

# Eagle Strategies LLC

## Firm Disclosure Brochure

### Form ADV Part 2A

51 Madison Avenue, Room 251  
New York, NY 10010  
(888) 695-3245  
<http://www.eaglestrategies.com>

February 1, 2019

This brochure provides information about the qualifications and business practices of Eagle Strategies LLC. If you have any questions about the contents of this brochure, please contact us at [eagleoperations@newyorklife.com](mailto:eagleoperations@newyorklife.com) or (888) 695-3245. The information in this brochure has not been approved or verified by any governmental authority, including the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Eagle Strategies LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Material Changes

---

This section identifies and discusses material changes we made to our Form ADV Part 2A Firm Disclosure Brochure (“Brochure”) from March 31, 2017. For additional details, including information concerning the defined (capitalized) terms used below, please see the item or section in this Brochure that is referenced in the summary below.

- A. Pricing.** We made the following updates and clarifications to the pricing of Eagle programs. Items A(1) and A(2) below relate to the Sponsor Fee on the Fund Advisory (“FA”), Separately Managed Accounts (“SMA”), and Unified Managed Accounts (“UMA”) programs. If the SMA sub-manager fee for your chosen sub-manager has changed, your total Sponsor Fee may increase or decrease if you make certain changes to your account. The Sponsor Fee now ranges from 0.24% to 1.02% and applies to accounts opened or changed on or after July 1, 2017. Item A(3) below reflects a change reducing the maximum fee an IAR may charge.
- 1) SMA Sub-Manager Pricing.** Eagle and Evestnet negotiated new pricing for many of the available SMA Sub-Managers, which resulted in the reduction of the Sponsor Fee-Sub-Manager Fee for several Sub-Managers and an increase for one Sub-Manager. The changes in the Sponsor Fee – Sub-Manager Fee ranged from a decrease of 0.17% to an increase of 0.02%. The Sponsor Fee column of the table in Item 4A (*Description of Programs and Services*) of the Wrap Fee Brochure reflects the total Sponsor Fee inclusive of the current sub-manager pricing schedule. Please reference Item 4A of the Wrap Fee Brochure or speak with your IAR for more information.
  - 2) Sponsor Fee-Administrative Fee.** As of July 1, 2017, Eagle changed the Sponsor Fee-Administrative Fee within the FA, SMA and UMA Programs. This change increased the administrative portion of the Sponsor Fee within FA and SMA accounts, while reducing this fee for UMA accounts. The updated fees apply to accounts opened or changed on or after July 1, 2017. The Sponsor Fee-Administrative Fee ranges from 0.21% to 0.37% based on the program you select. The Sponsor Fee column of the table in Item 4A (*Description of Programs and Services*) of the Wrap Fee Brochure reflects the total Sponsor Fee inclusive of the current Administrative Fee range for each program. Please see your Statement of Investment Selection, speak with your IAR, or reference Item 4A of the Wrap Fee Brochure for more information.
  - 3) Advisor Fee Maximum.** We lowered the upper limit of the Advisor Fee range for all Eagle programs from 2.00% to 1.50%. Please see Item 4A (*Description of Programs and Services*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure for more information.
- B. Removal of Representative Directed Program.** We have updated the Brochure to remove sections relating to the Representative Directed Program, as we are no longer offering the option of paying individual transaction fees, as opposed to paying an asset-based wrap fee, in the program. For details on the program with the asset-based wrap fee, see our Wrap Fee Brochure.

