Item 1 – Cover Page

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March 5, 2026

WRAP FEE PROGRAM BROCHURE

www.parkwayteam.com

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Parkway Wealth Management Group, LLC ("Parkway" or "Parkway Wealth Management"). If you have any questions about the contents of this Brochure, please contact Holly Pace at (972) 502-9340 or holly.pace@parkwayteam.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

As used in this brochure, the words "we," "our," and "us" refer to Parkway Wealth Management Group, LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Parkway is a registered investment adviser. Registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Parkway Wealth Management is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Investment Advisers are required to prepare a disclosure document ("Wrap Fee Program Brochure") that describes the firm and its business practices. Pursuant to SEC rules, we are required to update our Wrap Fee Program Brochure at least annually and provide you with a summary of any material changes since the previous annual amendment.

We have prepared this Wrap Fee Program Brochure, dated March 5, 2026. The following material changes have occurred since our last Brochure dated April 30, 2025:

- **Item 4: Fees and Compensation** – Beginning April 2026, we are reducing the maximum fee we charge for advisory services to 1.95%. As a reminder, the specific fee you pay is stated in your Investment Advisory Agreement.

- **Item 6: Performance-Based Fees and Side-by-Side Management** – We added disclosures related to performance fees charged by third party managers of pooled investment vehicles. Parkway does not charge clients a performance-based fee.

- **Item 9: Additional Information: Client Referrals and Other Compensation** – We added disclosures to explain the value-added services we receive from our investment providers. The companies we select for management, guidance and research used in formulating investment advice for client portfolios provide us with sponsorship dollars for events such as lunches, dinners, educational workshops, networking, and/or sporting events. These events are primarily available to Parkway employees but occasionally may include Parkway clients as well.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. You may request our complete Brochure at any time by contacting Holly Pace at (972) 502-9340 or holly.pace@parkwayteam.com.

You can find this document as well as other information about Parkway Wealth Management Group, LLC at the SEC's website www.adviserinfo.sec.gov. The SEC's website also provides information about persons affiliated with Parkway Wealth Management Group, LLC who are registered as investment adviser representatives.

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Item 4 – Services, Fees and Compensation

Parkway Wealth Management Group, LLC is a federally registered investment adviser with its main office located in Plano, TX. Robert D. McMeen, Tamlyn Ray Baker, John Ray Strickland, and Annie L. Markham are the principal owners and control persons of the firm.

As of December 31, 2025, we have discretionary authority over $1,221,589,261 in regulatory assets under management. We do not currently manage any non-discretionary accounts.

Client accounts are managed based on the particular investment strategy selected by the client, subject to any specific instructions, guidelines or restrictions provided by the client in writing.

Parkway offers a suite of services that focus on the client's specific needs. Our goal is to help families, professionals, business owners and institutions protect and expand wealth to achieve their security, lifestyle and legacy objectives. We take a holistic approach to solving complex financial problems by helping clients formulate goals, anticipate and manage risks, and develop viable solutions geared to meet their objectives.

The Parkway Management Program

The Parkway Management Program is a wrap program sponsored by Parkway Wealth Management. Parkway charges a single fee to clients in this program that includes most custody, trading, investment advisory fees and other expenses associated with management of the account. Parkway is also the portfolio manager for the accounts. Clients may select one or more of the investment strategies developed by Parkway, or select model portfolio recommendations provided by a third-party manager when appropriate.

Parkway offers various equity and fixed income asset allocation investment models. The strategies are primarily implemented using common stocks, preferred stocks, bonds, mutual funds, exchange-traded funds, annuity sub-accounts, derivatives and/or other alternative investments (i.e. Private Funds, Private Equity, Real Estate Investment Trusts, Master Limited Partnerships, etc.) The strategies vary in risk from conservative to aggressive. Parkway also offers customized portfolios when appropriate for the client's situation.

Parkway utilizes third-party managers for specific strategies. We may engage the third-party manager as a sub-adviser, co-adviser or for model portfolio recommendations.

Your Investment Adviser Representative (hereinafter referred to as "Financial Advisor") will help you determine the most appropriate asset allocation for your financial needs and goals. They will help you select from the various strategies we offer to construct a diversified portfolio based on your risk tolerance and objectives. Your Financial Advisor is compensated based on your participation in the Parkway Management Program and therefore has a financial incentive to recommend this program over other programs and services available. Compensation may be more or less than if you paid for investment advice, brokerage and other services separately.

The maximum annual fee charged for the Parkway Manager Program is 1.95% of the market value of your account. Fees are payable quarterly in advance based on the gross market value of the account on the last day of the previous quarter, including any cash balance. Account values are not reduced by any margin balance for the purpose of calculating advisory fees. Quarterly fees may be adjusted to account for significant cash flows (i.e. deposits or withdrawals above $100,000) during the prior quarter. Investment holdings designated as non-managed will be excluded from billing.

