

## Item 1 – Introduction

RiverFront Investment Group (“RiverFront”) is a SEC-registered investment adviser that provides advisory services. This document is a summary of the types of services we provide and how you pay for these services. Free and simple tools are available to research firms and financial professionals at [investor.gov/CRS](https://investor.gov/CRS). You can also find educational materials about broker-dealers, investments advisers and investing at this site.

## Item 2 – Relationship and Services

### *What investment services and advice can you provide me?*

We offer investment advisory services to retail investors through separately managed accounts (SMAs) and unified managed accounts (UMAs) in third party sponsored wrap fee programs. As part of these services, we manage model investment portfolios for a range of investment objectives, risk tolerances and investment themes through program sponsor firms (“Sponsor(s)”). RiverShares model portfolios invest primarily or exclusively in ETFs sub-advised by RiverFront (“RiverFront ETFs”).

In a SMA, RiverFront provides advisory services to you on a discretionary basis, meaning RiverFront has permission to determine the securities bought and sold in your account. Such discretion is exercised based on the model portfolio chosen by you in consultation with your Financial Adviser and Sponsor. Unless you are invested in a Custom Portfolio Solution (“CPS”), RiverFront’s models are not typically tailored to your individual needs, any restrictions you impose on the account must be communicated to RiverFront in writing or by your Sponsor. RiverFront as part of its standard services will review your discretionary account on a weekly basis to ensure it is in line with the model portfolio that you have selected. For more information on how RiverFront reviews client accounts, see [Item 13 – of RiverFront’s ADV Part 2A](#).

RiverFront’s minimum opening account balance is typically \$200,000 for Advantage SMA clients and \$100,000 for ETF Advantage, RiverShares and Partner Model Portfolios SMAs; however, we will consider accepting a lower initial account balance. For additional information about the products we offer, see [Item 4 – of our Form ADV Part 2A](#).

- “Given my financial situation, should I choose an investment advisory service? Why or why not?”
- “How will you choose investments to recommend to me?”
- “What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?”

## Item 3 – Fees, Costs, Conflicts, and Standard of Conduct

### *What fees will I pay?*

Sponsors set the fees for clients in their wrap fee program. RiverFront charges an advisory fee based on a percentage of the market value of assets under management in your account, calculated at the close of each calendar quarter or month (as applicable) While these fees vary by program, they typically do not exceed 0.5% per year of the assets we manage for you, CPS accounts may charge as much as .85% per year of the assets we manage for you. These fees are usually charged quarterly in advance, although certain Sponsors may charge you in arrears or on a monthly basis. Fees are generally deducted by the Sponsor directly from your account, please see your agreement with your Sponsor for specific information regarding your billing schedule. The more assets there are in your advisory account, the more you will pay in fees, RiverFront therefore has an incentive to encourage you to increase the amount of assets in your account.

Wrap fee clients are typically not charged a commission on trades executed through the Sponsor. However, because RiverFront places a significant amount of trades away from the Sponsor (also known as step-out transactions), the commissions or other fees for these trades are in addition to the wrap fee.

RiverFront’s management fees are separate and distinct from fees and expenses charged by registered investment companies (i.e., mutual funds, closed-end funds, and exchange-traded funds “ETFs”), which are held in client accounts or recommended by RiverFront. A description of these fees and expenses is available in each fund’s prospectus. RiverFront’s fee does not include brokerage commissions, transaction fees, custodial fees, transfer taxes, wire transfer fees, electronic fund fees, and other possible taxes and fees. These ancillary fees and costs should appear on your quarterly statement that you receive from your broker and/or custodian.

RiverFront You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. Because we charge an asset-based fee, the total fees you pay us will increase with the size of your account. This

creates an incentive for us to recommend that you increase the assets in your account. For additional information, please see [Item 5- of our Form ADV Part 2A](#).

*“Help me understand how these fees and costs might affect my investments. If I give you \$100,000 to invest, how much will go to fees and costs? How much will be invested for me?”*

*What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?*

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Below are some examples to help you understand what this means.

**Proprietary Products:** We receive advisory fees based on the amount of assets in RiverFront ETFs. This creates an incentive for RiverFront to use RiverFront ETFs Funds in model portfolios.

**Third Party Payments:** RiverFront associates may also attend educational seminars and events hosted by vendors, Sponsor Firms, or ETF providers (“Outside Parties”). These Outside Parties pay for reasonable travel, lodging, and other expenses related to the event; they may also co-sponsor or sponsor RiverFront’s attendance at these events. RiverFront often uses the ETFs managed by Outside Parties within client models. Outside Parties will share expenses for RiverFront-sponsored events, marketing campaigns, and/or broker-dealer sponsored events in the form of sponsorships. These activities create conflicts of interest as RiverFront will have an incentive to use vendors and/or ETFs sponsored by firms that participate in the activities above.

Additionally, RiverFront will invest its portfolios in various ETFs. Some of these ETFs will be sponsored by or affiliated with broker-dealers through which RiverFront also executes your trades. RiverFront’s due diligence and security selection process does not take into consideration whether the ETF sponsor for a particular security is affiliated with a broker-dealer that RiverFront uses to execute your trades. For additional information on conflicts of interest, please see [Items 8, 11, 12 and 17 of our Form ADV Part 2A](#).

*“How might your conflicts of interest affect me and how will you address them?”*

*How do your financial professionals make money?*

Our portfolio managers’ compensation includes an annual fixed salary, which is based on various market factors and the skill and experience of the individual, and a discretionary bonus. The discretionary bonus takes into account several factors including the Adviser’s profitability (net income and ability to pay a bonus), the value of portfolios overseen by the portfolio manager, the general performance of client accounts (including ETFs and funds) relative to market conditions. The formula for determining these amounts may vary, and no individual’s compensation is solely tied to the investment performance or asset value a portion of our firm’s profits. This compensation structure creates an incentive for our portfolio managers to recommend that you increase the size of your account with us.

#### Item 4 – Disciplinary History

*Do you or your financial professionals have legal or disciplinary history?*

Yes. For more information, please see [Item 9 of our Form ADV Part 2A](#). A free and simple search tool to research us and our financial professionals is available at [investor.gov/CRS](http://investor.gov/CRS).

*“As a financial professional, do you have any disciplinary history? For what type of conduct?”*

#### Item 5 – Additional Information

Additional information about our investment advisory services and an up-to-date copy of the relationship summary is available by calling us at (866) 583-0744 or emailing the Chief Compliance Officer at [jjgibbs@riverfrontig.com](mailto:jjgibbs@riverfrontig.com)

*“Who is my primary contact person?”*

*“Is he or she a representative of an investment adviser or a broker-dealer?”*

*“Who can I talk to if I have concerns about how this person is treating me?”*

The following updates have been made to this Form CRS since our last filing on September 17, 2021.

- Item 2: Addition of language related to our RiverShares model portfolios. These portfolios invest primarily or exclusively in ETFs sub-advised by RiverFront (“RiverFront ETFs”).
- Item 2: Addition of language related to RiverFront’s Custom Portfolio Solution offering. This new service is tailored to the client’s individual needs.
- Item 3: Addition of information related to how our management fee is calculated at the close of each calendar quarter or month, as applicable.
- Item 3: Addition of conflict disclosure: “The more assets there are in your advisory account, the more you will pay in fees, RiverFront therefore has an incentive to encourage you to increase the amount of assets in your account.”
- Item 3: Removal of conflict disclosure that is not required in Form CRS. This language is still available in RiverFront’s Form ADV 2A.
- Item 3: Replacement of information related to our portfolio managers’ compensation to more clearly reflect compensation structure.