Form ADV 2A – BluVest Program Brochure

SEC File No. 801 - 29892
HD Vest Advisory Services

December 2017

This Form ADV 2A Brochure provides information about the qualifications and business practices of H.D. Vest Advisory Services, Inc. ("HDVAS") which uses the trade name HD Vest Advisory Services. If you have any questions about the contents of this brochure, please contact us at (972) 870-6000. This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about HD Vest Advisory Services is also available at www.adviserinfo.sec.gov. Please note that registration as an investment adviser is required by the securities laws, and does not imply a certain level of skill or training.

You should review this brochure and consider its contents before investing in a program offered by or through HDVAS.

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Item 2: Summary of Material Changes

There have been no material changes since the version dated June 2017, although clarification of certain items, including the fee calculations, were made throughout the Brochure. The fees themselves did not change.

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Important Definitions

"Access Person" is a Supervised Person including directors, officers, employees and Investment Adviser Representatives ("IARs") who has access to nonpublic information regarding Clients' purchase or sale of securities, is involved in making securities recommendations to Clients or who has timely access to such recommendations that are nonpublic.
"Account(s)" means your Program account(s).

"Advisers Act" means the Investment Advisers Act of 1940, as amended.

"Advisory Fee" means the fee charged to Client by HDVAS for Program services.

"Advisory Services Client Agreement" or **"Agreement"** means the written agreement between you and HD Vest Advisory Services, which is required to participate in the Program and which governs the terms and conditions of the Program and associated services, as it may be amended from time to time.

"Brochure" means this document, the Form ADV Part 2A ***BluVest*** Program Brochure covering the Program, which provides important information about HDVAS and the Program.

"Client," "you," and **"your"** means the person(s) or organization(s) that contract with us for Program services.

"Client Profile Questionnaire" or the **"Profile"** means the questionnaire that collects information about you and your investment objective, risk tolerance and financial situation, and which is required to open an Account or to update client information.

"Code of Ethics" means the code adopted by HDVAS setting out the ethical principles of the Firm.

"Custodian" means the "qualified custodian" that has custody of Client's assets in accordance with SEC Advisers Act Rule 206(4)-2.

"HDVAS," "we," "us" or the **"Firm"** means HD Vest Advisory Services, Inc. dba HD Vest Advisory Services, an investment adviser registered with the SEC, a wholly-owned subsidiary of H.D. Vest, Inc. dba HD Vest Financial Services.

"Fund Interests" means an interest in mutual funds, exchange-traded funds (ETFs), and similar instruments held in the model portfolios of the Program.

"Financial Guard Investment Committee," or the **"Investment Committee"** means the committee responsible for making all decisions regarding Financial Guard's investment algorithms used in the Program, allocation model portfolios and investment fund selections and recommendations. The Investment Committee consists of five voting members.

"Modern Portfolio Theory" or **"MPT"** means the mathematical framework for diversification, or the combination of different investments within a portfolio.

"**Program"** means ***BluVest***, the online, discretionary asset allocation investment advisory program discussed in this Brochure.

"SEC" means the U.S. Securities and Exchange Commission (more information available at www.sec.gov).

"Transaction Fees" means the transaction fees and commissions assessed for trade processing and execution associated with all trades in mutual funds, ETFs and other instruments through the Designated Broker.

"Website" means HD Vest's website at www.BluVest.com through which HD Vest provides automated information, advice and discretionary investment management services to investment advisory clients through a web-based platform (*e.g.*, where Accounts are established, accessed, and managed).

Item 4: Advisory Business

Pursuant to SEC Rule 204-3 promulgated under the Advisers Act, HDVAS presents this Form ADV 2A Brochure which provides the required Form ADV Part 2 disclosures.

About HDVAS

HDVAS was established in 1987 and is a wholly-owned subsidiary of H.D. Vest, Inc. ("HD Vest"), which is the holding company for the group of companies providing financial products and services under the HD Vest name. HDVAS is an indirect subsidiary of Blucora, Inc., a public company traded on the NASDAQ stock market (ticker: BCOR). HDVAS is registered with the SEC as an investment adviser.

As of November 2017, HDVAS managed approximately $5.3 billion of Client assets on a discretionary basis, and $6.9 billion of Client assets on a non-discretionary basis for a total of $12,277,588,424 in assets under management under its various advisory programs.

