax or legal questions should seek a qualified independent expert.

Depending on the types of securities you invest in, you may be subject to the following investment risks including, but not limited to:

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 risks.

Credit Risk: also known as default risk, is the possibility that a bond issuer will not pay interest as scheduled or repay the principal at maturity. Credit risk may also be a problem with insurance companies that sell annuity contracts, where your ability to collect the interest and income you expect is dependent on the claims-paying ability of the issuing insurance company.

Sociopolitical Risk: The possibility that instability or unrest in one or more regions of the world will affect investment markets. Terrorist attacks, war and pandemics are examples of events, whether actual or anticipated, that impact investor attitudes toward the market in general and result in system wide fluctuations in stock prices.

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: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on discoveries of oil and then refining it, a lengthy process, before they can generate a profit. These companies 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.

Financial Risk: Excessive borrowing to finance a business' operations increases the risk of loss if the company is unable to meet the terms of its loan obligations. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Liquidity Risk: When consistent with a client's investment objectives, guidelines, restrictions and risk tolerances, client portfolios may be invested in illiquid securities, subject to applicable investment standards. Investing in an illiquid (i.e., difficult to trade) security may restrict the ability to dispose of investments in a timely fashion or at an advantageous price, which may limit the ability to take full advantage of market opportunities. Accounts may hold securities which are partnerships. Some partnerships are relatively liquid and may be either exchange listed or traded over the counter. However, most partnership securities are often illiquid and are subject to significantly less regulation than public investments.

Fixed Income Risks: Portfolios that invest in bonds and other fixed income securities are subject to certain risks, including but not limited to, interest rate risk, credit risk, prepayment risk and market risk, which could reduce the yield that an investor receives from his or her portfolio.

Foreign and Emerging Markets Risk: Investments in securities of foreign and emerging markets issuers involve different investment risks than those affecting obligations of U.S. issuers. Public information may be limited with respect to foreign and emerging markets issuers, and they may not be subject to uniform accounting, auditing and financial standards and requirements comparable to those applicable to U.S. companies. Additional risks include future political and economic developments, the possibility that a foreign jurisdiction might impose or charge withholding taxes on income payable with respect to foreign and emerging markets securities, and the possible adoption of foreign governmental restrictions such as exchange controls. In addition, foreign currency exchange rates may affect the value of securities in the portfolio.

High-yield Bond Risk: Investments in high-yielding, non-investment grade bonds involve higher risk than investment grade bonds. Adverse conditions may affect the issuer's ability to make timely interest and principal payments on these securities.

Structured Products Risk: These products often involve a significant amount of risk and should only be offered to clients who have carefully read and considered the product's offering documents, as their structure may be based on derivatives or other types of securities, which may be volatile. Structured products are intended to be "buy and hold" investments and are not liquid instruments.
Derivatives Risk: Derivatives are securities whose price is dependent upon or derived from one or more underlying assets. The derivative itself is a contract between two or more parties. Its value is determined by fluctuations in the underlying asset. Derivatives may involve significant risks and are not suitable for everyone. Derivatives trading can be speculative in nature and carry substantial risk of loss, including the loss of

principal.

Small/Mid Cap Risk: Stocks of small or mid-sized, emerging companies may have less liquidity than those of larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

Diversification Risk: Investments that are concentrated in one or few industries or sectors may involve more risk than more diversified investments, including the potential for greater volatility.

Security Selection and Asset Allocation Risk: Securities selected from a particular asset class (e.g., stocks, bonds, money market instruments) may experience unusual market volatility or may not perform as expected. An asset allocation program does not guarantee achievement of a client's investment objective nor protect against loss.

ETF Risk: ETFs are subject to the following risks: (i) the market price of an ETF's shares may trade above or below the net asset value; (ii) there may be an inactive trading market for an ETF; (iii) the ETF may employ an investment strategy that utilizes high leverage ratios; (iv) trading of an ETF's shares may be halted, delisted, or suspended on the listing exchange; and (v) the ETF may fail to achieve close correlation with the index that it tracks.

