



## Form ADV Part 2A

Frost Investment Services, LLC

Firm brochure

Item 1 Cover page

March 25, 2026

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[www.FrostBank.com](http://www.FrostBank.com)

This brochure provides information about the qualifications and business practices of Frost Investment Services, LLC. If you have any questions about the contents of this brochure, please contact Frost Investment Services, LLC at (800) 292-1292. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or any state securities authority. References to Frost Investment Services, LLC as a registered investment adviser or descriptions of being registered do not imply a certain level of skill or training.

Additional information about Frost Investment Services, LLC is available on the SEC’s website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).

## Item 2 Material changes

We made the following material changes since our last annual update on March 28, 2025:

- Added definitions and billing clarification for unsupervised assets — see Item 5 for details regarding ongoing monitoring and advisory fee billing.
- Updated disclosures regarding the use of technology-assisted tools for internal research, operational and administrative purposes — see Item 8.
- Expanded and clarified disclosures regarding affiliated entities, account type recommendations and related conflicts of interest — see Item 10.
- Updated disclosures regarding client review practices and account termination considerations — see Item 13.

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## Item 4 Advisory business

Frost Investment Services, LLC (“we,” “us,” “our,” the “Firm,” or “FIS”) is a retail-focused investment adviser registered with the U.S. Securities and Exchange Commission (SEC). The Firm was established in November 2016 and became registered in January 2017. FIS is a wholly owned subsidiary of Frost Bank, which in turn is a wholly owned subsidiary of Cullen/Frost Bankers, Inc., a publicly traded financial holding company.

As of December 31, 2025, FIS managed \$3.67 billion in discretionary assets and did not manage any non-discretionary assets.

### Investment advisory services

We provide personalized investment advisory services tailored to your financial circumstances and goals. Our process begins with in-depth consultations to gather relevant financial information and other key data. When formulating investment recommendations, we consider factors such as your financial situation, risk tolerance, investment horizon, liquidity needs, tax considerations, income potential, portfolio size and overall financial objectives.

If there are changes to your financial situation or investment goals, or if you wish to impose any reasonable restrictions on the management of your account, please notify us.

### Portfolio management

We offer a range of investment strategies that are generally implemented through model-based portfolio allocations designed to provide diversification across asset classes. Portfolio construction and ongoing management are facilitated through Fidelity’s managed account platform (“FMAX”), which supports standardized allocation models and periodic rebalancing.

FMAX is an integrated managed account program sponsored by Fidelity Institutional Wealth Adviser, LLC (“FIWA”), an unaffiliated registered investment adviser. FIWA is a wholly owned subsidiary of FMR LLC and, together with its affiliates and subsidiaries, is generally known to the public as “Fidelity Investments” or “Fidelity.”

Investment strategies are designed to align with a client’s investment objectives, risk tolerance and time horizon. Portfolios are allocated across a diversified mix of investment types, which may include equity securities, fixed-income securities, mutual funds and exchange-traded products, including exchange-traded funds. The specific allocation and investment selection within a portfolio will vary based on the applicable model, the client’s profile and prevailing market conditions.

Accounts are generally managed in accordance with the selected model strategy rather than through individualized security selection. Clients may impose reasonable restrictions or limitations, which may affect portfolio composition, diversification or performance.

FIS has entered into an agreement with our affiliated registered investment adviser, Frost Investment Advisors, LLC (“FIA”), to provide asset allocation models. The asset allocation models primarily focus on diversification and minimizing volatility in a portfolio by distributing assets across a broad spectrum of asset classes. FIA provides guidance to FIS as to the securities to be bought, sold or held in each asset allocation model, as well as the percentage of the model portfolio to be invested in each underlying security. Within the allocation model guidelines, your FIS

investment adviser representative maintains discretion over the implementation of any advice received from FIA. Although diversification may reduce volatility, it does not guarantee profits or protect against losses.

Depending on the program selected, models may be provided by FIA or by unaffiliated third-party investment managers available through the FMAX platform.

#### Implementation manager

FIWA has retained **Envestnet Asset Management, Inc. (“Envestnet”)** to provide model implementation, overlay management and other administrative duties. Envestnet will have discretionary authority over client accounts for purposes of implementing models, rebalancing and related trading within parameters established in the platform and will be responsible for the implementation of models received from model providers within the FMAX platform. FMAX is designed to provide a highly configurable investment advisory platform, which FIS will use to provide wealth management solutions directly to our clients. FMAX will also provide risk-based portfolio management tools, including portfolio modeling and diagnostic tools, rebalancing, drift tolerance controls and system-generated alerts related to drift and rebalancing. FMAX also provides administrative services, including risk tolerance questionnaires, investment due diligence, performance reporting and fee billing.

Through the FMAX platform, FIS has four distinct offerings for advisory clients to consider:

- 1) Fund Strategist Portfolio Program
- 2) Optimum Asset Allocation Strategy
- 3) Advisor Model Management
- 4) Unified Managed Accounts Program

#### Fund Strategist Portfolio Program

The Fund Strategist Portfolio Program provides a menu of prepackaged investment models developed by unaffiliated, third-party investment managers (“**Investment Managers**”). Under this program, each Investment Manager serves as the model provider, offering model-based asset allocations and selecting the underlying investments for their respective models. These investments may include actively managed mutual funds, passively managed mutual funds, ETFs and registered alternative mutual funds and exchange-traded products. Each model is assigned a risk rating, which FIS uses to help align the selected strategy with the client’s risk profile and investment objectives.

#### Optimum Asset Allocation Strategy

The Optimum Asset Allocation Strategy, also referred to as the Proprietary Home Office Models (“**PHOM**”), offers a menu of prepackaged investment models developed by **Frost Investment Advisors, LLC (“FIA”)**, an affiliate of FIS. In this program, FIA acts as the model provider and serves as the Investment Manager. FIA constructs model-based asset allocations and selects the underlying investments, which may include both proprietary Frost Funds and non-proprietary mutual funds and ETFs. For more information, please refer to the Frost Investment Advisors, LLC Form ADV Brochure, available at [adviserinfo.sec.gov](https://adviserinfo.sec.gov).