The *BluVest* Program

HDVAS offers its ***BluVest*** online investment advisory services using asset allocation model portfolios, referred to in this Brochure as the Program. HDVAS may, in its sole discretion, delegate or contract with third parties for the performance of all or a portion of the services provided to clients participating under the Program, including without limitation the authority to determine the securities to be purchased, held and sold for client accounts and to implement securities trading decisions, to one or more sub-advisers retained by HDVAS. Currently, HDVAS has a relationship with one such unaffiliated sub-adviser, Financial Guard, LLC ("Financial Guard" or "Sub-Adviser"), but HDVAS may replace Financial Guard or retain additional sub-advisers at their discretion. Each model portfolio is designed to help clients meet a particular investment objective, as described in more detail in Item 8 of this Brochure. The Program's portfolios invest substantially all of their assets in mutual funds, exchange-traded funds (ETFs), and other similar instruments, collectively referred to in this Brochure as "Fund Interests."

The ***BluVest*** online advisory program is designed for individuals with investment accounts with a minimum of $750.00, although HDVAS may grant an exception to this minimum in its sole discretion.

Investment advice provided through the ***BluVest*** Program is based solely on information gathered through the Website as provided by the Client and is dispensed exclusively through that same platform. It is limited to discretionary investments based on the asset allocation model portfolios described in this Brochure. You should not expect to be able to discuss the investment advice you receive in connection with the Program with any investment professionals affiliated with HDVAS, its affiliates, or any third party that may provide services to Clients participating under the Program. HDVAS separately offers an investment advisory program called *VestAdvisor*, a separate managed account program, and financial planning services, all of which are described in a separate brochure. These other programs and services entail interaction with an individual investment adviser representative affiliated with HDVAS.

Importance of The Information You Provide

As part of becoming a Client, you will answer online Risk Profile Questions that the Sub-Adviser's algorithm uses to determine your risk profile based on your goals, objectives, and other circumstances. Based solely on the information you provide to these questions, the Sub-Adviser will assign you an asset allocation model believed to be appropriate for your risk profile and objectives. The information you provide in response to the Risk Profile Questions will be the sole basis for the asset allocation model portfolio suggestions provided to you in connection with the Program. HDVAS will not consider any other investments you own in formulating the investment advice provided to you under this Program, even if HDVAS has access to other investments you own or other Client information.

HDVAS relies on the information you provide in response to the Risk Profile Questions to manage your account appropriately; therefore, it is important that you keep that information current. You may update this information at any time by logging in to your account at www.BluVest.com or by speaking to a representative at 800-214-9040. You have an ongoing obligation to update this information if there are any changes to your financial situation or the information provided, including information relevant to your investment objectives or risk tolerance.

Clients are able to impose reasonable investment restrictions on the purchase of specific mutual funds or ETFs for their Discretionary Accounts. Clients are not able to restrict specific asset classes included in the overall asset allocation model recommended by Sub-Adviser. If a particular fund or ETF is restricted from purchase, Sub-Adviser will determine an alternative fund to be purchased for the Account in lieu of the restricted fund. With respect to certain asset classes, Sub-Adviser may have a limited universe of funds to choose from in order to fill those asset classes in accordance with the recommended asset allocation model. A client may not be able to exclude or restrict mutual funds or ETFs recommended with respect to such asset classes as part of the asset allocation model as the imposition of such restrictions would be considered unreasonable and inconsistent with Sub-Adviser's investment strategy.

Item 5: Fees and Compensation

You pay an annual Advisory Fee to participate in the Program. The Advisory Fee is paid quarterly in advance based on a tiered percentage of Client assets in the Program, and is calculated and charged in accordance with the fee schedule contained in Exhibit A of the Agreement, as amended from time to time. HDVAS generally will not negotiate this fee, but reserves the right to provide fee breaks in its sole discretion.

The initial pro rata fee ("Inception Fee") is calculated as of the date the Account is funded and accepted into the Program ("Inception Date") and covers the remainder of the calendar quarter. The Inception Fee for a new Account will be prorated for the number of days remaining in the calendar quarter and this fee will be charged to the Account on the day selected by HDVAS during the month following the calculation (*e.g.*, if the Account is established and funded in January, the fee will be billed in February). The Inception Fee is calculated based on the market value of the Account assets on the Inception Date, which is determined by the Custodian as of the initial funding date. There will be no adjustments for assets deposited into or withdrawn from the Account between the Inception Date and the last day of the quarter being billed.

Subsequently, the Advisory Fee will be paid quarterly, in advance, on the day selected by HDVAS in the month following the end of each calendar quarter based on the market value of the Account as of the close of the last business day of the previous calendar quarter.