Fees are subject to negotiation and are agreed upon between the client and the Financial Advisor. Each client's fee schedule, and any applicable terms and conditions, are stated in the client's investment advisory agreement. Some legacy or long-established relationships continue to pay fees based on older agreements agreed to by the Client. It is possible that you may pay more or less for similar services than may be available through another firm. In addition, fees for asset management, institutional consulting or retirement plan services may be offered to our employees, family members, and friends at a reduced rate.

The advisory fee covers portfolio management, advisory services, custodian fees, brokerage commissions, exchanges fees and other costs associated with the purchase and sale of securities when transactions are executed through the account custodian. The fee does not include other expenses such as mark-ups, mark-downs and dealer spreads, trade-away fees, mutual fund ticket charges, IRA custodial fees, account transfer fees, wire transfer fees, margin fees, interest, exchange fees, taxes, or other account expenses. Please refer to the Brokerage Practices section of Item 9.

Clients may receive comparable services from other broker-dealers or investment advisers and pay fees that are higher or lower than those charged under the Parkway Management Program. Fees may be more or less than the client would have paid if the services (account management, custody and brokerage transactions) were purchased separately outside of the wrap program.

All fees paid to Parkway are separate and distinct from the fees and expenses charged by mutual funds or in conjunction with internal expenses associated with exchange-traded funds. The client will be solely responsible, directly or indirectly, for these additional expenses. Furthermore, if Parkway manages the investment sub-accounts in a fee-based annuity, the client will separately incur any expenses associated with the purchase and maintenance of the insurance product, as well as the internal expenses associated with the investment sub-accounts. Neither Parkway, nor your Financial Advisor, will receive any commission on the sale of any annuities held in an advisory account.

Either party may terminate the investment advisory agreement upon 15 days' written notice to the other party. Upon termination, clients will be refunded all fees paid but unearned as of the date the 15-day notice period expires. Termination of the agreement will not affect the liabilities or obligations incurred or arising from transactions initiated under the agreement prior to the termination.

Clients grant Parkway the authority to debit advisory fees directly from the clients' accounts. If the client authorizes Parkway to debit fees, Parkway is deemed to have custody of the client's funds. Clients will receive a statement, usually monthly but no less than quarterly, directly from their account custodian. Parkway urges clients to review the information on the statement for accuracy and compare the information to any reports received directly from Parkway. Please refer to the Custody section in Item 9.

Clients can choose to maintain accounts under Parkway that are not managed by the firm as a convenience to the client. Parkway will provide administrative support, execute client's trading instructions and may provide other services such as preparing reports at the client's request. Parkway does not have any ongoing responsibility to monitor the investments in any client's non-managed account. Parkway charges non-managed accounts a nominal fee for these services. Non-managed accounts are included in the wrap program arrangement and therefore there is no additional fee for trading and custodial services. At the firm's discretion, Parkway may choose to designate certain holdings as non-billable, such as low cost basis stock or large concentrated positions.

Investment Advice Specific to Retirement Account Rollovers

When we provide investment advice regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care (give prudent advice)
- Never put our financial interests ahead of our clients (give loyal advice)
- Avoid misleading statements about conflicts of interest, fees, and investments
- Follow policies and procedures designed to ensure that we give advice in client's best interest
- Charge no more than is reasonable for our services
- Give you basic information about our conflicts of interest.

Item 5 – Account Requirements and Types of Clients

Parkway provides portfolio management services to individuals, trusts, estates, pension and profit-sharing plans, charitable entities, small businesses and other institutional investors.

Parkway does not have a minimum account size. However, at our sole discretion, we have the right to terminate our services or decline to accept an account if we feel the account is effectively too small to manage.

Item 6 – Portfolio Manager Selection and Evaluation

Parkway is both the sponsor and the portfolio manager for accounts in the Parkway Management Program. Clients may select one or more of the investment strategies developed by Parkway or select model portfolio recommendations provided by a third-party manager when appropriate.

Parkway offers various equity and fixed income asset allocation investment models. The strategies are primarily implemented using common stocks, preferred stocks, bonds, mutual funds, exchange-traded funds, annuity sub-accounts, derivatives and/or other alternative investments (i.e. Private Funds, Private Equity, Real Estate Investment Trusts, Master Limited Partnerships, etc.) The strategies vary in risk from conservative to aggressive. Parkway also offers customized portfolios when appropriate for the client's situation.

Your Investment Adviser Representative (hereinafter referred to as "Financial Advisor") will help you determine the most appropriate asset allocation for your financial needs and goals. They will help you select from the various strategies we offer to construct a diversified portfolio based on your risk tolerance and objectives.

Performance-Based Fees and Side-By-Side Management
We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees.

While Parkway does not charge performance-based fees, certain alternative investments or pooled investment vehicles in which clients invest may charge performance-based fees, asset management fees, transaction fees and other fund-level fees and expenses. These fees and expenses are separate from, and in addition to, the advisory fees charged by Parkway and are described in the applicable offering documents.

Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategies

Parkway and your Financial Advisor provide numerous investment management styles and strategies, including large and small cap equity, international equity, fixed income, and a broad spectrum of mutual funds and exchange traded funds, either individually or in combination. Generally, we recommend and provide clients a diversified investment strategy incorporating domestic and international equities, fixed income, and other alternative asset classes such as real estate, commodities, derivative-related strategies and private investments.

Our advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors, which will affect the composition of your portfolio. It is important that

you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.

Methods of Analysis

We use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

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

Technical Analysis - involves studying past price patterns, trends and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

Charting Analysis - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected performance and diversification and predict future price movements and trends.

Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

Modern Portfolio Theory - a method of investing which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Cash Management - we manage cash balances in your account based on the yield, and the financial soundness of the money markets and other short term instruments.

Tax Considerations - Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in

writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Parkway uses its best judgment and good faith efforts in providing advisory services to clients. Parkway cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment decision or recommendation made by Parkway will be profitable. Investments in securities are subject to various market, currency, inflation, economic, political and business risks.

Parkway attempts to minimize the risk of investing by constructing diversified portfolios appropriate for the specific risk parameters of the investment strategy. When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

- **Market Risk:** Investments are subject to risk, including the possibility of a loss of principal. Fluctuations in the value of an investment may be caused by external factors independent of an investment's particular underlying circumstances.

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

- **Inflation Risk:** High inflation may adversely affect future purchasing power.

- **Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities.

- **Currency Risk:** Foreign investments are subject to fluctuations in the value of the dollar versus the local currency where the investment is made.

- **Reinvestment Risk:** Reinvestment risk occurs when proceeds from an investment may be reinvested at lower prevailing rates.

- **Business Risk:** Business risks are associated with a particular industry or a particular company within an industry.

- **Liquidity Risk:** Liquidity risk occurs when there is a possibility an investment cannot be readily converted to cash.

- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

The following is a description of some important risks associated with the specific types of investments and trading practices Parkway may choose to implement in your portfolio. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in our investment strategies.

Equities: Equity securities are subject to the risk that stock prices may fall over short or extended periods of time. Equity markets tend to move in cycles, and the value of each strategy's equity securities may fluctuate drastically from day-to-day. The individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response.

Fixed Income: Fixed income and bond investors should carefully consider risks such as interest rate risk, credit risk, liquidity risk and inflation risk. Investment objectives that primarily invest in high-yield fixed income, collateralized mortgage obligations ("CMOs"), asset- backed securities, and/or convertible securities, come with heightened risks. These securities may be rated below investment grade or not rated, which reflects the greater possibility that the financial condition of the issuer, or adverse changes in general economic conditions, may impair the ability of the issuer to pay income and principal. To the extent that no established secondary market exists, there may be thin trading of high-yield bonds, which increases the potential for volatility. Periods of rising interest rates or economic downturns may cause highly leveraged issuers to experience financial stress, and thus markets for their securities may become more volatile. CMOs may not be appropriate for some investors, especially if the timing of return of principal is a primary concern as the security carries interest rate and prepayment risks. The yield and average life of a CMO will fluctuate, depending on the actual prepayment experience and changes in current interest rates thus impacting the return on a portfolio. Convertible securities

combine the fixed characteristics of bonds and preferred stock with the potential for capital appreciation; they may be subject to greater volatility than pure fixed-income instruments. The aforementioned securities may be illiquid when selling small positions and withdrawals may take several weeks.

Mutual funds and ETFs: Unlike shares of mutual funds, but similar to other securities and fixed income products, shares of ETFs are bought and sold based on market values throughout each trading day, and do not necessarily trade at their NAV. For this reason, ETF shares could trade at either a premium or discount to NAV. ETF shares also may trade at a bid and ask spread.

Money Market Funds: A money market fund is technically a security. The fund managers attempt to keep the share price constant at $1/share. However, there is no guarantee that the share price will stay at $1/share. If the share price goes down, you can lose some or all of your principal.

Certificates of Deposit: Certificates of deposit ("CD") are generally a safe type of investment since they are insured by the Federal Deposit Insurance Company ("FDIC") up to a certain amount. However, because the returns are generally low, there is risk that inflation outpaces the return of the CD.

International Investments: Investing in international securities markets involves additional risks not associated with domestic securities. Exchange rate fluctuations, currency controls, political and economic instability, and greater volatility are risks commonly associated with international investing. Exchange rate risk between the U.S. dollar and foreign currencies may cause the value of investments to decline. Investing in emerging markets can be riskier than investing in well-established foreign markets. Investments in international disciplines may be subject to foreign financial taxes. Certain strategies gain international investment exposure by investing in ADRs and similar depositary receipts. ADRs are the receipts for the shares of a non-U.S.-based company traded on U.S. exchanges.