## Advisor Model Management

The Advisor Model Management (“AMM”), also referred to as Advisor Portfolio Manager (“APM”), offers a customized investment program using selected and configured portfolios based on asset allocation models and approved investment selections. The underlying investments may include proprietary Frost Funds, non-proprietary mutual funds, ETFs, equities and individual bonds. In this program, FIA serves as the Investment Manager and provides model-based allocations, investment due diligence and performance reporting, depending on the level of portfolio customization selected.

## Unified Managed Account Program

The Unified Managed Account (“UMA”) Program enables clients the ability to incorporate multiple strategies into a single account by accounting for each unique investment strategy as a unique investment “sleeve” within a single account (e.g., mutual fund and ETF sleeves, individual Separately Managed Account (“SMA”) manager sleeves and Fund Strategist sleeves). FIS may develop a UMA portfolio for a client by first creating their own asset allocation. FIS then determines the investment solution(s) to utilize within the UMA from the options available on the platform, including investment models, SMAs, mutual funds, ETFs and individual securities.

## Tax and impact overlay services

For UMA accounts that meet certain sleeve minimum requirements, FIS offers clients the option to utilize tax and/or impact overlay services (“Tax Overlay” and “Impact Overlay”). Tax Overlay seeks to enhance after-tax returns by analyzing holdings and trading activities in an account. Impact Overlay allows the integration of Environmental, Social and Governance (“ESG”) factors into the management of a client’s account. If selected, the Implementation Manager provides the Tax Overlay and/or Impact Overlay services to an account or sleeve. Clients should be aware that the Impact Overlay prioritizes ESG considerations, which may limit investment options. As a result, ESG-driven investment decisions could result in materially different returns compared to non-ESG strategies. Neither FIS, FIWA nor Envestnet provide tax planning advice or services, and therefore, clients should consult their accountant or tax professional.

The Impact Overlay is administered by FIWA who determines the factors that qualify an investment for that designation. The FIWA research team follows a proprietary ESG evaluation framework to qualitatively evaluate a given fund’s or SMA’s ESG intent (if any), whether such intent has been consistent and is aligned with its investments and ESG outcome, and the level of commitment and engagement that exists to support the intended ESG outcome and reporting. FIS does not conduct an independent assessment of an investment’s ESG factors. For additional information, please refer to the Fidelity Institutional Wealth Adviser LLC, Form ADV brochure titled “Fidelity Managed Account Xchange,” available on the SEC’s website at [adviserinfo.sec.gov](https://adviserinfo.sec.gov).

## Financial planning

We offer comprehensive financial planning to help you achieve your financial goals and investment objectives. This process requires you to provide relevant personal data, such as family records, budgeting details, personal liabilities, estate information and additional financial goals.

Your financial plan may address a range of areas, including:

- Wealth and estate planning: Estate and wealth transfer strategies, charitable gifting and business succession planning.

- Investment and risk management: Asset protection, stock option strategies, risk management and insurance planning.
- Retirement and long-term planning: Retirement income strategies, education planning, cash flow management and long-term care or disability planning.
- Tax and legal coordination: Tax planning considerations in collaboration with your tax and legal advisors.

We do not provide accounting, tax or legal advice. If you choose to implement recommendations from your financial plan, we strongly recommend working with your attorney and accountant to ensure proper execution.

Financial planning services are included in our advisory fee. Please refer to our management fee schedule below for details.

### Item 5 Fees and compensation

We charge an asset-based advisory fee that is calculated as a percentage of assets under management. Our advisory fees are billed monthly in advance and are calculated based on the **market value of the prior month's average daily balance**. The **average daily balance is the market value of all the assets in your account as determined by the custodian, including cash**. The average daily balance of the prior month is multiplied by the contracted advisory fee to determine the annualized fee. The annualized fee is then prorated based on the number of calendar days in the month the advisory fee is in effect. Fees will not be adjusted for contributions or withdrawals made during a calendar month except in the case of a new or terminated account. For accounts opened or closed mid-month, fees are prorated based on the number of calendar days the account was active. Billing for newly created accounts and refunds for terminated accounts will be processed in the following month.

Additionally, if a client transfers funds from an existing account to a new account without closing the original account, duplicate billing may occur on the transferred funds. In such cases, any excess fees will be manually calculated and refunded to the originating account. Due to the manual nature of this adjustment, refunds may not occur within the following month. If you have any concerns regarding fee billing, please contact your wealth advisor or our Chief Compliance Officer for assistance.

#### Unsupervised assets

**Unsupervised assets refer to holdings within a client's account that are not** subject to ongoing monitoring, management, or investment recommendations by the Firm. These may include, but are not limited to, securities held for informational purposes only, legacy positions retained at the **client's direction, employer stock or restricted securities**, or other assets mutually designated as outside the scope of the advisory relationship. Unsupervised assets are excluded from the calculation of advisory fees, and the Firm does not assume responsibility for the performance, suitability or oversight of these holdings. Fees will not be adjusted for assets reclassified as unsupervised mid-month. Billing for newly designated unsupervised assets will cease in the following month.

## Householding discounts

Clients may combine accounts within the same household and advisory program to qualify for a reduced fee. Householding discounts are not applied automatically and must be requested to determine eligibility.

## Refund of 12b-1 fees

Certain mutual funds charge 12b-1 fees, which are ongoing distribution and marketing fees **included in the fund's total expense ratio. These fees are typically paid by the fund to compensate broker-dealers and other intermediaries for services related to the sale and distribution of the fund.** 12b-1 fees range from 0.25% to 1.00% of a fund's assets per year and are deducted from the fund's returns.