All fees are debited automatically from your Account after Sub-Adviser, as billing agent for HDVAS, provides an invoice to Custodian. The Advisory Fee will not be adjusted during the quarter for changes in value (appreciation or depreciation) of assets held in the Account. Clients who withdraw funds and/or securities from the Account(s) during a billing period will not receive a pro rata refund of the Advisory Fee.

The Advisory Fee is based on a percentage of Client's assets that are managed under the ***BluVest*** Program and is calculated and charged under the following fee schedule. Each Account's value is divided into tiers with each tier billed at a progressive rate.

Accounts with an account value less than ~$2650 may pay more than 0.45% because the minimum quarterly Advisory Fee assessed is $3.00.

Assets under Management (AUM)	Annualized Fee
$0 to $10,000	0.45% *With a minimum of $3 per calendar quarter*
> $10,000 but ≤ $25,000	0.40%
> $25,000 but ≤ $50,000	0.35%
> $50,000	0.30%

If the Agreement is terminated prior to the end of the quarter, you will receive a pro rata refund from the date the Account is removed from the Program.

For the purposes of calculating the Advisory Fee, the value of the Account is calculated by the Custodian, and not by HDVAS. All Advisory Fees for inception and termination calculations are based on the actual number of days in the calendar quarter (i.e., 1st quarter = 90 days; 2nd quarter = 91 days; 3rd quarter = 92 days; and 4th quarter = 92 days for a 365 day year). Quarterly Advisory Fees are determined by dividing the Annual Advisory Fee by 4 and are not calculated based on a daily rate.

The Advisory Fee does not include custody fees, exchange fees, execution fees (foreign and/or domestic), short-term redemption fees, transaction fees or any other fees required by law which may be charged to your account. HDVAS and Sub-Adviser have no control over these other fees and do not share in them. HDVAS pays Sub-Adviser out of the Advisory Fee it receives from you. Please see Item 12 of this brochure for important disclosures regarding our brokerage practices.

THE FOLLOWING SAMPLE CALCULATIONS ARE PROVIDED FOR ILLUSTRATIVE PURPOSES ONLY

Example 1. An account value is $100,000 on the last business day of the first calendar quarter. The Client's Advisory Fee will be calculated as follows:

($10,000 * 0.0045) + ($15,000 * 0.0040) + ($25,000 * 0.0035) + ($50,000 * 0.003) = $342.59 (Annual Advisory Fee). $342.59 / 4 = $85.63 in Advisory Fees for the quarter.

Example 2. An account value is $12,000 on the last day of the first calendar quarter. The Client's Advisory Fee will be calculated as follows:

($10,000 * 0.0045) + (2,000 * 0.0040) = $53 / 4 = $13.25

Example 3. An account value is $2,000 on the last day of the first calendar quarter. The Client's Advisory Fee will be calculated as follows:

($2,000 * 0.0045) = $9 / 4 = $2.25. Since the Advisory Fee is calculated to be $2.25 (which is below the minimum quarterly Advisory Fee), the account will be charged $3.00 for the quarter.

Example 4. On February 15th, an account is funded with $10,000. The account will be billed for the first time in March, and the Advisory Fee will be pro-rated. The Advisory Fee will be calculated for only the time the funds were in the account.

($10,000 * 0.0045) = $45 / 4 = $11.25 per quarter. Because there are 44 days remaining in the 90 day quarter
(i.e., February 15th through March 31st, the Advisory Fee for this first quarter will be $5.50.

Example 5. An account value is $100,000 on the last day of the first calendar quarter. The Client's Advisory Fee will be calculated (using example 1 above) as $85.63. On June 15th, the account is terminated. The account will be credited a partial refund for the unmanaged remaining days of the billing quarter (June 15 – June 30). Advisory Fees will be refunded for June 15 – June 30th or a total of 15 days. The daily rate of $0.94 x 15 remaining days in the quarter is equal to a refund in Advisory Fees of $14.10.

Mutual Fund and ETF Fees and Expenses

All Advisory Fees paid to HDVAS for investment advisory services are separate and distinct from, and in addition to, the fees and expenses that you will bear by virtue of being invested in Fund Interests that your Account holds. Mutual fund and ETF fees and expenses are described in each Fund Interest's prospectus and generally include an investment management fee, other fund operating expenses, and, in some cases, a distribution fee.

While you may invest in Fund Interests directly and without the use of HDVAS's investment advisory services, in doing so you would not receive the asset allocation model recommendations available in this Program. These are designed to assist you in determining which Fund Interests are appropriate for you and the amounts to invest in each, based on your investment objectives and personal circumstances.