- C. Account Service Fees Document.** We described the creation of a document that highlights which additional services will incur a fee and/or charge that is in addition to the Total Client Fee. The document provides a list of and the fees assessed for certain account-related services, including but not limited to, wire transfers, check disbursements, custodial services, account or securities transfers, stopping payment on a check, or other account maintenance features. Please see Item 4C (*Additional Information Regarding Fees and Compensation*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure. In addition, you may access the Account Services Fee Document directly at [www.eaglestrategies.com/important-disclosures](http://www.eaglestrategies.com/important-disclosures).
- D. Checkwriting and Direct Debit Account.** We describe an optional service that allows clients to create a Direct Debit Account (“DDA”) without a physical checkbook being issued. A DDA allows clients to authorize payees to debit the money market funds in their LWP accounts via an Automated Clearing House (“ACH”) transfer using the DDA and routing number associated with a Client’s money market fund. Please speak with your IAR or see Item 4A (*Description of Programs and Services*) of the Wrap Fee Brochure or Item 4B (*Advisory Services Offered*) of the Firm Disclosure Brochure.
- E. Manager Selection and Due Diligence.** While Eagle retains final discretion to determine an Investment Adviser’s availability in the Solicitor Program or a Sub-Manager or strategy’s availability in the LWP program, we clarified that Eagle may rely on either Envestnet | PMC or our own internal due diligence to make these decisions. Please see Item 6 (*Portfolio Manager Selection and Evaluation*) of the Wrap Fee Brochure or Item 13A (*Periodic Reviews*) of the Firm Disclosure Brochure.
- F. Advisory and Other Fees.**
- 1) Payment of Advisory Fees.** We clarified that the first month’s Total Client Fee is calculated based on the initial billable value and is assessed in the first full month after the account is funded. Please see Item 4A (*Description of Programs and Services*) of the Wrap Fee Brochure Item 5D (*Prepayment of Advisory Fees*) of the Firm Disclosure Brochure for more information.
  - 2) Protected Cash.** We clarified that clients who maintain cash in their accounts through the Protected Cash feature may pay a lower total Sponsor Fee or no Sponsor Fee. That is, cash maintained within the Protected Cash feature is not assessed an Advisor Fee nor the Clearing and Execution Fee or the Administrative Fee components of the Sponsor Fee. In some accounts, Protected Cash is still subject to the Platform Fee and Sub-Manager Fee (if appropriate), which are also components of the Sponsor Fee. Because there was an increase in the Administrative Fee component of the Sponsor Fee (from 0.25% to 0.37%) and your overall Sponsor Fee rate did not change, the effective Sponsor Fee on Protected Cash in your Account will be less if you had previously been paying an Administrative Fee of more than 0.25%. Please see Item 4C (*Additional Information Regarding Fees and Compensation*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure for more information.

- 3) Fund Fees.** We clarified certain aspects regarding Eagle's handling of Fund Fees.
- a) Eagle updated the brochures to reflect that Eagle's affiliate NYLIFE Securities receives 12b-1 fees from money market funds that are used as sweep instruments. The maximum 12b-1 fee is 0.25%, though actual payments may be less than this amount. NFS will pay NYLIFE Securities 100% of all 12b-1 fees that it receives. For retirement accounts, any 12b-1 fees are rebated back to you. In non-retirement accounts, NYLIFE Securities retains these fees.
  - b) The brochures were updated to reflect special circumstances for account numbers that begin with the following prefixes: B92, B93, B94, B95, F98, F99, C84 and C97. For accounts with these eight prefixes, our clearing firm NFS, retained the 12b-1 fees for all registration types until June 17, 2017. From June 17, 2017, NYLIFE Securities retained all 12b-1 fees received for non-retirement accounts with these prefixes. For qualified retirement accounts with these prefixes, 12b-1 fees are rebated to Clients.
  - c) We enhanced existing disclosure to make clear that Eagle does not make all share classes of a mutual fund available to you. You should not assume that you are invested in the lowest expense share class, and the share class of a mutual fund offered by Eagle can have higher expenses (including because of compensation paid to NYLIFE), and therefore lower returns, than other share classes of that mutual fund for which you are eligible or that might otherwise be available to you if you invested in the mutual fund through a third party or through the mutual fund directly.
  - d) Eagle updated the brochures to reflect that Eagle's affiliate NYLIFE Securities receives additional revenue from certain mutual funds in the form of shareholder servicing fees. NFS will pay NYLIFE Securities 100% of all shareholder servicing fees that it receives on mutual funds in all LWP accounts. For LWP retirement accounts, shareholder servicing fees are rebated back to you. In LWP non-retirement accounts, NYLIFE Securities retains these fees.

Please see Item 4C (*Additional Information Regarding Fees and Compensation*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure.