Real Estate Risk: Investment in real estate and real estate related assets is subject to the risk of adverse changes in national, state or local real estate conditions (resulting from, for example, oversupply of or reduced demand for space and changes in market rental rates); obsolescence of properties; changes in the availability, cost and terms of mortgage funds; and the impact of tax, environmental and other laws.

Options Risk: The use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and your account will no longer hold the security. When purchasing options there is the risk that the entire premium paid (the purchase price) for the option can be lost if the option is not exercised or otherwise sold prior to the option's expiration date. When selling (or "writing") options, the risk of loss can be much greater if the options are written uncovered ("naked"). The risk of loss can far exceed the amount of the premium received for an uncovered option and in the case of an uncovered call option the potential loss is unlimited.

Brokerage Practices

Park Avenue Investment Advisory maintains clearing relationships with Fidelity Brokerage Services LLC and National Financial Services LLC, (together "Fidelity"), Pershing Advisor Solutions ("Pershing") and Schwab Advisor Services, a division of Charles Schwab & Co., Inc. ("Schwab"). The Custodians are members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation (SIPC) and are registered broker-dealers. These firms maintain custody of clients' assets and effect trades in client accounts. Park Avenue Investment Advisory is independently owned and operated and not affiliated with the approved custodians or any of the recommended custodians that may be used. Park Avenue Investment Advisory has chosen to establish relationships with the approved custodians based upon their financial strength, reputations, execution capabilities, pricing, research and service and recommends their use to clients based upon these factors, consistent with Park Avenue Investment Advisory's fiduciary obligations, including the duty to seek best execution.

Although Park Avenue Investment Advisory has found the use of the approved custodians to be consistent with its obligation to seek best execution and that the fees (including but not limited to commissions and/or transaction fees) charged by each is reasonable relative to the value of the brokerage and research services provided, a client may nonetheless pay a fee for services that is higher than another qualified broker-dealer might charge to effect the same transaction. 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 value of research provided, execution capability, commission rates, and the benefit to all clients.

Directed Brokerage

Directed brokerage occurs when the client directs Park Avenue Investment Advisory to utilize a custodian that is not among the Park Avenue Investment Advisory approved custodians. Park Avenue Investment Advisory does not allow you to direct to any other firm but its approved custodians.

Research and Other Benefits to Park Avenue Investment Advisory

Park Avenue Investment Advisory receives from its approved custodians certain support services or products, without cost or at a discount, that assist Park Avenue Investment Advisory in monitoring and/or servicing Client accounts. These services include investment-related research, pricing information and market data, compliance and/or practice management-related publications, discounted or free consulting services, discounted or free attendance at conferences, meetings, and/or educational or social events, marketing support, computer hardware and/or software and/or other products and services used by, or useful to, Park Avenue Investment Advisory in providing investment advisory services to its clients. Clients are directed to a more complete discussion below regarding the approved custodians, such as the types of services, support, and products that are made available to Park Avenue Investment Advisory by each. If these additional services were not provided to Park Avenue Investment Advisory by its approved custodians, Park Avenue Investment Advisory might be compelled to purchase the same or similar services at its own expense.

Park Avenue Investment Advisory participates in back office and support programs sponsored by its custodians. These programs and the services provided, including trading capabilities, are essential to Park Avenue Investment Advisory's service arrangements. As part of its participation in these programs, Park Avenue Investment Advisory receives benefits that it would not receive if it did not offer investment advice. **As a result of receiving such services at a reduced cost (or at no additional cost), Park Avenue Investment Advisory has an incentive to continue to use or to expand the use the services of the approved custodians**. The advisory fees charged by Park Avenue Investment Advisory will not be reduced by the value of the services received.