Termination of Agreement

The Agreement may be terminated by either party at any time. HDVAS may elect to terminate the Agreement upon written notice to the Client and in accordance with the terms and conditions in the Agreement. Client may only terminate the Agreement by calling (800) 214-9040 or such other phone number(s) as HDVAS may specify on the ***BluVest*** Program's website (www.bluvest.com) and the termination is effective upon this notification. The termination shall be effective upon delivery of written notice to Client if the Agreement is terminated by HDVAS or such later date as may be specified in the notice. Termination of the Agreement will not affect the validity of any action previously taken by HDVAS, or preclude the completion of any transaction initiated by HDVAS prior to the time of termination.

This Agreement will also terminate immediately if: (a) Client withdraws all the assets from the Account; or (b) upon HDVAS's receipt of notification that Client has closed its account with Custodian. In light of the fact that the Program is an online-only advisory program, this Agreement may also be terminated by HDVAS if Client withdraws its consent to receiving documents electronically. In addition, HDVAS reserves the right to terminate the advisory relationship if the market value of assets in an Account falls below the minimum level of $750.00. On occasion an account of less than $750.00 may remain in the Program if the Client has a relationship and other accounts with HDVAS. This is at the sole discretion of HDVAS.

Upon the receipt of termination notice by HDVAS, all management by HDVAS and the Sub-Adviser will cease. Client will be asked to provide directions for transfer of the Account away from HDVAS. Client may choose to maintain the Account at Custodian as a retail account subject to Custodian's restrictions, costs and account minimums. This option is between Custodian and Client.

In the event of termination, HDVAS will provide a pro rata refund of unearned, prepaid fees if the advisory relationship is terminated prior to the end of the quarter. Client will also be responsible for all transaction charges, including any commissions charged by Custodian, assessed during and/or following the termination of this Agreement.

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

HDVAS does not charge performance-based fees (i.e., fees which depend on the performance of the account) in the Program. HDVAS does not engage in side-by-side management where the investment decisions made for your Account might be impacted by investment decisions with respect to other assets we advise or manage.

Item 7: Types of Clients

The Program is designed for individuals with a minimum Account size of $750.00, although exceptions may be made in HDVAS's sole discretion.

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

Sub-Adviser employs the following types of analyses and processes to formulate its advice and recommendations to clients participating in the Program. Investors may find additional information regarding Sub-Adviser and its investment strategies and methodologies in Sub-Adviser's Form ADV Part 2A Brochure ("Sub-Adviser Brochure"), which is available on the SEC's website at www.adviserinfo.sec.gov as well as on the ***BluVest*** Program's website (www.bluvest.com). Investors should note, however, that there are differences in how the investment advice and recommendations are generated by Sub-Adviser through the Program and Sub-Adviser's own non-BluVest managed account programs (a summary of these differences is described in Sub-Adviser's Brochure). This Brochure provides information regarding how the Sub-Adviser's investment methodology is applied in connection with the Program, and this Brochure governs in the event of any discrepancy.

Developing and Applying Asset Allocation Models

Sub-Adviser's approach to building asset allocation models is based primarily on the principles of Modern Portfolio Theory "MPT". At its core, MPT is a mathematical framework for diversification, or the combination of different investments within a portfolio. The theory suggests that if you combine investments that behave differently from one another (i.e., react differently to market events), you are spreading the risk among different types of securities which can limit the risk of the total mix while improving its potential returns.

Diversification forms the basis for the Sub-Adviser asset allocation and investment philosophy in the ***BluVest*** Program. By mixing asset classes that behave differently from one another within a portfolio, Sub-Adviser seeks to provide better outcomes to help clients meet their investment objectives while mitigating potential risks.

Exposure to the various asset categories and classes in the ***BluVest*** Program is achieved through investments in Fund Interests (i.e., mutual funds, exchange-traded funds (ETFs) and cash). The asset allocation models used by Sub-Adviser to provide investment advice to clients consists of Fund Interests with a number of distinct asset classes. Accounts with values below $15,000 use passive investments through the exclusive use of index mutual funds resulting in a more US-centric portfolio. Accounts with values that exceed $15,000 include active mix asset class mutual funds and ETFs including: US equities (large cap and small cap), non-US developed equities, emerging markets equities, treasury inflation protected securities (TIPS), US bonds, non-US bonds, and cash. Limitations associated with MPT and diversification include the assumption that correlations among asset classes tend to be stable over time. Historically, in periods of market stress, correlations increase and asset classes behave similarly. In such market environments the diversification benefit from holding different asset classes may be reduced.