Municipal Securities: Municipal securities typically provide a lower yield than comparably rated taxable investments in consideration of their tax-advantaged status. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Please consult a tax professional to assess the impact of holding such securities on your tax liability.

Real Estate Investment Trust: A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large

balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

Master Limited Partnerships (MLPs): MLPs are traded like equity securities on a national exchange; however, risks and other factors associated with investing in MLP are significantly different from investing in common stocks or bonds. MLPs are sometimes thinly-traded and may not be liquid or marketable once purchased. MLPs primarily invest in companies that produce and distribute energy and fuels, such as pipelines and other related infrastructure. These companies are affected by fluctuations in supply and demand; interest rates; special risk of constructing and operating facilities or installations; lack of control over pricing, merger and acquisition activity; and federal, state and local regulation. Such fluctuations may, among other things, increase the costs of doing business and limit the potential for growth.

MLPs themselves do not pay U.S. federal income tax at the partnership level. Each investor in an MLP will be issued a K-1 each year showing the allocation of income, gains, losses, deductions and expenses. Changes in tax law could adversely affect the amount of funds available for distribution by the partnership. Furthermore, the partnership could invest in companies that could subject a tax-exempt investor to unrelated business taxable income ("UBTI").

Options: Investing in options can provide a greater potential for profit or loss than an equivalent investment in the underlying asset. The value of an option may decline because of a change in the value of the underlying asset relative to the strike price, the passage of time, changes in the market's perception as to the future price behavior of the underlying asset, or any combination thereof. In the case of the purchase of an option, the risk of loss of an investor's entire investment (i.e., the premium paid plus transaction charges) reflects the nature of an option as a wasting asset that may become worthless when the option expires. Where an option is written or granted (i.e., sold) uncovered, the seller may be liable to pay substantial additional margin, and the risk of loss is unlimited, as the seller will be obligated to deliver, or take delivery of, an asset at a predetermined price which may, upon exercise of the option, be significantly different from the market value.

Derivatives: There are specific risks related to derivative investments, including futures, options, swaps, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of the same type of asset. However, there are a number of other risks

associated with derivatives trading. For example, because many derivatives are "leveraged," and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also result in the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts, and to counterparty risk. The counterparty risk lies with each party involved in the transaction for the purpose of making derivative investments (the "Counterparty").

Leveraged Exchange Traded Funds**:** Leveraged Exchange Traded Funds ("Leveraged ETFs" or "L-ETF") seeks investment results for a short period of time. The return of the L-ETF for periods longer than a single day will be the result of each day's returns compounded over the period, which will very likely differ from multiplying the return by the stated leverage for that period. For periods longer than a single day, the L-ETF will lose money when the level of the Index is flat, and it is possible that the L-ETF will lose money even if the level of the Index rises. Longer holding periods, higher index volatility and greater leverage both exacerbate the impact of compounding on an investor's returns. During periods of higher Index volatility, the volatility of the Index may affect the L-ETF's return as much as or more than the return of the Index.

Global macro strategies: Global macro strategies invest in financial derivatives and other securities, on the basis of movements in global financial markets. The strategies are typically based on forecasts and analysis about interest rate trends, movements in the general flow of funds, political changes, government policies, inter-government relations, and other broad systemic factors. Certain strategies gain international investment exposure by investing in ADRs and similar depositary receipts. ADRs are the receipts for the shares of a non-U.S.-based company traded on U.S. exchanges.

Variable Annuities: A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate and the remainder of the funds accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return.

Private Placements: Private Placements are unregistered securities, such as hedge funds, private equity/credit funds, and real estate funds that are not regulated by the Securities and Exchange Commission. Private Placements are subject to additional risks that do not exist in the public equity and public debt markets. Private Placements are not marketable because there is no secondary market to buy and sell shares. Liquidation is limited to the terms and conditions set forth by the General Partner. Some private Placements may allow redemptions as often as monthly, while others may not allow redemptions at all for the entire term of the investment. Private placements are often only available to accredited investors and/or qualified purchasers.

Long/Short Hedge Funds: Long/short strategies are utilized in some private funds where the portfolio manager purchases stocks of companies/sectors which are believed to be undervalued and for which the manager has a positive outlook while simultaneously short selling companies/sectors which are believed to be overvalued and for which the manager has a negative outlook. Long/short funds offer the potential for upside participation with the ability to protect assets in difficult market environments and they exhibit varying levels of correlation to traditional markets. While the potential return is greater for a long/short strategy, the potential for loss is also significantly greater.

Small Cap Investing: Small-cap securities may have businesses that are still in the early stages of the business life cycle, may be less liquid, may have lower trading volume and greater spreads between the purchase and sale prices of their securities, and may experience greater volatility than securities with larger market capitalizations. The securities selected for these disciplines will typically be more speculative in nature and thus have greater potential for the loss of principal.