- 4) Revenue Sharing.** We updated the disclosure concerning the amount of compensation that Eagle's affiliate NYLIFE Securities receives from NFS on no transaction fee mutual funds to 0.31% annually. For additional information on revenue sharing, please see Item 4C (*Additional Information Regarding Fees and Compensation*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure.
- 5) NFS Revenue.** We updated the Brochures to indicate that the clearing agreement between Eagle's affiliate NYLIFE Securities and its clearing firm (NFS), entitles NYLIFE Securities to receive cash payments for business development provided NYLIFE Securities maintains and fulfills its obligation under this agreement. These payments are not tied to transactions effected on behalf of advisory clients. For additional information on these payments, please see Item 4C (*Additional Information Regarding*

*Fees and Compensation*) of the Wrap Fee Brochure or Item 5C (*Other Fees and Expenses*) of the Firm Disclosure Brochure.

**6) Small Account Fee language.** We clarified that clients in the Rep Directed Program may be subject to a total small account fee of \$35 annually. Please see Item 4C (*Additional Information Regarding Fees and Compensation*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure.

**G. Conflicts related to Non Cash Compensation and Personal Trading.** We clarified that either Eagle or a third party Investment Adviser may host training or educational events. We also noted Eagle may charge third party Investment Advisers to participate or attend the events hosted by Eagle. Eagle also further distinguished the differences of how personnel are categorized as Access Persons under its Code of Ethics and how each group's personal trading is monitored.

Please see Item 4D (*Compensation to Investment Adviser Representatives and Conflicts*) of the Wrap Fee Brochure or Item 5 (*Fees and Compensation*) of the Firm Disclosure Brochure for additional details related to Non Cash Compensation.

Please see Item 9B (*Code of Ethics*) of the Wrap Fee Brochure or Item 11 (*Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*) of the Firm Disclosure Brochure for additional details related to Personal Trading

**H. Consulting Program Fees.** We updated Item 5D (*Prepayment of Advisory Fees*) of the Firm Brochure to reflect that fees for the Consulting Program are collected in arrears.

## Item 3 Table of Contents

---

|         |  |    |
|---------|--|----|
| Item 2  | Material Changes .....   | 2  |
| Item 3  | Table of Contents.....   | 6  |
| Item 4  | Advisory Business.....   | 8  |
|         | A. Firm Description  |    |
|         | B. Advisory Services Offered   |    |
|         | C. Management of Client Assets   |    |
| Item 5  | Fees and Compensation .....  | 15 |
|         | A. Compensation and Schedule of Fees   |    |
|         | B. Billing Method  |    |
|         | C. Other Fees and Expenses   |    |
|         | D. Prepayment of Advisory Fees   |    |
|         | E. Other Compensation to Eagle and IARs for the Sale of Securities and Other Investment Products |    |
| Item 6  | Performance-Based Fees and Side-by-Side Management .....   | 23 |
| Item 7  | Types of Clients .....   | 24 |
| Item 8  | Methods of Analysis, Investment Strategies and Risk of Loss.....                                 | 24 |
| Item 9  | Disciplinary Information.....  | 26 |
| Item 10 | Other Financial Industry Activities and Affiliations .....                                       | 26 |
|         | A. Broker-Dealer Registration  |    |
|         | B. Other Registrations   |    |
|         | C. Material Relationships with Related Persons   |    |
|         | D. Selection of Other Advisers   |    |
| Item 11 | Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....      | 27 |
|         | A. Code of Ethics Pursuant to SEC Rule 204A-1  |    |
|         | B. Recommendations Involving Securities in which Eagle has a Material Financial Interest         |    |
|         | C. Conflicts in Connection with Personal Trading   |    |
|         | D. Conflicts in Connection with Timing of Personal Trading                                       |    |
| Item 12 | Brokerage Practices .....  | 29 |
|         | A. Selection of Broker-Dealers   |    |
|         | B. Brokerage for Client Referrals  |    |
|         | C. Direct Brokerage  |    |
|         | D. Aggregation of Trades across Multiple Client Accounts   |    |