In periods of market instability or other types of emergency or catastrophic events, Sub-Adviser may delay, suspend or otherwise manage trading in response to such conditions. Sub-Adviser may do so when it determines that it is appropriate to respond to extraordinary circumstances of market instability, such as incomplete execution, widening bid-ask spreads, or unstable markets. If Sub-Adviser delays placing orders in response to extraordinary market volatility during market hours, Clients will receive notification of such delay either via email or via the ***BluVest*** Program's website.

For additional details please refer to the Financial Guard Form ADV Part 2A Brochure, Item 8.

Recommended Portfolios

Once Sub-Adviser's algorithm has matched a client to one of the asset allocation models, the algorithm will recommend Fund Interests to implement the asset allocation model based on the results of Sub-Adviser's proprietary algorithm and fund review process. Sub-Adviser maintains a list of funds tied to each distinct asset allocation category for the asset allocation models maintained by Sub-Adviser. The universe of Fund Interests from which Sub-Adviser selects the assets available through the Program is limited to the funds available for investment through the Custodian (as defined in Item 12). Sub-Adviser's Investment Committee selects the available funds, and these selections are based on several criteria. (See Sub-Adviser's Brochure for additional details.)

While Sub-Adviser strives to provide recommended funds through its screening process in order to fill the specific sections of each asset allocation model that it recommends, it may not always be able to do so due to a variety of factors, including without limitation limited assets in the Account. This is a potential risk of the Program.

Once the system recommends a particular asset allocation model portfolio (including specific Fund Interests to be purchased and/or held) and Sub-Adviser proceeds with implementing such recommendations, a lock will be placed on the model portfolio recommendation for a Client's Account until 90 days after the last trade in such Account in order to avoid incurring redemption fees that are imposed by fund companies. There are some limited exceptions, such as a client initiated activity (for example, a change in a client's risk profile information). Any Client contributions to an Account made during the recommendation lock period will be invested in a bank deposit account, money market fund, or similar vehicle until the next account rebalancing date when they will be invested as part of the account rebalancing and in accordance with updated investment recommendations.

Account Rebalancing

As part of its services, periodic Account rebalancing is provided by the Sub-Adviser. Sub-Adviser will determine the methodology, frequency and parameters applicable to account rebalancing in its sole discretion.

Sub-Adviser evaluates whether an Account needs to be rebalanced at least ninety (90) days following the last trade date in that Account. This is done automatically without regard to structural market conditions or changes, except in the case of certain extraordinary circumstances of market instability when Sub-Adviser may decide to delay, suspend or otherwise manage trading in response to such unstable conditions. As described above and subject to certain exceptions, the Account will not be rebalanced during the recommendation lock period. This lock period may cause the Client to miss out on certain market increases and is a restriction of the ***BluVest*** program.

For additional details please refer to the Financial Guard Form ADV Part 2A, Item 8.

Individual Equities and Bonds

While a client may deposit individual stocks or bonds into the account upon initial funding, Sub-Adviser will instruct the Custodian to promptly sell such individual equities or bonds in the account, which may result in client paying certain brokerage commissions and/or transaction fees. Neither HDVAS nor Sub-Adviser share in any portion of the commissions or transaction fees imposed by Custodian. If a client deposits mutual funds or ETFs that Sub-Adviser uses in a particular asset allocation model portfolio recommended for the client, Sub-Adviser may, in its sole discretion, use one or more of the mutual funds or ETFs deposited by the client in its asset allocation model portfolio.

Account Composition and Performance

The Account's composition and performance may change over time for a variety of reasons including if there is a change in asset allocation strategies. Those differences can arise each time the investment strategy is adjusted or rebalanced, including, but not limited to, the following instances: (a) when the Account is established and the initial investment positions are established; (b) when Client contributes additional capital to such Account; (c) when Client revises Profile information and causes HDVAS or sub-adviser to revise the investment strategy for the Account; (d) each time the Advisory Fee is charged and paid from the Account; and (e) any time HDVAS or Sub-Adviser adjusts its algorithm by which the composition of the Account is maintained. On any such adjustment, the Sub-Adviser may adjust the investment strategy for the Account at its discretion.

Risks of Investing

The following are some of the more significant risks associated with investing and investment advice and recommendations provided by HDVAS through the Program:

Asset Allocation Risk. A risk of asset allocation is that a client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client in light of investment goals and objectives, although Sub-Adviser periodically rebalances portfolios to bring them in line with recommended asset allocation models. Also, diversification across asset classes does not guarantee a profit or protect against loss and Clients' ability to achieve their investment objectives depends upon HDVAS's or Sub-Adviser's skill in determining the asset class allocations and recommending the mix of funds to clients. The value of a client's investment may decrease if HDVAS's or Sub-Adviser's judgment about the attractiveness, value or market trends affecting a particular asset class or Fund Interest is incorrect.