12b-1 fees paid to the selling firm create a conflict of interest when an adviser has an incentive to recommend funds that generate these fees rather than selecting lower-cost investment options **that may be in the client's best interest. To eliminate this conflict and maintain transparency, FIS refunds all 12b-1 fees received to the client's account.** Refunds are processed monthly and credited directly to the respective client account that incurred the fees.

Clients are encouraged to review their account statements and contact their wealth advisor with any questions regarding 12b-1 fee refunds or their impact on investment costs.

Our fee schedule is provided below:

FUND STRATEGIST PORTFOLIO PROGRAM		
The Fund Strategist Portfolio Program offers asset-allocated mutual funds and exchange-traded funds on a model basis.		
Program minimum is \$25,000		
Annual advisory program fee:	0.80% on the first \$5,000,000 0.60% on the next \$5,000,000 0.50% over \$10,000,000	The program fee is based on the market value of all assets held in your account, including any cash balances.
Portfolio strategy fee:	0.18% on the first \$5,000,000 0.14% on the next \$5,000,000 0.10% over \$10,000,000	The portfolio strategy fee is based on the market value of all assets held in your account, including any cash balances.
Advisory services include:	<ul style="list-style-type: none"><li>Investment of your initial and ongoing investments</li></ul>	<ul style="list-style-type: none"><li>Account rebalancing</li><li>Goal-based financial planning</li><li>24/7 online access</li></ul>

	<ul style="list-style-type: none"> <li>▪ Development and ongoing management of portfolios</li> <li>▪ All trades</li> </ul>	<ul style="list-style-type: none"> <li>▪ Tax-loss harvesting<sup>1</sup></li> <li>▪ Performance reporting</li> </ul>
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## OPTIMUM ASSET ALLOCATION STRATEGY

The Optimum Asset Allocation Strategy offers asset-allocated mutual funds and exchange-traded funds using proprietary and non-proprietary funds on a model basis.

Program minimum is \$25,000

Annual advisory program fee:	0.80% on the first \$5,000,000 0.60% on the next \$5,000,000 0.50% over \$10,000,000	The program fee is based on the market value of all assets held in your account, including any cash balances.
Portfolio strategy fee:	0.18% on the first \$5,000,000 0.14% on the next \$5,000,000 0.10% over \$10,000,000	The portfolio strategy fee is based on the market value of all assets held in your account, including any cash balances.
Advisory services include:	<ul style="list-style-type: none"> <li>▪ Investment of your initial and ongoing investments</li> <li>▪ Development and ongoing management of portfolios</li> <li>▪ All trades</li> </ul>	<ul style="list-style-type: none"> <li>▪ Account rebalancing</li> <li>▪ Goal-based financial planning</li> <li>▪ 24/7 online access</li> <li>▪ Tax-loss harvesting<sup>1</sup></li> <li>▪ Performance reporting</li> </ul>

## ADVISOR MODEL MANAGEMENT

The Advisor Model Management Program offers asset-allocation models using proprietary Frost Funds and individual equity and bond portfolios.

Program minimum is \$250,000\*

\*Minimum for a customized equity portfolio is \$1,000,000 and \$2,000,000 for a customized bond portfolio.

Annual advisory program fee:	0.80% on the first \$5,000,000 0.60% on the next \$5,000,000 0.50% over \$10,000,000	The program fee is based on the market value of all assets held in your account, including any cash balances.
Portfolio strategy fee:	0.20% on the first \$5,000,000 0.17% on the next \$5,000,000 0.10% over \$10,000,000	The portfolio strategy fee is based on the market value of all assets held in your account, including any cash balances.
Advisory services include:	<ul style="list-style-type: none"> <li>▪ Investment of your initial and ongoing investments</li> <li>▪ Development and ongoing management of portfolios</li> <li>▪ All trades</li> <li>▪ Account rebalancing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Broad-based financial planning</li> <li>▪ 24/7 online access</li> <li>▪ Performance reporting</li> <li>▪ Access to Frost <b>Investment Advisors'</b> insights and commentary</li> </ul>

## UNIFIED MANAGED ACCOUNTS PROGRAM

The Unified Managed Accounts Program offers multiple investment strategies in a single account, including mutual fund and ETF sleeves, individual SMA manager sleeves and Fund Strategist sleeves. The higher fee structure for UMA accounts reflects additional customization, portfolio structuring and access to institutional-grade investment managers.

Program minimum is \$250,000\*

\*Certain third-party Investment Managers will impose higher minimums.

Annual advisory program fee:	<p>1.25% on the first \$1,000,000          1.10% on the next \$1,000,000          1.00% on the next \$3,000,000          0.85% over \$5,000,000</p>	The program fee is based on the market value of all assets held in your account, including any cash balances.
Tax and/or impact overlay services fee (optional):	<p>0.10% on the first \$10,000,000          0.08% on the next \$15,000,000          0.05% over \$25,000,000</p>	If selected, the overlay service will be charged in addition to the advisory program fee and is based on the market value of all assets held in your account, including any cash balances. The fee includes both Tax and Impact Overlay services.
Advisory services include:	<ul style="list-style-type: none"> <li>▪ Investment of your initial and ongoing investments</li> <li>▪ Development and ongoing management of portfolios</li> <li>▪ All trades</li> <li>▪ Account rebalancing</li> </ul>	<ul style="list-style-type: none"> <li>▪ Broad-based financial planning</li> <li>▪ 24/7 online access</li> <li>▪ Performance reporting</li> <li>▪ Access to Frost <b>Investment Advisors'</b> insights and commentary</li> </ul>

## HOW THE ADVISORY FEES ARE CHARGED

Advisory fees are charged monthly in advance, generally within the first 10 business days of each month, based on the average daily balance in the account during the previous month.