|   |    |
|---|----|
| <b>E. Best Execution for the LWP - Representative Directed Program</b>        |    |
| Item 13 Review of Accounts.....   | 29 |
| A. Periodic Reviews   |    |
| B. Non-Periodic Reviews   |    |
| C. Regular Reports Provided to Clients  |    |
| Item 14 Client Referrals and Other Compensation.....                          | 30 |
| A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients |    |
| B. Compensation to Non-Advisory Personnel for Client Referrals                |    |
| Item 15 Custody .....   | 31 |
| Item 16 Investment Discretion .....   | 31 |
| Item 17 Voting Client Securities.....   | 31 |
| A. Voting Policies and Procedures   |    |
| B. Client Voting of Securities  |    |
| Item 18 Financial Information .....   | 32 |
| A. Balance Sheet  |    |
| B. Financial Condition  |    |
| Item 19 Requirements for State-Registered Advisers.....                       | 32 |

---

## Item 4 Advisory Business

---

### A. FIRM DESCRIPTION

Eagle Strategies LLC (“Eagle,” “we” or “us”) is an investment adviser registered with the Securities and Exchange Commission (“SEC”) and is qualified with appropriate state securities authorities to offer investment advisory and financial planning services in all 50 states and the District of Columbia. Eagle is an indirect wholly owned subsidiary of New York Life Insurance Company (“New York Life”). Eagle’s predecessor, NYLIFE Advisors, Inc., was founded on July 7, 1988. That entity changed its name to Eagle Strategies Corp. on January 3, 1994. Eagle Strategies LLC, organized in Delaware, was formed on September 1, 2007. Effective December 31, 2007, Eagle Strategies Corp. merged with and into Eagle Strategies LLC.

Eagle offers a variety of services through our investment adviser representatives (“IARs” or “Eagle IARs”). Eagle IARs<sup>1</sup> are licensed or permitted by State securities law to offer investment advisory products and services. Registration of Eagle and its IARs does not imply a certain level of skill or training. Eagle IARs are also insurance agents of New York Life and other affiliated insurance companies, New York Life Insurance and Annuity Corporation (“NYLIAC”) and NYLIFE Insurance Company of Arizona and registered representatives of NYLIFE Securities LLC (“NYLIFE Securities”), an affiliated broker-dealer.

Eagle’s primary investment advisory business is providing financial planning and investment management services. All investment advisory activity is based upon each client’s (“Client(s),” “you,” “your” or “Plan Sponsor”) financial outlook and objectives. Eagle offers many different advisory programs which are described in this Firm Disclosure Brochure (“Brochure”).

**Understanding your Relationship with Eagle.** In providing investment advice, your financial services professional can choose from among different investment solutions. These include advisory programs described in this Brochure, other advisory programs described in Eagle’s Wrap Fee Brochure, a solicitor relationship with an unaffiliated investment adviser, or, in his or her capacity as a registered representative of NYLIFE Securities, a brokerage or mutual fund account or other securities product account. In each of these investment solutions, your financial services professional provides different services and will be paid differently depending on the solution selected. There are important differences between brokerage, mutual fund and other securities accounts and advisory accounts in terms of services provided, costs and the obligations of your financial services professional and the financial services entity. We encourage you to carefully consider the differences before opening an Eagle account.

Eagle is subject to the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and as a registered investment adviser, Eagle, along with its IARs, has a fiduciary duty to you as an investment adviser. This generally means that Eagle and its IARs will act in your best interest when providing investment advice and will disclose or avoid all material conflicts of interest. Within the advisory programs described in this Brochure, Eagle provides services as an investment adviser under the Advisers Act. In addition, to the extent that Eagle IARs provide advisory services that constitute “investment advice” to plans or individual retirement accounts subject to the Employee Retirement Income Security Act of 1974,

---

<sup>1</sup> Note that not every IAR is licensed or meets Eagle’s requirements to sell every product or program.



as amended (“ERISA”), Eagle and its IARs will be deemed a “fiduciary” as that term is defined under Section 3(21) of ERISA or the Internal Revenue Code, as applicable.