Referrals to Custodians

Through its approved custodians, Park Avenue Investment Advisory receives direct access to real-time client account information, electronic download of trades, balances and positions, and the ability to direct the custodian to directly debit client advisory fees. The services provided to Park Avenue Investment Advisory are not contingent upon any specific amount of business (assets or trading). Park Avenue Investment Advisory's participation in these arrangements raises potential conflicts of interest. The approved custodians provide Park Avenue Investment Advisory with benefits it may not receive from other firms in terms of pricing and services. They also make available services or funding intended to help Park Avenue Investment Advisory manage and further develop its business enterprise. These services include consulting, transition support, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, they make available, arrange and/or pay for these types of services rendered to Park Avenue Investment Advisory by independent third parties. Custodians can discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Park Avenue Investment Advisory. **The receipt of such benefits from custodians provides financial incentive for Park Avenue Investment Advisory to recommend certain custodians over other custodians**.

Best Execution

Investment advisers are obligated to provide best execution of customer orders where the adviser has the responsibility to select broker-dealers to execute client trades. Best execution refers to using reasonable diligence to seek to obtain the best price to buy or sell a security under prevailing market conditions. Park Avenue Investment Advisory's objective in executing client trades is to obtain the most favorable execution and to aggregate and allocate trades fairly and equitably across all its clients.

Park Avenue Investment Advisory has adopted policies and procedures that are designed so that trading practices do not unfairly or systematically favor one client, group, or strategy over another. Park Avenue Investment Advisory regularly receives reports from its custodians which contain information regarding the trade order execution experience of all customers. Park Avenue Investment Advisory undertakes an on-going review of its relationship with its custodians, including a quarterly review of trade order flows. You should consult with your IAR and review the investment manager's Form ADV Part 2A for information related to any additional fees. Clients should carefully consider any additional trading costs that could be incurred before selecting an Investment Manager.

In certain instances, Park Avenue Investment Advisory may engage in riskless principal transactions for fixed income securities in the Representative as PM managed program.

Soft Dollars

Soft dollars are defined as arrangements under which products or services other than the execution of securities transactions are obtained by an adviser from or through a broker-dealer in exchange for the direction of securities trades to the broker-dealer. Park Avenue Investment Advisory does not have any soft dollar arrangements.

Aggregation and Allocation of Trade Orders

The aggregation or blocking of client transactions allows an adviser to execute transactions in an equitable and efficient manner. Park Avenue Investment Advisory's policy is to aggregate client transactions at the firm level where possible and when advantageous to clients. In these instances, clients participating in aggregated transactions will receive an average share price. Typically, once per day or more often as necessary trade order management performed by Park Avenue Investment Advisory's home office will aggregate and execute trades placed by affiliated portfolio managers in client accounts.

Recognizing that Park Avenue Investment Advisory's client accounts are not invested identically, not all clients owning or intended to own a particular security will be a part of an aggregated transaction. Accounts which are not part of an aggregated transaction will pay or receive a different per share, which could be better or worse than that paid or received through an aggregated transaction.

As a matter of policy, the Park Avenue Investment Advisory's allocation procedures require fair and equitable treatment of all clients. This policy prohibits any allocation of trades in a manner that proprietary accounts, affiliated accounts, or any particular client or group of clients receive more favorable treatment than other client accounts.

When an aggregated order is partially filled, Park Avenue Investment Advisory will use an auto-allocation feature on the Orion trading system where block trades are allocated into individual accounts. The Orion system will employ a pro-rata allocation method calculated by multiplying the number of shares allocated to each account by the percent of the block order that was filled.

Voting Client Securities

As a matter of firm policy and practice, Park Avenue Investment Advisory does not have authority to vote and will not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for all securities maintained in client portfolios.

Park Avenue Investment Advisory clients will receive proxies directly from their custodian. For questions regarding proxies, clients may contact Park Avenue Investment Advisory at (800) 879-6934.

7. Client Information Provided to Portfolio Managers

Park Avenue Investment Advisory and its IARs will have access to your: (i) account opening documents, which include, among other things, your investment objective, risk tolerance and any client-imposed restrictions on management of assets; (ii) online access to the account; (iii) confirmations; (iv) account statements; and (v) each client's quarterly performance reports.