### ACCOUNT, OPERATIONAL AND SERVICE FEES

IRA annual fee	\$35	Outgoing domestic wire transfer fee <sup>2</sup>	\$30
IRA termination fee	\$125	Full account transfer fee	\$75
Annual pledge account fee	\$50	Paper document quarterly fee	\$9 per quarter

<sup>1</sup> Tax-loss harvesting, when available, is implemented at the portfolio level and is subject to account eligibility, trading constraints and limitations such as wash sale rules; it does not constitute tax advice.

<sup>2</sup> Outgoing domestic wire transfer fees may vary if you request a transfer from your Frost checking, savings or money market account.

The advisory agreement authorizes FIS to deduct the advisory fee from your custodial accounts. Your custodian will provide you with statements that show the amount of the fees paid directly to us. You should review the statements and verify the calculation of our fees. The custodian does not verify the accuracy of fee calculations.

Advisory fees are based on the complexity of the selected investment products and the level of service required by each client. We have the right to change any or all of our fee schedules as agreed upon by contract with individual clients. We may negotiate advisory fees at the sole discretion of our management. Negotiated fees may be lower or higher than the fees stated above. Comparable services for lower fees may be available from other providers of investment advisory services.

The advisory fee includes payment for investment advisory services we provide, as well as fees associated with the FMAX platform. The advisory fee does not cover certain charges associated with securities transactions in clients' accounts, including (i) the internal charges and fees imposed by mutual funds and ETFs, e.g., Frost proprietary mutual funds or "Frost Funds" (such as fund operating expenses, management fees, redemption fees and other fees and expenses; further information regarding charges and fees assessed by mutual funds and ETFs can be found in the appropriate prospectus); (ii) brokerage commissions or dealer markups, markdowns or spreads charged on transactions in over-the-counter securities imposed by broker-dealers or entities other than our affiliate Frost Brokerage Services, Inc.; (iii) costs relating to trading in certain foreign securities; (iv) postage and handling charges, returned check charges, stock exchange fees or other fees mandated by law; (v) ACAT transfer, electronic fund and wire transfer charges; (vi) individual retirement account ("IRA") trustee or custodian fees and tax-qualified retirement plan annual account fees and annual and termination fees for retirement accounts (such as IRAs); (vii) any brokerage commissions or other charges, including contingent deferred sales charges ("CDSC"), imposed upon the liquidation of "in-kind assets" that are transferred into the platform. None of the fees imposed by investment companies are paid to or shared with FIS. However, to the extent FIS recommends that a client invests in the Frost Funds, FIS indirectly benefits from the investment in the Frost Funds due to the increase in total compensation to the parent company of

FIS and the Frost Funds. Please refer to the Brokerage section of our brochure for additional information.

Accounts in the FSP Program may incur additional fees or expenses imposed by the Investment Manager, which are set by the Investment Manager. Revenue from these fees is not shared with FIS. In addition, the advisory fee for accounts in the FSP Program does not include expense ratios for mutual funds and exchange-traded products selected by the Investment Manager. Models managed by Investment Managers may include mutual funds or exchange-traded products managed by the Investment Manager or an affiliated company. Investment Manager fees may differ between the Investment Managers. Although the basis of our recommendation of **Investment Manager(s) is not contingent upon the Manager's fee, a conflict may exist due to the potential incentive if we recommend Investment Manager(s) with a lower management fee.** The lower the negotiated management fee, the more revenue FIS retains. We monitor the appropriateness of advisory accounts to mitigate such potential conflicts. Please consult with your FIS wealth advisor concerning the Investment Managers and their Manager fees if you have additional questions.

Your wealth advisor may recommend model portfolios that include proprietary funds managed by an affiliate of FIS. In such cases, Frost Bank, our parent company, may receive additional compensation from management fees and other shareholder fees associated with these funds. This arrangement creates a potential conflict of interest, as our Firm and its affiliates benefit financially when proprietary funds are included in client portfolios.

To mitigate this conflict, FIS provides clients access to a broad selection of prepackaged investment models, including those managed by unaffiliated, third-party investment managers. Additionally, we conduct regular reviews to ensure investment recommendations align with each client's objectives and are based on a fiduciary standard of care. Clients may request more information regarding the fees and expenses associated with proprietary and third-party fund options to make informed investment decisions.

FIS and our affiliates may utilize third parties to fulfill services we provide or make available to you, such as printing, mailing and trading. Please see Item 12, Brokerage practices, for detailed information on trading, pricing and markups. Through enterprise-level pricing or markups, FIS and our affiliates will often charge you more than our actual cost for such services.

Either party, without penalty, may terminate the advisory agreement, subject to the terms of any contract in force at that time. Should either party terminate the advisory agreement before the end of a billing period, any prepaid service fees will be refunded.

#### Item 6 Performance-based fees and side-by-side management

FIS does not enter into performance-based fee contracts when managing client accounts. Additionally, we do not manage hedge funds or unregistered funds, which helps minimize potential conflicts of interest between mutual fund strategies and separately managed accounts. Instead, FIS relies primarily on third-party investment managers to construct and implement client portfolios, further reducing conflicts related to side-by-side management and trade allocation.

## Item 7 Types of clients

FIS provides investment advice to individuals, trusts, estates, charitable organizations, corporations and other business entities.

Participation in an advisory program carries a minimum account size for the selected program. Generally, the Fund Strategist Portfolio Program and the Optimum Asset Allocation Strategy will require a minimum of \$25,000, whereas the Advisor Model Management Program and the Unified Managed Accounts Program require a minimum of \$250,000. Investment Managers may impose higher minimums depending on the securities and services provided.

## Item 8 Methods of analysis, investment strategies and risk of loss

FIS has entered into an agreement with our affiliated registered investment adviser, Frost Investment Advisors, LLC, to provide FIS with investment research in relation to the services we offer our clients. This research integrates technical, fundamental and cyclical analysis to support FIS in formulating investment advice and managing assets.