Under the investment advisory programs described in this Brochure, in return for the payment of a fee, you receive investment advice from Eagle and, for certain programs, also from third party investment advisers. We also provide other non-advisory solicitor programs, described within the *Non-Advisory Services Offered* section below. Brokerage services, mutual fund and other securities accounts involve your financial services professional, in his or her capacity as a registered representative of our affiliate, NYLIFE Securities, effecting securities transactions based on your instruction and receiving a transaction-based commission. Registered representatives generally do not have discretion over your account, and you will need to provide consent to transactions in your account on a trade by trade basis. Registered representatives generally do not act as fiduciaries nor need to disclose conflicts between your interests and theirs. Your IAR is licensed to act as a registered representative on brokerage, mutual fund and other securities product accounts and as an IAR on Eagle accounts. If you have additional questions on these different types of accounts, please contact your IAR.

## B. ADVISORY SERVICES OFFERED

We provide the financial planning, investment management and retirement plan services described below. In addition to the programs and services listed in this Brochure, we also offer other advisory programs (such as Lifetime Wealth Portfolios Fund Advisory, Separately Managed Account, Representative Directed and Unified Managed Account Programs) that are described in Eagle’s Wrap Fee Brochure (available at [www.eaglestrategies.com/important-disclosures](http://www.eaglestrategies.com/important-disclosures)).

**Tax, Accounting or Legal Advice.** In all programs including under the optional features described below, Eagle and your Eagle IAR do not render tax, accounting, or legal advice, and you should seek independent advice from your attorney or tax advisor concerning such issues.

---

### 1. FINANCIAL PLANNING SERVICES

We offer four financial planning programs, which are detailed below.

When you receive financial planning services, including a limited plan, an hourly or project plan, or through a seminar, as outlined below, you have sole responsibility for determining whether, when and how to implement any part of a financial plan or planning guidance. You can choose to implement through Eagle or elsewhere. A financial plan is based on your situation at a certain point in time and our advisory relationship with you terminates upon delivery of the plan or, in the case of a seminar or program, at the termination of the seminar or program. Eagle does not conduct continuous or periodic reviews of your financial plan unless you specifically request an update.

#### a. Financial Plans

We offer financial planning services to individuals, closely held or private businesses and trusts. To prepare a financial plan, an Eagle IAR will meet with you to gather information about your financial situation and

objectives. Based on the information you provide, your IAR can use a variety of software programs to develop a financial plan.

The financial plan provides general advice to help you achieve your financial objectives. Depending on your needs and goals, the plan may cover a variety of topics, including a net worth analysis, cash flow planning, goal planning (*e.g.*, education), investment planning, asset allocation and retirement planning. In some cases, general recommendations regarding the purchase or sale of securities and insurance (see below) may be made. The precise nature and coverage of a financial plan will vary depending on the planning topics that you choose.

A financial plan is based on your situation at a certain point in time and our advisory relationship with you terminates upon delivery of the plan. You should consider whether to ask for a review of your plan on a periodic basis or when your financial condition or objectives change. An additional fee is typically charged for updating a financial plan.

#### **b. Limited Financial Planning Services**

We also offer a more limited financial planning service, without charging you a fee. This service uses eMoney 360 Needs Analysis modules, and each module creates a written report that's targeted to a single financial planning topic. Topics can include goal planning (*e.g.*, education, life insurance, annuity income, etc.), asset protection, business insurance, estate planning, retirement planning or other planning areas. These modules are produced by eMoney Advisor, LLC, a third-party vendor. In this limited program, the output you receive will be limited to covering two topics per calendar quarter. Through this service, the advice provided is customized but limited to the topic covered and will not offer specific product or security recommendations. In this limited program, you will not sign a financial planning agreement and our advisory relationship with you terminates upon delivery of the plan. As described above, you can also pay for a financial plan that provides additional analysis and covers additional topics.

#### **c. Financial Seminars**

We and our IARs may hold seminars that offer attendees general investment and retirement planning advice. IARs do not offer individualized advice during seminars. Examples of topics covered include the objectives of retirement planning and wealth management. IARs can charge fees to attendees, which consist of a one-time payment for attending the seminar.