Risks Associated with Mutual Fund and ETF Analyses. Sub-Adviser evaluates the experience and track record of the manager of each Fund Interest in an attempt to determine if that manager has demonstrated an ability to invest successfully over a period of time and in different economic conditions. Sub-Adviser also monitors the Fund Interests in an attempt to determine if they are continuing to follow their stated investment strategies. As with all securities analyses, a risk of mutual fund and/or ETF analysis is that past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, because HDVAS is not able to control the underlying investments in Fund Interests, managers of different funds held by a client may purchase the same security, thereby increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the Fund Interest, which could make such a Fund Interest less suitable for the client's portfolio.

Risks of Relying on Information and Data Provided By Others. Sub-Adviser's analysis methods rely on the assumption that the companies whose funds and securities are recommended for purchase and sale, the rating agencies that review such funds and securities, and other available sources of information about such funds and securities, are providing accurate, reliable and unbiased data and information. Sub-Adviser can guarantee that analyses and recommendations will not be compromised by or free from any inaccurate, incomplete, or misleading data and information provided by such other third parties.

Long-Term Purchases Risk. Sub-Adviser typically recommends that clients purchase investments with the intention of holding them for one year or longer. This recommendation may be made because Sub-Adviser believes the investments to be undervalued at the time of purchase and/or because we want to recommend exposure to a particular asset class over time, regardless of the current projection for such class. A risk of a long-term investment strategy is that, by holding an investment for a longer period of time, the client may not be able to take advantage of potential short-term gains. Moreover, if the analysis is incorrect, an investment may decline sharply in value before it can be sold.

Volatility and Correlation Risks. Clients should be aware that Sub-Adviser's asset selection process is based in part on a careful evaluation of past price performance and volatility in order to evaluate future probabilities. However, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions, which may adversely affect a Client and may become more acute in times of market upheaval or high volatility. Past performance is no guarantee of future results, and any historical returns, expected returns or probability projections may not reflect actual future performance.

Risks Associated With Fund Interests. By owning shares or units of funds, each client is exposed and subject to the investment risks associated with the types of securities and instruments in which such funds may invest and techniques they may pursue in seeking to achieve their investment objectives. Information and discussion regarding the investment practices of the funds and their investment risks are located in the prospectuses and statements of additional information or other types of disclosure documents for such funds, which clients are strongly encouraged to review prior to investing. This brochure should not be considered an offer to invest in any particular Fund Interest.

Risks Associated with Limitations of Web-Based Investing. Web-based advice has significant limitations that clients should consider before subscribing to or signing up for HDVAS's services and the ***BluVest*** Program. Specifically, in a web-based advisory arrangement, an individual does not receive the benefits of face-to-face, telephone, or otherwise individualized interaction with an investment adviser, therefore limiting the individual's ability to ask questions or relay important information. Moreover, such an arrangement also limits the ability of the adviser to fully assess the unique financial condition of an individual, as well as the individual's specific investment goals and objectives.

Risks Inherent In The Use Of An Algorithm. The models and techniques, including codes, utilized by Sub-Adviser in developing and designing the algorithms used for delivering investment advisory services to clients in the Program are based on the information and data available to Financial Guard as well as on its assumptions, assessments, and estimates, all of which are subject to error. As a result, such models and techniques may not account for all relevant factors or may not account for any such factors correctly. More generally, there can be no assurance that such models and techniques would be effective. Because algorithms depend and rely on models, they do not take into account market conditions when rebalancing client accounts and they may not effectively address prolonged changes in market conditions.

Advisory and Model Risk. There is no guarantee that Sub-Adviser's judgment or investment decisions about particular securities or asset classes will necessarily produce the intended results. Sub-Adviser's judgment about the quality, relative yield, value or market trends affecting a particular security, industry or sector, country or region, or about market movements may prove to be incorrect, and a client might not achieve the desired investment objective. In addition, the proprietary models used to evaluate securities or securities markets are based on an understanding of the interplay of market factors and do not assure successful investment. The markets or the prices of individual securities may be affected by factors not foreseen in developing the models. Sub-Adviser may also make changes to the investing algorithms and advisory services that they provide. In addition, it is possible that Client, Sub-Adviser or HDVAS may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to the ***BluVest*** Program. Neither HDVAS nor Sub-Adviser (including their respective representatives) are responsible to any Client for losses unless caused by HDVAS's or Sub-Adviser's breach of its fiduciary duty owed to such Client.