8. Client Contact with Portfolio Managers

There are no restrictions placed on clients' ability to contact and consult with Park Avenue Investment Advisory regarding our wrap fee programs.

9. Additional Information

Disciplinary Information

Park Avenue Investment Advisory has not been subject to any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Other Financial Industry Activities and Affiliations

Park Avenue Investment Advisory is an indirect wholly owned subsidiary of The Guardian Life Insurance Company of America ("GLIC"), a New York mutual life insurance company and directly owned by Guardian Investor Services LLC. Park Avenue Investment Advisory is an affiliate of The Guardian Insurance & Annuity Company, Inc. ("GIAC"), a Delaware insurance company and Park Avenue Securities LLC ("PAS"), a Delaware broker-dealer and SEC registered investment adviser.

Park Avenue Investment Advisory or its IARs may recommend mutual funds whose investment adviser is a Park Avenue Investment Advisory affiliate, Park Avenue Institutional Advisers LLC ("PAIA"), which is a Delaware limited liability company and an indirect wholly owned subsidiary of GLIC. GLIC also wholly owns Guardian LEIM, LLC, a Delaware limited liability company that owns 85% of Broadshore Capital Partners, LLC ("Broadshore"), a Delaware limited liability company. PAIA and Broadshore are registered investment advisers. PAIA may earn mutual fund management fees.

Many IARs of Park Avenue Investment Advisory are also agents of GLIC and may sell products manufactured by GLIC, such as whole life insurance. IARs who are insurance agents of GLIC receive compensation from GLIC for the sales of insurance products but receive no additional compensation as an IAR of Park Avenue Investment Advisory for selling products issued by affiliates or mutual funds managed by affiliates than they would if they recommend insurance products or mutual funds issued by or managed by non-affiliates.

Some IARs of Park Avenue Investment Advisory are also Registered Representatives ("RRs") of PAS, an affiliated broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA"). RRs of PAS are compensated via commissions on the securities products recommended in their role as an RR of PAS.

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

Park Avenue Investment Advisory has adopted a Code of Ethics for all supervised persons of the firm, which governs the ethical standards of conduct and securities trading by supervised persons. The Code of Ethics includes provisions relating to, among other things, a prohibition on trading on the basis of material non-public information or confidential information, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and policies relating to personal securities trading. All supervised persons of Park Avenue Investment Advisory must acknowledge the terms of the Code of Ethics annually. Park Avenue Investment Advisory will provide a copy of the Code of Ethics to any client or prospective client upon request.

It is Park Avenue Investment Advisory policy that the firm generally will not affect any principal or agency cross transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to an advisory client. Park Avenue Investment Advisory may engage in principal transactions only in limited circumstances where it elects to buy "worthless securities" out of client accounts in order to facilitate the liquidation of such positions.

Park Avenue Investment Advisory also will not permit agency cross transactions between client accounts. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Park Avenue Investment Advisory may recommend to clients' mutual funds that are managed or sub advised by investment adviser affiliates of Park Avenue Investment Advisory. For more information, see "Other Financial Industry Activities and Affiliations".

Review of Accounts

Park Avenue Investment Advisory, through its IARs, gathers information from a client about that client's financial situation, risk tolerance, investment objectives and reasonable restrictions that the client wishes to impose upon the management of the account. Each IAR reviews reports and consults with the client at least annually to review the client's financial situation and investment objectives. Clients should notify their IARs of any changes in their financial situation, risk tolerance, investment objectives or account restrictions.

Park Avenue Investment Advisory is responsible for reviewing and approving all on-platform Investment Advisory accounts prior to being opened and funded for investment. Financial plans and consultations must be submitted to Park Avenue Investment Advisory for review and approval prior to presentation to a client. Once approved, the plan or consultation may be presented to the client.

Park Avenue Investment Advisory provides clients with a quarterly written performance report. Performance information is calculated by Orion. The quarterly analysis measures performance of the account by comparing such performance against relevant market indices.