#### **d. Fee Based Hourly Advice and Project Fee Programs**

Eagle IARs can provide advice to you when assisting you with advisory services outside of an established financial plan. In this program, IARs can charge either an hourly fee rate or a flat fee for the entire project. Examples of permitted services include:

- Advice on various topics including but not limited to:
  - Goal planning
  - Social Security decisions
  - Budgeting
  - Debt reduction
  - Mortgage payment decisions

- Liability coverage
- Major purchase decisions
- Charitable strategies
- Supporting you when working with your other professionals (*e.g.*, attorneys, tax professionals, etc.) on business or financial topics, such as:
  - Business succession planning
  - Wills and trusts
  - Family Foundations
  - Transfer and legacy planning

The fee based hourly advice and project fee programs include a pre-meeting where IARs outline their role and services to be provided during the engagement. During this pre-meeting process, you sign the Hourly/Project Fee Form and agreement (which includes the hourly or flat fee rate). Your signed Hourly/Project Fee Form is then sent to our main office in New York, NY for approval.

**Insurance and Annuities for Financial Planning Services.** Financial planning as well as other advisory services described in this Brochure may give rise to your IAR providing general advice about the need for insurance, annuities or similar financial products. Eagle IARs, acting in the capacity of an insurance agent and/or a registered representative, can assist you in implementing financial plan recommendations by offering to sell insurance products issued by New York Life, annuities issued by NYLIAC and/or securities products available through NYLIFE Securities. Some securities products may include mutual funds or variable life and annuity products that include investment options that are managed by New York Life Investment Management LLC (“NYLIM”), an Eagle affiliate. These products (“Proprietary Products”) are distributed by NYLIFE Distributors LLC, another Eagle affiliate. If you purchase Proprietary Products, our affiliates receive compensation for the services that they provide.

If you choose to buy an insurance, annuity or securities product, your Eagle IAR, in his or her capacity as an insurance agent and/or registered representative, will receive a commission and will also receive other forms of direct and indirect compensation from New York Life or its affiliates as a result of the sale. Such commissions and other compensation are in addition to any fee that you pay to the Eagle IAR for financial planning services or any fees the IAR earns under the investment advisory programs described below. Also, certain Eagle IARs may also serve as brokers with regard to insurance products issued by unaffiliated insurance companies. You should be aware that Eagle IARs have an incentive to recommend products or services to you that result in their receiving additional compensation including from other companies. We address this conflict by disclosing it to you. All commissions paid to insurance agents of New York Life and its affiliates are within the limits set by Section 4228 of New York State Insurance Law. Please see Item 5 (*Fees and Compensation*) for additional information.

An Eagle IAR will be acting solely in his or her role as an agent of the company issuing the insurance or annuity product and/or as a NYLIFE Securities registered representative, when selling insurance, annuity or securities products. An individual who is an IAR has different obligations to you and will be subject to a different standard of care, when selling insurance, annuity or securities products than when acting as your IAR. You may implement, some, all, or none of the recommendations contained in a financial plan through your Eagle IAR, and you may also choose to implement recommendations through another financial institution.

## 2. EAGLE RETIREMENT PLAN PROGRAM

We offer consulting and advisory services to assist sponsors of qualified employer-sponsored defined contribution retirement and benefit plans (“Plan Sponsors”). We may also assist Plan Sponsors with enrollment and/or providing investment education to plan participants and beneficiaries. Under the Eagle Retirement Plan Program, IARs can charge a fee that is either an asset-based fee or a hard dollar (fixed) fee, depending on the program, for providing fiduciary, non-fiduciary and non-advisory consulting services under Employee Retirement Income Security Act of 1974 (“ERISA”).

The Eagle Retirement Plan Program has two program classifications that are accessible to Eagle IARs who meet the necessary qualifications: the Retirement Plan Consulting Program and the ERISA Investment Manager Program.