Cyber Security Risks. With the increased use of technologies such as the Internet to conduct business, Clients and their Accounts are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events that include, but are not limited to, gaining unauthorized access to digital systems, misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider and the issuers of securities in which Clients invest have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

Clients should understand that investing in any security, including Fund Interests, involves a risk of loss of both income and principal. There can be no assurance that Sub-Adviser's or HDVAS's investment advice and recommendations will be successful or that a Client's investment objective will be achieved.

Item 9: Disciplinary Information

HDVAS is an investment adviser registered with the SEC. In the past 10 years, HDVAS has not been involved in any material disciplinary events as an investment adviser.

To obtain information about HDVAS's disciplinary history, or to verify HDVAS has not been involved in any material disciplinary event, you may visit: http://www.adviserinfo.sec.gov/

Item 10: Other Financial Industry Activities and Affiliations

HDVAS's affiliated broker-dealer, HD Vest Investment Securities, Inc. ("HDVIS"), shares certain compliance and back-office personnel with HDVAS. HDVAS relies on HDVIS's shared personnel for, among other things, performing anti-money laundering and related compliance checks as part of client intake. HDVIS does not otherwise provide any services as part of the Program.

HDVIS does not share in any commissions or other transactional charges that may be imposed or earned by Custodian.

HDVAS will not sell Client information to other companies for marketing purposes. HDVAS employs reasonable security standards and safeguards to protect our Client's personal information and prevent fraud. For more information, please read our Privacy Statement on www.bluvest.com.

Item 11: Code of Ethics

Clients of HDVAS are entitled to expect high ethical standards of conduct in all of their dealings with us. HDVAS strives to foster a culture that supports our ability to meet our Clients' expectations. To assist us in minimizing potential conflicts and prevent inappropriate activity, we have developed a Code of Ethics ("COE"). The COE defines "Access Persons" and describes standards of conduct, personal securities transactions, securities covered by the COE, insider trading, conflicts of interests and confidentiality. If you are a Client or prospective Client and would like to receive a copy of the current HDVAS Code of Ethics please send an e-mail to support@cs.bluvest.com or to HDVAS, 6333 N. State Highway 161, 4th Floor, Irving, TX 75038. For details about Sub-Adviser's Code of Ethics, refer to Sub-Adviser's Brochure.

HDVAS may enter into transactions for your Accounts in securities in which an HDVAS director, officer, or employee may also be invested directly or indirectly. This poses a conflict of interest to the extent that transactions in such securities on behalf of HDVAS Clients may advantage such related persons. Currently no transactions in Blucora (Nasdaq: BCOR) are permitted in the ***BluVest*** Program although certain unaffiliated mutual funds and ETFs may include Blucora in their holdings.

Item 12: Brokerage Practices

HDVAS does not have any formal or informal soft-dollar arrangements related to the Program, and does not receive any soft-dollar benefits from any brokers or dealers in connection with the Program.

Assets held in the Account shall be held in a brokerage account established by the Client with a broker-dealer ("Custodian") with which the Sub-Adviser has established connectivity for purposes of facilitating the management of accounts available through this Program. Client understands that at this time only one broker-dealer is available to act as Custodian for the Program and that by choosing ***BluVest***, they are also choosing to use the Program's Custodian. Client understands that all securities transactions for the Account will be executed through the Custodian, who is responsible for executing, clearing and settling transactions and maintains custody of the assets in the Account. Client understands that use of other custodians could result in lower prices or more favorable execution. Client will receive the price at which such orders for its securities are executed in the marketplace. It is important to note that in the case of mutual funds, execution is made at the net asset value of the fund. Neither HDVAS nor Sub-Adviser is paid any commissions or transaction charges for transactions that occur in the Account. HDVAS and Sub-Adviser are authorized to give instructions to Custodian with respect to investment decisions regarding the Account. Client understands that other programs may be available from other investment advisers that may offer a choice of custodians.

Account transactions may be executed by Custodian at approximately the same time as other client accounts managed by HDVAS and/or Sub-Adviser, and if the transactions are large in relation to the trading volume on that particular day, the price may be different than it would be for the execution of a smaller transaction. In addition, Sub-Adviser and Custodian may, but are not required to, aggregate block transactions involving multiple Program accounts trading in the same security.