Client Referrals

Park Avenue Investment Advisory may enter into arrangements with several individuals ("Promoters") under which the Promoters introduce potential advisory clients to Park Avenue Investment Advisory in exchange for a referral fee. All such arrangements comply with the provisions of Rule 206(4)-1 under the Investment Advisers Act of 1940. Whenever Park Avenue Investment Advisory pays a referral fee, we require the prospective client to receive a copy of this Brochure and a separate disclosure statement that includes the following information: (1) the Promoter's name and relationship with Park Avenue Investment Advisory; (2) the fact that the Promoter is being paid a fee; (3) the amount of the fee; and (4) whether the fee paid to Park Avenue Investment Advisory by the client will be increased above our normal fees in order to compensate the Promoter. Generally, the advisory fees paid to Park Avenue Investment Advisory by clients referred by

Promoters are not increased because of a referral.

Other Compensation and Conflicts

How Park Avenue Investment Advisory Addresses Certain Compensation Related Conflicts of Interest

- Park Avenue Investment Advisory discloses potential conflicts of interest to clients through documents such as this disclosure document and disclosures in other materials discussing the products and services offered.
- Park Avenue Investment Advisory IARs do not receive any portion of the payments the Firm receives under the agreements with their custodians.
- Neither Park Avenue Investment Advisory nor its IARs receive any portion of the revenue received from mutual fund 12b-1 fees/service fees.

Listed below are potential additional payments that Park Avenue Investment Advisory may receive. You should consider these conflicts of interest prior to investing in the Park Avenue Investment Advisory Programs.

Pershing Additional Payments

Pershing Advisor Solutions provides to Park Avenue Investment Advisory an annual expense reimbursement Benefit payment over a period of five years from the effective date of the custodial agreement. The expense reimbursement payment will equal five basis points on assets transitioned to Pershing Advisor Solutions, which will include any assets transferred from our affiliate, Park Avenue Securities. The Benefit payment can be used to pay invoices for eligible transition, marketing and technology services and shall be paid by Pershing Advisor Solutions directly to the third-party vendor.

Our affiliate, Park Avenue Securities LLC, (PAS), receives incentive payments from Pershing, LLC, based on the total amount of assets in client accounts placed on the Pershing custodial platform which includes assets placed at Pershing Advisor Solutions, LLC, one of Park Avenue Investment Advisory's approved custodians.

This compensation is paid annually and for asset growth year over year attributable to both PAS and Park Avenue Investment Advisory accounts.

The receipt of such payments or discounts from custodians provides financial incentive for Park Avenue Investment Advisory to recommend certain custodians over other custodians.

Transitional Assistance Program (TAP)

Park Avenue Investment Advisory may choose to offer experienced recruits the opportunity to obtain bonuses and loans that are dependent upon meeting sales targets. These transition assistance loans may also be forgiven based on years of service with Park Avenue Investment Advisory, or its affiliates, assets under management, the amount of production with Park Avenue Investment Advisory or its affiliates or the number of clients brought over to Park Avenue Investment Advisory. This practice creates a conflict of interest as it provides a financial incentive for IARs to recommend clients engage Park Avenue Investment Advisory for investment advisory services.

Some experienced recruits may obtain "early asset bonuses" if they transfer at least 80% of their assets to Park Avenue Investment Advisory within a specific timeframe from becoming registered with the Firm, typically around 3 months. If IARs receive one of these loans or bonuses, they are incentivized to encourage the transfer of client accounts to Park Avenue Investment Advisory so that their loan will be forgiven, or an additional bonus can be obtained. This conflict is especially acute as IARs approach their milestone date.

The Park Avenue Investment Advisory Transition Team will work with IARs to ensure a successful transition by providing everything from customized transition plans, tailored training, account opening and account transfer support. The level of support and service received is dependent upon the IARs' trailing twelve-month Gross Dealer Concession (GDC) with their prior firm. In addition, if the prior firm does not clear through Pershing, Pershing will reimburse transfer and termination fees up to $125.00 to each client account.