**a. Retirement Plan Consulting Program (CP).** We will perform the following services as a fiduciary under Section 3(21) of ERISA solely with respect to our rendering services to assist the Plan Sponsor with the investment selection and monitoring of the investment options available through the Plan:

1. We advise the Plan Sponsor in selecting and monitoring the investment options that the Sponsor makes available to Plan participants based on criteria established by the Plan Sponsor in consultation with us. We require that investment options selected by the Eagle IAR meet a 3-year Fi360 Fiduciary Score of 0 to 50. (Fi360 is a third party vendor). The investment option recommendations should also include a minimum of three investment alternatives: a money market fund, a bond fund, and a domestic large cap equity fund. The criteria and methodology for this program are different from those we use in other investment advisory programs. As a result, the recommended investment options may be different than approved and available options in other Eagle advisory programs.
2. Based upon these criteria, and primarily utilizing the Fi360 database, we will generate at least annually a recommended list of non-proprietary mutual fund, ETF and/or ETN investment options for the Plan Sponsor to select from. The Plan Sponsor (and not Eagle) will be ultimately responsible for selecting the mutual funds or exchange traded products that will be made available to Plan participants.
3. Eagle IARs and the Plan Sponsor will meet quarterly to review and update (if necessary) the investment options.

As part of this Program, we and the IAR may provide the following non-fiduciary services:

- Participant Education and Enrollment Services
- Plan Sponsor Support Services

**b. ERISA Investment Manager Program (EIMP).** To establish a relationship with us, the IAR assists the Plan Sponsor with completing a Client Profile to obtain information about plan design, plan objectives and third-party service providers. The IAR will present the Plan Sponsor with a copy of the Retirement Plan Services Program Agreement for review. Once the Plan Sponsor, acting as the Plan’s fiduciary duty, selects the services to be provided by us and has determined the same to be necessary for the operation of the plan and the compensation paid to be reasonable, the Plan Sponsor must sign the Program Agreement and submit it to us before any services are rendered.

We and the IAR may provide the following ERISA fiduciary services:

- Assisting the plan fiduciaries in selecting a discretionary investment manager (“Manager”) from among Managers that we have evaluated to serve as an “investment manager” as defined under Section 3(38) of ERISA. We currently have four Managers available in the program: Brinker Capital Inc., Frontier Asset Management, LLC, Loring Ward and Morningstar Investment Services LLC (“MIS”). Eagle IARs may make recommendations that are, among other things, based upon the Manager’s style and process and adherence to style and guidelines; manager specific impact; survey data; and fee analysis. The plan fiduciaries have the final approval on the hiring and/or retention of any Manager we recommend.
- Assisting the plan fiduciaries with collecting and evaluating information relating to the ongoing review of the Manager selected and retained by the plan fiduciaries, including reviewing tools and reports provided by the Plan’s Manager and/or service providers to assist the Sponsor in evaluating the reasonableness of the Manager’s fees and to compare the Manager’s overall performance against applicable, recognized industry indices. An Eagle IAR may recommend the replacement of an underperforming Manager but will not make any recommendations to alter the investments or model portfolios.

As part of this Program, we and the IAR may provide the following non-fiduciary services:

- Participant Education and Enrollment Services
- Plan Sponsor Support Services

#### **NON-ADVISORY SERVICES OFFERED (SOLICITOR PROGRAMS)**

In the following two programs, we act as a solicitor through which our IARs recommend unaffiliated investment advisers (“Advisers”) that you may select to provide you with investment advisory services. In these programs, IARS can choose from a universe of Advisers selected by Eagle. Once you select an Adviser, we and our IARs do not provide advisory services; instead, the unaffiliated Advisers provide advisory services and are responsible for managing your portfolio. We and our IARs receive compensation from the Advisers for introducing Clients to them and for providing certain ongoing non-advisory services. The fees we receive from each Adviser vary by program and range from 0% to 1.25%. These fees are negotiable and are in addition to the fees charged by the Adviser. For more information, please review the Adviser’s paperwork and the solicitor disclosure statement you receive when opening a Solicitor Program account. Please contact your IAR for details on the fees associated with each program to help determine which program is appropriate for you.

We monitor and conduct due diligence on the Advisers that our IARs recommend in the Solicitor Programs. Within these programs, the IAR assists you in completing Program documentation and provides ongoing non-advisory services as outlined below for each Program. The IAR is available to consult with you at least annually to review your account, investment objectives, financial situation, risk tolerance, time horizon and any investment restrictions, and will communicate applicable changes to your selected Adviser. In addition, at your request, your IAR is available to coordinate meetings together between you and the Adviser to review your account’s investment allocation, performance and fees. Even if the IAR is available for providing these services, the Adviser, and not Eagle or the IAR, is responsible for providing you with investment advisory services.