- Technical analysis evaluates securities by examining market activity statistics, such as historical prices and trading volume. **Rather than assessing a security's intrinsic value**, technical analysis relies on charts and pattern recognition tools to identify potential future price movements.
- Fundamental analysis assesses a company's intrinsic value by analyzing economic and industry conditions, financial statements and management quality. Key factors include earnings, expenses, assets and liabilities. This valuation is then compared to the current market price to determine whether a security is undervalued, overvalued or fairly priced for investment decisions.
- Cyclical analysis, a subset of fundamental analysis, evaluates economic cycles to guide investment decisions. This approach considers how industries and sectors perform at different stages of the economic cycle, helping identify opportunities and risks based on macroeconomic trends.

### Investment strategies and offerings

FIS provides access to a wide range of professionally managed investment strategies selected and configured to clients' needs, including:

- Risk-rated asset allocation models are composed of mutual funds and ETFs. Each model is assigned a risk rating, which allows FIS to view all available models at a given risk rating **based on a client's risk profile. The investment manager, which may be affiliated if models are provided by FIA or unaffiliated through the FMAX platform, determines the model's** asset allocation and underlying investment selection and provides model portfolio holdings, as well as any ongoing portfolio changes for implementation and ongoing management.
- Separately managed accounts with access to a myriad of investment style-specific professionally managed portfolios composed of individual securities or a combination of individual securities, mutual funds and ETFs. Investment portfolios can be selected from a roster of unaffiliated Investment Managers specializing in a variety of investment

disciplines and may be combined with mutual funds and ETFs in order to solve for a client's personal asset allocation requirements.

- Personalized investor portfolios using a variety of securities and investment strategies with the ability to incorporate multiple funds and strategies into a single account, with each **unique investment strategy identified as an investment “sleeve.”** While many different investment strategies and Investment Managers can be selected, our platform provides the ability to utilize technology to assess portfolios holistically and across multiple advisory programs, allowing us to make a household assessment of client needs. Our analytical capability allows us to consider multiple options for investment strategies as we seek to match client needs with the features and benefits of each program. Clients may, at their discretion, place restrictions on the strategies to be used and the characteristics of assets to be held in their portfolio.

#### Investment risk and risk of loss

FIS manages client accounts in **alignment with each client's stated investment profile; however,** we cannot guarantee investment performance or prevent losses. Clients should be prepared for the inherent risks of investing, including potential loss of principal.

The following risks apply generally to strategies made available through FIS:

#### Liquidity risk

Investing in certain types of thinly traded securities, or investing in bonds, ETPs or mutual funds that invest in thinly traded securities, introduces liquidity risk. Liquidity risk is a financial risk that, for a certain period of time, a security or commodity cannot be readily traded in the market or cannot be traded without a significant discount to the market price. All tradable assets assume some level of liquidity risk. For example, alternative mutual funds and ETPs may use techniques such as shorting of securities, leverage and derivatives, all of which may have liquidity risks if there are no buyers and sellers available or if a counterparty cannot fulfill the order.

#### Stock investments

Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Stock investments may be subject to risk related to market capitalization as well as company-specific risk. Different parts of the market can react differently to these developments. Value and growth stocks can perform differently from other types of stocks. Growth stocks tend to be more expensive relative to their earnings or assets compared with other types of stocks. As a result, growth stocks tend to be sensitive to changes in their earnings and are more volatile than other types of stocks. Value stocks tend to be inexpensive relative to their earnings or assets compared with other types of stocks. However, value stocks can continue to be inexpensive for prolonged periods of time and may not ever realize their potential value.

#### Bond investments

In general, the bond market is volatile, and fixed-income securities carry interest rate risk. As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities. The ability of an issuer of a bond to repay the principal prior to a **security's maturity can cause greater price volatility if interest rates change, and if a bond is prepaid,** a bond fund may have to invest the proceeds in securities with lower yields. Fixed-income securities also carry inflation risk and credit and default risks for both issuers and counterparties.

Interest payments for inflation-protected bonds are variable and usually rise with inflation and fall with deflation. Unlike individual bonds, most bond funds do not have a maturity date, so holding them until maturity to avoid losses caused by price volatility is not possible. In addition, investments in certain bond structures may be less liquid than other investments and, therefore, may be more difficult to trade effectively.

### Investing in mutual funds and ETPs

Clients bear all the risks of the investment strategies employed by or made available through FIS, including the risk that a mutual fund or ETP will not meet its investment objectives. For the specific risks associated with mutual funds or ETPs, please refer to the prospectus.

### ETPs

An ETP is a security that trades on an exchange and may seek to track an index, a commodity or a basket of assets. ETPs can be actively or passively managed. The performance of a passively managed ETP might not correlate with the performance of the asset it seeks to track. ETPs trade on secondary markets or exchanges and are exposed to market volatility and the risks of their underlying securities. ETPs that use derivatives, leverage or complex investment strategies are subject to additional risks. ETFs are the most common type of ETP; they are pooled investment opportunities that typically include baskets of stocks, bonds and other assets grouped based on **specified fund objectives**. An ETP's prospectus and related documents, such as a pricing supplement, will include its investment objectives, investments, risks, fees, expenses and other important information.

### Legislative and regulatory risk

Investments could be adversely affected by new (or revised) laws or regulations, including any changes to applicable tax laws and regulations. Changes to laws or regulations could impact the securities markets as a whole, specific industries or individual issuers of securities and could impair the ability of an account to achieve its investment objectives. Generally, the impact of these changes may not be fully known for some time.

### Cybersecurity risks

With the increased use of technologies to conduct business, FIS and its affiliates are susceptible to cyberattacks despite taking reasonable steps to mitigate the risk. In general, cyber incidents can result from deliberate attacks or unintentional events that can arise from external or internal sources. Cyberattacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems, and causing operational disruption. Cyberattacks can also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting FIS, its affiliates or any other service providers (including but not limited to custodians, transfer agents and financial intermediaries used by FIS) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate asset prices, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities, counterparties with which an account engages in transactions, governmental and other regulatory authorities,

exchange and other financial market operators, banks, brokers, dealers, insurance companies, other financial institutions (including financial intermediaries and service providers) and other parties.