Transition assistance presents a conflict of interest because of the incentive for the IAR to affiliate with and recommend Park Avenue Investment Advisory to clients.

Other IAR Conflicts

The compensation of our individual branch office managers is based on the production levels of the branches or regions they have managerial responsibility over. The tying of branch manager compensation to the production of the branches or regions they have managerial responsibility over incentivizes them to spend more time on increasing production levels in a given branch or region they are responsible for.

Some of our IARs receive additional training and support from investment managers or strategists made available via the PAA Advisory Programs based on their level of production with such investment managers or strategists. If your IAR receives this additional training and support, his or her use of these investment managers' or strategists' training and administrative support services incentivizes your IAR to recommend managers or strategists that provide such training and services over others who do not.

Some of our IARs receive compensation in the form of cash compensation or other gifts from vendors or product sponsors to assist with, and defray the expenses associated with educational seminars and client events held by the IAR or a branch office. At times, the amount of compensation provided to an IAR or branch may be dependent on the volume of business that the individual or branch has attained. IARs may also receive business entertainment from vendors or product sponsors with whom they interact or are authorized to do business. Entertainment engagement may be based on the amount of business placed with the vendors or product sponsors and may incentivize the IAR to place business with that vendor or product sponsor. IARs who are also Registered Representatives of our affiliate, Park Avenue Securities LLC (Hybrid Advisors), and receive such additional compensation on brokerage business are incentivized to include products from those vendors or product sponsors in the advisory accounts they manage.

Hybrid Advisors may qualify for certain Park Avenue Securities LLC (PAS clubs and awards tied to meeting sales targets. The benefits of these clubs and awards include attendance at an annual recognition conference with paid travel accommodations (i.e., flight and hotel) and meals for your IAR and one guest. These programs create a conflict of interest by incentivizing your IAR to recommend the purchase of products at PAS as opposed to PAA in an attempt to qualify for these additional clubs and awards.

IARs who are also representatives of the Firm's parent company, Guardian Life Insurance Company of America, receive employee benefits (i.e., health and pension benefits) that are subsidized by Guardian if the IAR reaches certain sales targets. This subsidization program creates a conflict of interest as it encourages more sales that result in your Financial Professional/IAR meeting these sales targets to obtain additional subsidies.

We have an incentive to recommend the product or account type that results in additional fees and revenues for us. Hybrid Advisors can recommend that you invest through different account type arrangements, such as through a brokerage account, an account directly held with the issuer of the investment (or its transfer agent), or an advisory account. Depending on factors such as the type and level of services you require as well as the frequency of trading in your account, one of these account types may be more cost-effective for you than the others. In addition, we receive miscellaneous account and service fees and other compensation (which are in addition to advisory fees) in connection with brokerage accounts or advisory accounts that we do not receive with a directly held account. Hybrid Advisors can also recommend that you invest in products that have higher up-front compensation along with ongoing trail payments. The availability of different products and account types incentivizes us and our IARs to recommend the product or account type that results in additional fees and revenues for us and your IAR even though another type of account may be more cost-effective for you.

Custody

Park Avenue Investment Advisory itself does not have custody of client assets.

Park Avenue Investment Advisory provides quarterly performance reports to clients. Clients also receive at least quarterly statements from their selected custodian. Park Avenue Investment Advisory urges you to carefully review such statements and compare such official custodial records to the quarterly performance reports that we provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Clients should note that the performance reports are not official account statements. Performance reports should be used only for informational purposes and not be relied upon for making investment decisions or for tax purposes. Clients should promptly notify the Firm or their IAR upon discovery of any errors, discrepancies or irregularities.

Financial Information

Park Avenue Investment Advisory does not have any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients. Park Avenue Investment Advisory has never been the subject of a bankruptcy.

If you have questions relating to any information contained in this disclosure, please contact your IAR or Park Avenue Investment Advisory directly at 800-879-6934.