Cryptocurrency and Digital Assets: Cryptocurrency and digital assets ("Crypto") are virtual in nature and do not possess physical characteristics, unlike banknotes or coins. As such, they are typically transferred, stored, and traded electronically. Crypto is an emerging asset class given the lack of standardization and constant evolution. Crypto exhibits a high degree of volatility and presents risks, including liquidity risk; credit risk; market risk; operational risk (including fraud and cyber risks); money laundering and terrorist financing risk; and legal and reputation risks. To mitigate some of the risks associated with investing in Crypto while also facilitating exposure to this emerging asset class, we recommend cryptocurrency ETFs or other registered investment companies rather than direct investments in coins or tokens.

Speculative Investments: Investing in speculative securities, such as low-priced stocks and newly issued equity securities, as well as securities of historically unprofitable companies, involves more than average risk and such securities can experience volatile price behavior. For example, with respect to new industries, stocks issued by relatively unproven companies typically have valuations that materially exceed valuations based on traditional business methods. Although prospective investment returns may be higher than normal, only investors capable of sustaining the complete loss of their investments should purchase speculative securities.

Precious metals and other commodities: Markets for precious metals and other commodities have historically been volatile. There may be sharp price fluctuations even during periods when prices overall are rising, creating the potential for losses regardless of the length of time the commodities are held. Therefore, investments in precious metals and other commodities should only comprise a small part of a diversified portfolio. Among the factors that may affect the value of commodity investments are cyclical economic conditions, sudden political events, and adverse international monetary policies.

Arbitrage strategies: Arbitrage strategies traditionally involve no net investment (although there is some margin or collateral that must be posted) by shorting a position and using the funds to purchase the same or similar position in another market. Common applications of arbitrage include convertible arbitrage, where a manager will buy a convertible bond and sell the underlying stock or vice versa because of perceived mispricing. Another arbitrage strategy is merger arbitrage, where managers buy the stock of a new company resulting from a merger transaction and sell the stock of the acquiring company.

Managed Futures Strategies: Managed futures strategies may seek exposure to different asset classes, such as equity securities, fixed income securities, commodities, currencies, interest rates and indices. Investing in managed futures involves risks, including but not limited to, liquidity risk and risks associated with commodities, currencies and other non-traditional assets, leverage, derivative instruments, and complex strategies. Other risks may include market risk, fixed income securities risk, interest rate risk, credit risk, foreign issuer and investment risk and emerging market risk. Investors investing in these strategies should have a high tolerance for risk, including the willingness and ability to accept significant price volatility, potential lack of liquidity and potential loss of their investment.

Structured Products: A structured product, also known as a market-linked product, is generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances, and/or foreign currencies, and to a lesser extent, swaps. Structured products are usually issued by investment banks or affiliates thereof. They have a fixed maturity, and have two components: a note and a derivative. The derivative component is often an option. The note provides for periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some products use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell to the investor the security or securities at a predetermined price. Other products use the derivative component to provide for a call option written by the investor that gives the buyer of the call option the right to buy the security or securities from the investor at a predetermined price. A feature of some structured products is a "principal guarantee" function, which offers protection of principal if held to maturity. However, these products are not always Federal Deposit Insurance Corporation insured; they may only be insured by the issuer, and thus have the potential for loss of principal in the case of a liquidity crisis, or other solvency problems with the

issuing company. Investing in structured products involves a number of risks including but not limited to: fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit risk of the issuer; conflicts of interest; and, other events that are difficult to predict.

Use of Margin: The use of margin in an investment account would increase both the possibilities for profit and the risk of loss. Consequently, the effect of fluctuations in the market value of a portfolio would be amplified. Margin borrowings are usually from securities brokers and dealers and typically are secured by the borrower's securities and other assets. Under certain circumstances, a lender may demand an increase in the collateral that secures the borrower's obligations, and if the borrower were unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy the borrower's obligation.

Collateralized Loans: If you use securities in your account as collateral for a loan from the account custodian or a third-party bank, you will pay interest on the loan and be required to maintain a certain value of that collateral. If the value of the collateral falls, the bank may call the loan and force the liquidation of the collateral in order to satisfy a repayment requirement. Parkway has a conflict of interest when recommending collateral loans over taking a withdrawal from your account, as the depletion of assets from the account would result in lower advisory fees for Parkway.

Short Selling: Short sales can, in some circumstances, substantially increase the impact of adverse price movements on an investment portfolio. A short sale is a sale of a security that the investor does not own, in hopes of a decline in the security's price. To deliver the security to the buyer and complete the sale, the investor must borrow the security. To return the security, the investor must buy it at the market price at the time of repayment. That price may be less than the price at which the investor made its short sale, in which case the investor would have made a profit, or it may be more, in which case the investor would have suffered a loss. Short sales create the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit.