#### Operational risks

Operational risks refer to potential losses arising from failures in internal processes, personnel or systems. These risks may result from routine processing incidents, major system failures or external disruptions such as exchange outages. For example, failures in computer systems, communication networks, data processing infrastructure and backup systems — whether internal or outsourced — may disrupt normal business activities. These disruptions may be caused by factors beyond FIS's control, including cybersecurity incidents, natural disasters or excessive system loads, potentially impacting our ability to execute transactions or provide client services. To mitigate these risks, FIS has implemented a comprehensive Business Continuity Plan (“BCP”) to ensure continued operations and client service during business disruptions. Our BCP includes data security protocols, off-site data backups and alternative work arrangements to minimize service interruptions. While we take extensive measures to reduce operational risks, extreme scenarios may still impact account access, trading capabilities or other business functions. Clients may request additional details regarding our BCP at any time.

For a detailed list of risks associated with investing in Frost Funds, please refer to the prospectus and the statement of additional information available upon request. For a discussion of the risks associated with Fidelity's FMAX platform, please refer to the Fidelity Institutional Wealth Adviser LLC, Form ADV Brochure titled “Fidelity Managed Account Xchange,” available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).

The Firm makes limited use of automated or technology-assisted tools, which may include artificial intelligence-based applications, for certain internal research, operational or administrative functions. These tools are not used to make investment decisions, provide individualized investment advice or execute transactions on behalf of clients. The Firm maintains policies and supervisory controls governing the use of such tools to support compliance with applicable regulatory and fiduciary obligations.

Certain third-party service providers and investment managers may utilize their own technology or automated tools in connection with services they provide, subject to their respective policies and regulatory obligations.

#### Item 9 Disciplinary information

We have no legal or disciplinary events to report that are material to our advisory business or the integrity of our management.

#### Item 10 Other financial industry activities and affiliations

Frost Investment Services, LLC is a wholly owned subsidiary of Frost Bank, which in turn is a wholly owned subsidiary of Cullen/Frost Bankers, Inc., a diversified financial holding company. Through Frost Bank and its affiliated entities, Cullen/Frost provides a broad range of financial services, including banking, brokerage, insurance and investment management.

These affiliated entities include:

- Frost Brokerage Services, Inc. — A registered broker-dealer and member of FINRA/SIPC, also a wholly owned subsidiary of Frost Bank. Some supervised persons of FIS are also registered representatives of FBS. In such dual capacities, these individuals may offer brokerage products and services. These brokerage activities are conducted separately from **FIS’s investment advisory business, and any compensation received in** connection with brokerage services is separate from advisory fees.
- Frost Insurance Agency, Inc. — A multi-line insurance agency and wholly owned subsidiary of Frost Bank. Some supervised persons of FIS are also licensed insurance agents and, in such capacity, may offer insurance products. These activities are separate from the **Firm’s investment advisory business, and any compensation received from insurance sales** is distinct from advisory fees.
- Frost Investment Advisors, LLC — An SEC-registered investment adviser providing investment advisory services to institutional clients. FIA also serves as a model portfolio provider for certain strategies offered through FIS.

Collectively, these affiliated businesses comprise the investment services arm of Frost Bank and may be referred to as Frost Wealth Management.

#### Affiliated broker-dealer and insurance relationship

Our wealth advisors are also registered representatives of our broker-dealer affiliate, Frost Brokerage Services, Inc. When clients purchase brokerage products through a wealth advisor acting in this capacity, the advisor may receive a commission. This transaction-based compensation structure creates a potential conflict of interest, as it may incentivize recommendations that generate commissions. Clients are informed of our relationship with Frost Brokerage Services, Inc., and all applicable fees and commissions are fully disclosed and available upon request.

Additionally, some wealth advisors hold insurance licenses issued by the Texas Department of Insurance and may be appointed with specific insurance carriers or Frost Insurance Agency, Inc., an affiliate of our Firm. While we may review and provide guidance on the appropriateness of insurance products, our Firm or its affiliates may receive indirect benefits from insurance-related transactions, even if no direct compensation is paid to the Firm or its employees. Clients are under no obligation to purchase insurance products through Frost Insurance Agency, Inc., and are free to obtain coverage through the provider of their choice.

#### Account type recommendations and related conflicts of interest

FIS and its affiliated broker-dealer, Frost Brokerage Services, Inc., may recommend that a client establish, maintain or convert an account between a brokerage account and an advisory account **based on the client’s financial circumstances, investment objectives, anticipated level of trading, services provided and total cost.**

Advisory accounts are subject to an ongoing asset-based fee and generally include continuous investment advice and monitoring. Brokerage accounts typically involve commissions or other transaction-based charges and may not include ongoing monitoring. As a result, clients who trade infrequently may pay more in an advisory account than they would in a brokerage account.

This creates a conflict of interest because FIS earns advisory fees on assets under management, and its supervised persons may have a financial incentive to recommend advisory accounts over

brokerage accounts. The Firm addresses this conflict by disclosing material differences between account types, documenting the basis for account-type recommendations and allowing clients to choose the account structure they believe is most appropriate. Clients are under no obligation to accept any recommendation and may maintain or open a brokerage account if they prefer.

#### Proprietary investment products and conflicts of interest

Your wealth advisor may recommend model portfolios that include proprietary funds managed by a Frost affiliate. In these cases, Frost Bank may receive additional compensation from management and shareholder fees associated with these funds. This arrangement presents a potential conflict of interest, as our Firm and its affiliates benefit financially when proprietary funds are used in client portfolios.