Client understands and agrees that neither HDVAS nor any Sub-Adviser is responsible to Client for any failures, delays and/or interruptions in the timely or proper execution of trades or any other orders placed by HDVAS or Sub-Adviser on behalf of Client due to any or all of the following circumstances, which are likely to happen from time to time: (a) any kind of interruption of the services provided by Custodian, or HDVAS's or Sub-Adviser's ability to communicate with Custodian; (b) hardware or software malfunction, failure or unavailability (including without limitation due to computer viruses); (c) internet service failure or unavailability; (d) the actions of any governmental, judicial or regulatory body; and/or (e) other force majeure events (such as, for example, fires, storms, floods, epidemics, adverse weather or events of nature, terrorism, wars and embargoes). HDVAS and its Sub-Advisers reserve the right, at any time and without notice, to delay or manage trading in response to market instability.

Client further understands and agrees that the Program is a discretionary investment advisory program, and not a self-directed brokerage service. Unlike self-directed brokerage accounts, clients in the Program do not enter individual buy and sell orders for specific securities to be executed at particular times. Rather, HDVAS through its Sub-Advisers places orders to buy or sell securities with the Custodian, consistent with the discretionary authority granted to it by clients, which includes, among other things, the authority to select which securities to buy and sell and when to place orders for the execution of securities. Clients who want to control the specific securities that are bought and sold in the Account should not invest through the Program.

Currently, the Custodian and Designated Broker is TD Ameritrade Institutional.

Sub-Adviser endeavors to identify and correct trade errors as soon as possible. When a trade error has been identified Sub-Adviser corrects the error promptly with the goal of restoring the account back to the same condition that would have resulted if the error had not occurred. Losses associated with trade errors that are not caused by the Client will be borne by HDVAS or another party (other than the Client). Under some circumstances, the correction of an error could result in a gain. If the error was caused by HDVAS and the correction results in a gain, the client will retain the gain. For purposes of determining the gain or loss, related transactions will be corrected in the aggregate so that profits offset associated losses; a Client may not elect to ratify only those portions of a related transaction that are profitable.

Item 13: Review of Accounts

Under the algorithms and methodologies monitored and updated by HDVAS and/or Sub-Adviser, the technological platform monitors the investment holdings in Accounts and performs reviews of such Account holdings after the expiration of the recommendation lock period, as described in Item 8. Accounts are reviewed in the context of the investment objectives and guidelines of the recommended asset allocation model portfolio, as well as any reasonable investment restrictions imposed by a Client on the management of Account.

Clients will receive account statements either monthly or quarterly and will receive confirmation of transactions from the Custodian. HDVAS will not provide statements, transaction confirmations or performance reports to Clients. See Sub-Adviser's Brochure for additional details about Client Account reviews. HDVAS does not review individual Client Accounts on a regular basis but does complete at least an annual review of the Sub-Adviser activities and performance.

Item 14: Client Referrals and Other Compensation

HDVAS does not provide compensation for referrals to the Program nor does HDVAS receive referrals from Custodian or Sub-Adviser for their role in the Program.

HDVAS's affiliate, TaxAct, Inc., refers potential investment advisory clients to HDVAS. HDVAS does not directly or indirectly compensate TaxAct, Inc. for any investment advisory referrals.

Item 15: Custody

Neither HDVAS nor Sub-Adviser has custody of Client funds or securities for any reason other than deduction of Advisory Fees on a quarterly basis. All funds and securities are maintained at TD Ameritrade Institutional, a qualified custodian as defined by the SEC.

Item 16: Investment Discretion

The Program is a discretionary investment advisory program, and in the Agreement, HDVAS is granted the power and authority to enter into trades on behalf of the Account as well as to delegate such investment discretion to its Sub-Advisers. As disclosed in Item 4 above, Clients are permitted to impose reasonable restrictions on how the Account is managed.

Item 17: Voting Client Securities

As a matter of policy, neither HDVAS nor Sub-Adviser will vote proxies on behalf of clients in the Program, nor do they offer any consulting or assistance to clients with respect to proxies. The TD Ameritrade account application signed by Clients allows TD Ameritrade to provide the Client's information to corporations whose securities are held in the account for the purpose of additional corporate communications, including proxies and class action settlements. Client retains sole authority to vote proxies, participate in potential class action settlements or respond to other information received in these corporate communications.

Item 18: Financial Information

This item is not applicable to this Brochure. HDVAS does not require or solicit prepayment of more than $1,200 in fees per Client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year.

HDVAS has no financial condition that will impair our ability to meet our contractual commitments.