Voting Client Securities

Parkway does not take action or render any advice with respect to voting of proxies for the securities in client accounts. Parkway will have no obligation to render advice or take any action with respect to any securities subject to any legal proceedings, such as class action lawsuits or bankruptcy. Clients will receive all proxies and other solicitations directly from their custodian.

Item 7 – Client Information Provided to Portfolio Managers

Parkway collects information about you, which may include personal information, objectives, risk tolerance and suitability information. Your Financial Advisor will conduct a review of your accounts and your financial situation at least annually. We encourage you to

let us know of any material changes to your information so we can make any necessary changes to our recommendations accordingly.

Item 8 – Client Contact with Portfolio Managers

Your relationship is with your Financial Advisor and not directly with the portfolio manager. Your Financial Advisor is available to discuss financial matters with you during normal business hours.

Item 9 – Additional Information

Disciplinary Information
Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Parkway or its management. Parkway has no disciplinary actions to disclose.

Other Financial Industry Activities and Affiliations
Your Financial Advisor may also be a registered representative with Cabot Lodge Securities, LLC, an unaffiliated broker-dealer. As such, your Financial Advisor may recommend brokerage products and services in addition to the advisory services we provide. If you agree to implement the recommendation through your Financial Advisor, Parkway and your Financial Advisor will receive an economic benefit, usually in the form of a commission on the sale of brokerage products. Brokerage products and services are not provided by Parkway or covered under our investment advisory agreement. They are separate and distinct from the advisory services we provide to you. In no case will Parkway or your Financial Advisor receive a commission on the assets or accounts for which we are providing investment advisory services.

Parkway receives commissions from the sale of insurance products. Clients are not required to implement any recommendations through Parkway. Still, this creates an incentive for your Financial Advisor to recommend insurance products based on the compensation received rather than on the client's needs. Clients do not pay additional fees as a result of the sale of the products. Insurance commissions are paid directly from the insurance company issuing the product to Parkway's unaffiliated broker-dealer.

Code of Ethics
Parkway adopted a Code of Ethics that sets forth a standard of conduct required by Parkway's supervised persons and requires compliance with applicable securities laws, including the Insider Trading and Securities Fraud Enforcement Act of 1988. An investment adviser's Code of Ethics requires certain employees (Access Persons) to report their personal securities holdings within ten days of being hired and annually thereafter, and are required to report securities transactions within thirty days of the end of each calendar quarter. The Chief Compliance Officer or other designated person reviews employee's personal investment activity to ensure employee trading activity does not conflict with

advice provided to clients. A complete copy of Parkway's Code of Ethics is available to any client or prospective client upon request.

Parkway adopted policies and procedures imposing certain conditions and restrictions on transactions for the accounts of Parkway's employees. Parkway employees are permitted to make investments in securities that are also held in client portfolios, provided they conduct their personal trading in a manner that does not create a conflict of interest with a client, or otherwise take unfair advantage of the client relationship. Parkway employees are prohibited from taking action for personal benefit rather than for a client's benefit, and from using their knowledge of client transactions for personal profit. Employees are required to obtain approval from the Chief Compliance Officer, or other designee, prior to executing trades for their own account in any private placement or initial public offering. Employees who are also registered representatives of a broker-dealer are prohibited from engaging in any initial public offering.

Brokerage Practices

Obtaining best execution is an important aspect of every trade that we place in client accounts. Best execution can be described as seeking the most favorable terms for completing client transactions considering all relevant circumstances at the time. Parkway has a Best Execution Committee that provides oversight of our trading practices, including execution quality, soft dollars, directed brokerage, broker selection, and trade aggregation. The goal of the Best Execution Committee is to take a best practices approach to trading principals to ensure transactions are executed in a manner that is most beneficial to our clients.

When selecting broker-dealers to execute client transactions, Parkway will seek the best combination of price and execution for a particular transaction. Parkway evaluates the services provided by broker-dealers and may consider, among other things:

- Reliability, efficiency and overall quality of service provided;
- Transaction costs;
- Specialization in a particular market;
- Liquidity provided;
- Online services;
- Value of any investment research provided;
- Financial condition;
- Integrity and reputation;
- Error resolution.

Parkway recommends clients utilize the custodial and brokerage services of Raymond James & Associates through the firm's institutional adviser platform, in which Parkway participates. Raymond James & Associates, Inc., member New York Stock Exchange/SIPC is not affiliated with Parkway. While these benefits create a potential conflict of interest on behalf of Parkway, there is no direct link between Parkway's participation in the platform and the advice it gives to clients. The reason for this preference includes, but is not limited

to: negotiated commission rates; dedicated trading and/or client service personnel; availability of no load, no transaction fee, load-waved and institutional class mutual funds; access to electronic and/or block trading; daily transaction download and reconciliation files; discounts on compliance, marketing, research, technology and practice management products and services provided by third party vendors; and familiarity of our staff with their operational procedures. While the receipt of these economic benefits - which are not typically available to the custodians' retail customers - creates a potential conflict of interest, there is no direct link between Parkway's participation in the platform and the advice it gives to clients and does not depend on the amount of brokerage transactions directed to the custodian. Not all investment advisers require clients to use the services of a particular broker-dealer or custodian.