To mitigate this conflict, we provide clients access to a broad selection of prepackaged investment models, including those managed by unaffiliated, third-party investment managers. We also **conduct regular reviews to ensure that investment recommendations are aligned with each client's objectives and fiduciary standards.** Clients may request detailed fee and expense comparisons between proprietary and third-party fund options to make fully informed investment decisions.

#### Item 11 Code of ethics, participation of interest in client transactions and personal trading

**We have adopted a Code of Ethics (the "Code") to address advisory staff conduct. The Code focuses on our fiduciary duty to you, personal securities transactions by our staff, insider trading, gifts our staff may give or receive and conflicts of interest.**

The Code of Ethics includes our position on the following topics:

- The duty, at all times, to place the interests of our clients first
- That all personal securities transactions be conducted in a manner consistent with the Code of Ethics and to avoid any actual or potential conflict of interest or any abuse of an **employee's position of trust and responsibility**
- That staff may not take inappropriate advantage of their positions
- **That information concerning a client's financial information, personal information and security holdings is confidential and should be kept secure**
- That independence in the investment decision-making process is important

FIS will provide a copy of the Code of Ethics to any existing or prospective client upon request.

Our staff is permitted to engage in personal securities transactions. These transactions raise potential conflicts of interest if they were to trade in a security that is owned by a client or considered for purchase or sale to a client. We have adopted policies and procedures that are reasonably designed to ensure that all transactions are conducted in a manner that is consistent with our fiduciary duty to you. Staff who buy or sell securities of the types bought or sold for you may do so only if they conform to our written policies.

## Item 12 Brokerage practices

Frost Brokerage Services, Inc. serves as the introducing broker for FIS client accounts. Frost Brokerage Services, Inc. does not receive commissions in connection with transactions in FIS advisory accounts. Any brokerage commissions inadvertently derived from FIS client accounts will be refunded to the client.

**We recommend that National Financial Services LLC (“NFS”), an unaffiliated clearing broker-dealer, serve as the custodian for your account.** Our use of NFS is a beneficial business arrangement for us and for NFS. Information regarding the benefits of this relationship is described below.

In recommending NFS as your custodian, we consider, at a minimum, its:

- Existing relationship
- Financial strength
- Reputation
- Reporting capabilities
- Execution capabilities
- Pricing
- Types and quality of research

The determining factor in the selection of NFS to execute transactions for your accounts is not the lowest possible transaction cost but whether NFS can provide what we believe is the best qualitative execution for your account. NFS also provides FIS with access to its institutional trading and custody services, which include:

- Brokerage
- Custody
- Asset allocation planning software
- Research
- Access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment

We are not required to maintain a minimum volume of transactions or hold a minimum dollar amount of client assets to receive these services. NFS does not charge separately for holding and servicing your account but may be compensated through other transaction-related fees associated with the securities transactions it executes for your account. NFS also makes other products and services available that benefit FIS but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- Provide access to account data, such as:
  - Duplicate trade confirmations
  - Bundled duplicate account statements
  - Access to an electronic communication network for client order entry and account information
- Facilitate trade execution, including:
  - Access to a trading desk

- Access to bunched trading, which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account
- Provide research, pricing information, and other market data
- Facilitate payment of our fees from client accounts
- Assist with back-office functions, record keeping and client reporting
- Provide us with compliance-related publications

NFS also makes available services to help FIS manage and further develop our business. These services may include:

- Consulting
- Publications and conferences on practice management
- Information technology
- Business succession
- Regulatory compliance
- Marketing

NFS may discount or waive the fees it would otherwise charge for some or all of these services. It may also arrange for certain services to be provided to us by independent third parties. In that regard, NFS may pay all or a part of the fees of the third party providing these services to us. Thus, we receive economic benefits as a result of our relationship with NFS because we do not have to produce or purchase the products and services listed above.

The amount of compensation on the products or services we receive may vary depending on the custodian or broker-dealer we recommend to our clients; for this reason, we have a conflict of interest in making that recommendation. Our recommendation of NFS is based not only on the nature, cost and quality of the custody and brokerage services but also, in part, on the economic benefit to us. We strive to act in your best interests at all times.

Commissions and other fees for transactions executed through NFS may be higher than commissions and other fees available if you use another custodian/broker-dealer to execute transactions and maintain custody of your account. We believe that the overall level of services and support provided by NFS outweighs the benefit of possibly lower transaction costs that may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our clients, including clients whose accounts are not maintained through NFS. We do not attempt to allocate these benefits to specific clients.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or guarantee best execution of transactions effected through that broker-dealer. In addition, under these circumstances, a difference may exist between the commissions charged to you and other clients who do not direct us to use a particular broker-dealer.

We aggregate orders in a bunched, or block, trade(s) when securities are purchased or sold for multiple discretionary accounts. We must reasonably believe that the bunched order is consistent

with our efforts to provide the best execution and will benefit each client participating in the aggregated order equally. The average price of the security in each bunched trade is allocated to each account that participates in the trade. Accounts that participate in the same bunched trade are charged commissions, if applicable, as described in their advisory contracts. Different accounts participating in an aggregated transaction may not be charged the same commission rates.

Prior to the entry of a bunched trade, a written pre-allocation is generated that identifies the group of client accounts participating in the order. If a bunched order cannot be fully executed by the end of the business day, the securities purchased or sold are allocated in a way that is consistent with the initial pre-allocation of the trade. This is done in a way that does not advantage or disadvantage any particular client accounts. If an account is added to the bunched trade after the first business day of trading, it is accorded a prorated share of the remaining block as it is traded.

Changes in allocation before final execution may be made, provided that all client accounts receive fair and equitable treatment. A written explanation of the reason for any material change in the allocation is documented no later than the morning following the execution of the trade.

It is our policy that a client will not be financially impacted due to trade errors attributed to the adviser. Trades are corrected to align with the client's original intent. If a trade error results in a loss, FIS will reimburse the client accordingly. Each error is corrected through the FIS error account. The losses and gains resulting from trade error corrections are netted against each other within the error account. If, at the end of each calendar year, the trade error corrections result in a net gain in the error account, that gain will be donated to a charitable organization.