Parkway executes client transactions through the broker that also serves as custodian for the account. When we provide services to you through our Parkway Management Program wrap program, you are not charged separately for our portfolio management fees and the commissions, custodial fees, and other expenses charged by the custodian. We negotiated a fee with Raymond James whereas they will provide their transaction and custodial services to you at no extra cost to you. Parkway will pay the fee to Raymond James directly out of the advisory fee you pay us. This creates a conflict of interest when we are able to negotiate a lower fee and therefore retain a larger portion of the advisory fee you pay us. Please see Item 4 for an example of the types of expenses that are (and are not) included in the fee you pay us.

Parkway may choose to, but is not required to, aggregate client purchase and sale orders of securities with those of other clients if, in Parkway's judgment, aggregation is reasonably likely to result in an overall economic benefit to clients participating in the trade. Clients participating in an aggregated order will receive the average price of all transactions executed on a pro rata basis. If an order is partially filled, shares will be allocated pro rata based on the client's initial participation in the transaction. To the extent that the limited availability of a security would result in a de minimis allocation, Parkway may exclude one or more accounts from participating in the order and/or select an alternative allocation method provided that such method is fair and equitable to all client accounts over time.

Review of Accounts

Investment strategy models are monitored and reviewed by the Portfolio Managers on an ongoing basis. Your Financial Advisor is responsible for assessing your specific circumstances and recommending an asset allocation best suited to address your financial objectives.

Your Financial Advisor regularly monitors your account to ensure that the investment disciplines or strategies chosen by you continue to be consistent with your investment objectives and to identify situations that may warrant taking a specific action relating to a client investment or action regarding your overall portfolio on your behalf. These reviews include, but are not necessarily limited to, suitability, performance, asset allocation, change in investment objectives and risk tolerance, concentration, and prohibited/ restricted products. Financial Advisors providing continuous investment advice or investment

supervisory services review client portfolios and communicate with clients for conformity with the respective portfolios, investment objectives, changes in a client's financial situation, account performance and any reasonable restrictions to be imposed as to the specific assets or types of securities to be included or excluded from client portfolios. Financial Advisors, at least annually, conduct a review of each of their advisory relationships at the household level and document the fiduciary services that have been provided to you.

Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or
- changes in your risk/return objectives.

Since investment goals and financial circumstances change over time, you should review your investments at least annually with your Financial Advisor. You are under no obligation to use a particular product, advisory service, or investment strategy.

You will receive account statements direction from the account custodian, typically monthly but no less than quarterly, detailing your account's securities and other investment holdings, cash balances, dividend and interest receipts, purchases and sales, contributions, distributions, and realized and unrealized gains or losses associated with securities and other investment transactions.

Client Referrals and Other Compensation

Parkway has access to free or discounted research materials from broker-dealers and/or third-party providers in exchange for recommending clients use the custodial services of various broker-dealers, primarily Raymond James. We receive free industry information that does not qualify as research, such as newsletter or other publications pertaining to compliance, marketing, practice management, etc. In addition, events such as workshops or conferences may be available at reduced cost or no cost. These benefits are not provided on the basis of client transactions. Under no circumstances do any clients pay additional fees or commissions in order to obtain these products or services.

Our investment professionals participate in lead generation and promoter programs offered by third parties. Currently some of our advisory representatives utilize the Dave Ramsey SmartVestor program as a means for introductions to new prospective clients. The representatives pay a flat fee to SmartVestor to participate in the program. The amount of the fee is determined by SmartVestor and dependent on the geographic area served by the adviser. The fee is paid regardless of whether the client hires the adviser. Clients do not pay more as a result of the referral from SmartVestor.

The companies we select for management, guidance and research used in formulating investment advice for client portfolios provide us with sponsorship dollars for events such as lunches, dinners, educational workshops, networking, and/or sporting events. These events are primarily available to Parkway employees but occasionally include Parkway clients as well.

Custody

Parkway is deemed to have custody of client funds because investment advisory fees are directly debited from client accounts. Debiting of fees is done pursuant to authorization provided by each client. Usually monthly, but no less than quarterly, clients receive account statements directly from the custodian of their account. Custodial statements include account holdings, market values and any activity that occurred during the period, including the deduction of investment advisory fees. We urge clients to compare information contained in reports provided by Parkway with the account statements received directly from the account custodian. Differences in portfolio value may occur due to various factors, including but not limited to: (1) unsettled trades; (2) accrued income; (3) pricing of securities; and, (4) dividends earned but not received.

Parkway is also deemed to have custody of client assets as a result of clients authorizing Parkway to distribute assets from their accounts to a specific named recipient in accordance with a standing letter of instruction. Parkway intends to comply with the SEC No-Action Letter dated February 21, 2017 (Investment Adviser Association) allowing firms who comply with all of the provisions of the no-action letter to forego the annual surprise custody examination with respect to those assets.

Investment Discretion

Parkway primarily manages client portfolios on a discretionary basis. Client grants Parkway discretion over their account by providing authorization in the investment advisory agreement. This authorization gives Parkway the authority to determine, without first obtaining specific client consent, the type and amount of securities to be bought or sold. When managing client accounts, investment discretion is limited only by specific instructions, guidelines and/or mandates provided by clients in writing and to which Parkway agrees.

On an occasional basis, Parkway may enter into a non-discretionary investment advisory arrangement, which would involve giving recommendations only that the client can choose to accept, reject or modify.

Financial Information

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. Parkway has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to its clients and has not been the subject of any bankruptcy proceedings.

Other Advisory Services Offered

<u>Financial Planning Services</u>

Parkway offers comprehensive Financial Planning. Financial Planning entails a thorough review of one or more aspects of a client's financial condition, which may include:

- Insurance planning;
- Employee benefits;
- College planning
- Investment management;
- Tax planning;
- Retirement planning;
- Estate planning;
- Trust services;
- Business planning;
- Strategic philanthropy.

Fees for Financial Planning Services are billed separately from investment management fees. Fees may be billed at a fixed rate based on the scope and terms of the project to be negotiated at the onset of the planning engagement. Depending on the size and scope of the client relationship and the other services we provide to you, we may include Financial Planning as part of the investment management services under the Parkway Management Program.

The fee for Financial Planning Services typically ranges from $1,500 up to or above $10,000. All fees for Financial Planning Services are discussed in detail in the financial planning agreement. Fees are payable according to the terms described in the Financial Planning Agreement.

Parkway advises clients to purchase insurance products as a recommendation to implement the Financial Plan. Parkway will receive compensation in the form of commissions or other remunerations for the sale of the products. This creates an incentive for Parkway to recommend insurance products based on the compensation received rather than on the client's needs. Clients are not required to implement any of these recommendations through Parkway.

<u>401(k) Plan Services</u>

Parkway offers small business owners advice on 401(k) plans in conjunction with Institutional Fiduciary Solutions (IFS). Parkway acts as the investment adviser to the plan and conducts enrollment meetings and investment education meetings for employees. Advice on plan options and manager due diligence is provided by IFS through a sub-advisory agreement with Parkway. Clients will receive IFS's ADV Part 2A explaining the services and fees associated with such services.

IFS recommends a suite of mutual funds that the plan sponsor offers as investment options to employees participating in the plan. The mutual funds typically have low internal expenses and meet certain investment criteria that provide plan participants the opportunity to invest their retirement savings across multiple asset classes. IFS monitors the

plan's investment options at least annually and, if necessary, recommends any changes to the fund lineup.

401(k) Plan Services do not include management of any individual participant's 401(k) account. If Parkway agrees to provide discretionary or non-discretionary investment advisory services directly to a plan participant to manage and/or consult on their retirement account or other investment accounts according to the specific goals and objectives of the individual, those services will be provided for a separate advisory fee and subject to the terms and conditions of an Investment Advisory Agreement between Parkway and the participant.

Fees for 401(k) plan setup, implementation, employee education, enrollment meetings and fund selection/monitoring are negotiated on a case-by-case basis. The fee is determined based on factors such as: current assets in plan; number of participants; estimated employee contributions; expected growth of plan assets; and any other services requested by the plan sponsor. Parkway's fee typically ranges from .25% to 1.00% per year of total plan assets. Parkway pays IFS for sub-advisory services out of the fee charged to the client. Clients do not pay any extra fee to IFS.

401(k) plan fees are calculated in arrears based on the value of the plan assets on the last day of the calendar quarter. IFS directly debits the advisory fee from the plan and remits Parkway's portion to Parkway. Parkway does not bill these 401(k) plan accounts directly.

401(k) plan fees paid to IFS and Parkway are separate and distinct from the fees and expenses charged by mutual funds or in conjunction with internal expenses associated with exchange-traded funds. Furthermore, the fee does not include other plan expenses, such as administration, legal, etc. charged by the plan administrator. The plan and its participants will indirectly bear these additional expenses.

Financial Consulting

Parkway provides ad hoc consulting services to clients under certain circumstances where we offer investment advice or recommendations but do not provide ongoing management of the accounts. For instance, we may review a client's 401(k) plan and employee benefits package and recommend investment allocations, changes to the contribution amounts, allocation of pre/post-tax contributions, identify the need for supplemental insurance, etc.

Fees for Financial Consulting are determined based on the specific project or task requested by the client. Parkway does not have a standard fee schedule for this service. The fee will be determined based on the scope of services being delivered and agreed to by the client in a consulting agreement.