FIS does not use soft dollars or maintain a soft dollar program. However, certain unaffiliated Investment Managers on the FMAX platform may use soft dollars or commission-sharing arrangements. While FIS does not directly benefit from these arrangements, **third-party managers' use of soft dollars could indirectly** enhance research and trading capabilities that may benefit FIS.

### Item 13 Review of accounts

Your wealth advisor will formally review your account at least once each year to ensure your portfolio continues to align with your current financial situation, investment goals and risk tolerance. Additional reviews may be conducted in response to significant market events, economic changes or material updates to your personal financial circumstances. If we are unable to obtain sufficient information to conduct periodic reviews within the required timeframe, we may consider whether continued management is appropriate.

### Item 14 Client referrals and other compensation

FIS compensates employees of our affiliates who refer clients to us for investment advisory services. Under referral programs sponsored by our parent company, Frost Bank, and our affiliates, referring individuals receive a percentage of the investment advisory fee paid by the referred client. These payments are deducted from the standard investment management fee charged by FIS and do not result in any additional fees or costs to the client.

A conflict of interest exists because referring employees have a financial incentive to recommend FIS over other investment options, including those offered by our affiliates or unaffiliated third

parties. To mitigate this conflict, FIS discloses these referral arrangements to clients and ensures that all recommendations are based on the client's financial needs and objectives.

FIS has implemented policies and procedures to oversee compliance with the SEC's Marketing Rule and ensures that all referring employees are not subject to any disqualifying events.

### Item 15 Custody

FIS does not provide custody services. Custody of client assets is maintained by NFS, our designated custodian. However, FIS is deemed to have custody of client accounts pledged as collateral for loans with Frost Bank.

Clients will receive statements from NFS at least quarterly detailing account activity and holdings. Online access to account activity and performance is available upon request. We encourage clients to carefully review their custodial statements to ensure that transactions align with their investment objectives. Any custody fees charged by NFS are separate from the advisory fees assessed by FIS, as disclosed in our fee schedule.

If you have any concerns regarding your account, we recommend reaching out to your wealth advisor or our Chief Compliance Officer for assistance.

### Item 16 Investment discretion

FIS provides advisory services exclusively on a discretionary basis. This means your investment adviser representative has the authority to buy and sell securities in your account without requiring prior approval for each transaction. This structure enables more efficient portfolio management and allows for timely adjustments based on market conditions and investment strategies.

Discretionary management is aligned with your stated risk profile, ensuring that all investment decisions are made in accordance with your financial objectives. Discretionary authorization is formally included in the advisory agreement. While our advisory agreement authorizes FIS to deduct advisory fees directly from your account, it does not grant authority for any other withdrawals or fund transfers.

In certain programs, FIS engages third-party managers or the implementation manager to exercise discretion limited to model implementation, rebalancing and trading within parameters established by FIS and/or the applicable model provider.

#### FMAX platform oversight

Within the FMAX platform, FIS is responsible for ensuring that all recommended portfolios align with your risk profile and investment objectives. When selecting securities or managing client accounts, Investnet or the designated investment manager follows the investment policies and restrictions set within the platform. FMAX provides monitoring tools to assist FIS and the investment manager in ensuring adherence to the established investment policies for each client. **However, FIWA does not assume responsibility for overseeing compliance with a client's broader investment policy beyond the FMAX platform.**

## Item 17 Voting client-owned securities

Unless you direct otherwise in writing, FIS will vote proxies on securities managed within your account on your behalf. We have established proxy voting policies and procedures designed to ensure that all voting decisions are made in your best interest and in compliance with our fiduciary obligations.

To mitigate potential conflicts of interest, our policies require that proxy votes be cast based on an **objective evaluation of the proposal's impact on shareholder value**. If a potential conflict arises, we follow established procedures to address and document the conflict, including seeking input from an independent third party if necessary.

FIS has retained Glass, Lewis & Co. ("Glass Lewis"), an independent provider of proxy research and voting recommendations, to assist FIS in receiving and voting proxies. Unless you provide specific voting guidelines or directives, we have pre-selected certain proxy voting guidelines provided by Glass Lewis. The Glass Lewis guidelines are not exhaustive, do not address all potential voting issues, and do not always correspond with the opinions of FIS. Therefore, there may be instances where we may not vote shares in accordance with Glass Lewis guidelines. In the event that we believe the Glass Lewis recommendation is not in the best interest of shareholders, and on those matters for which Glass Lewis does not provide a specific voting recommendation, we will determine how to vote the proxies. There may also be instances when Glass Lewis does not send proxy vote recommendations in a timely manner or recommendations are not available.

**Clients may opt out of FIS's proxy voting services at any time by submitting a written request.** Additionally, clients may request a copy of our proxy voting policies or a record of how proxies were voted on their behalf.

To request proxy voting records, please contact:

Frost Investment Services, LLC  
Attention: Chief Compliance Officer  
111 West Houston Street  
San Antonio, TX 78205

FMAX clients may directly perform proxy voting or delegate proxy voting to either FIS or the discretionary investment manager to whom FIS has allocated client assets. If delegated by the client, FIS or the discretionary investment manager, as applicable, shall be responsible for voting or abstaining from voting with respect to any proxy solicitations for any securities purchased on behalf of clients. Clients should review the proxy voting policies and procedures as described above and in their discretionary **investment manager's Form ADV Part 2A as applicable**.

We review and can elect to participate in class action lawsuits involving securities owned on your behalf. Participation in a class action will be facilitated through the use of an unaffiliated third-party vendor. If your participation results in a recovery, the proceeds received will be net of the fees charged by the third-party vendor.

## Item 18 Financial information

We do not solicit prepayment of advisory fees greater than six months in advance, and we are not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to you.