**a. Brinker Capital Inc. (“Brinker Capital”)**

We act as a solicitor and refer Clients to programs sponsored by Brinker Capital, a registered investment adviser, for a fee. We are responsible for initial and ongoing Client contact, but do not act as your investment adviser in connection with these Brinker Capital programs. If you select a Brinker Capital program, that firm will act as your sole investment adviser. Assets within these programs are held in custody with NFS or FISERV/TD Ameritrade. We receive referral fees from Brinker Capital. More information about these Brinker Capital programs can be found in Brinker Capital’s Form ADV Part 2A (available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

**a. Frontier Asset Management, LLC. (“Frontier”)**

We act as a solicitor and refer Clients to programs sponsored by Frontier, a registered investment advisor, for a fee. We are responsible for initial and ongoing Client contact, but do not act as your investment adviser in connection with these Frontier programs. If you select a Frontier program, that firm will act as your sole investment adviser. Assets within these programs are held in custody with NFS. We receive referral fees from Frontier. More information about the Frontier program can be found in Frontier’s Form ADV Part 2A (available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

## **C. MANAGEMENT OF CLIENT ASSETS**

As of December 31, 2017, Eagle had Advisory Assets of approximately \$8,272,053,805 of which approximately \$8,145,447,434 are Regulatory Assets Under Management. In addition, as of that date, accounts for which Eagle acts as a solicitor had assets of approximately \$1,249,310,374.

---

## Item 5 Fees and Compensation

---

The fees and compensation listed below are for programs in which we and/or our IAR act as the investment adviser or provide financial planning services. For an explanation of fees and compensation for the solicitor programs, in which we and/or our IAR refer you to an unaffiliated investment adviser, please see Item 14 (*Client Referrals and Other Compensation*) below as well as the unaffiliated investment adviser's Form ADV Part 2.

### A. COMPENSATION AND SCHEDULE OF FEES

---

#### 1. FINANCIAL PLANNING SERVICES

All the fees listed for the programs below (except for certain financial planning seminar services) are negotiable based on factors such as the type and size of the account and the range of services we provide.

##### a. Financial Plans

Fees for financial plans vary based upon a variety of factors including:

- the complexity of issues involved;
- the IAR's experience;
- the Client's net worth; and
- the Client's planning needs

Financial planning fees are negotiable and can range from \$0 to \$52,500. In some instances, more than one Eagle IAR may share the agreed upon fee.

##### b. Financial Seminars

In some instances, we and/or our IAR charge a one-time fee to persons attending financial seminars. The fee may be charged to the individual attending the seminar or may be paid by the sponsoring organization that engages the IAR. Fees are generally in the range of \$35 per attendee but may vary and can range up to \$200 per attendee. These fees are intended to compensate the IAR for his/her time and to cover the costs of any written materials provided at the seminar, advertisements, and other expenses related to providing the seminar.

##### c. Fee-Based Hourly Advice and Project Fee Programs

The hourly fee is negotiable and generally ranges from \$100 to \$400 per hour. Each engagement should not exceed 12 hours. If a flat fee is charged for the entire project, the fee can range from \$0 to \$25,000 and is negotiable.

---

## 2. INVESTMENT ADVISORY PROGRAMS

Fees for the investment advisory programs are set forth below. The amount of compensation we and/or our IAR receives varies by program and/or by the options selected within a program. This leads to a conflict of interest, as we and/or our IAR have an incentive to recommend programs and options for which we receive higher compensation. We address this conflict by disclosing it. The fees outlined below are the minimum and maximum asset-based fee percentages that can be charged to you, if your account does not qualify for any of the Asset Tiers or Household discounts that are described below. Please consult with your IAR and review Item 5A (*Compensation and Schedule of Fees*) for additional information regarding fees and discounts that you may be eligible to receive. Please review Item 5C (*Other Fees and Expenses*) below for additional fees and charges not covered in the Total Client Fee.

| <b>Program</b>                                   | <b>Total Client Fee</b>                               |
|--|---|
| <b><i>ERISA Investment Manager Program</i></b>   | Annual fee of 0.05% - 0.80% of plan assets            |
| <b><i>Retirement Plan Consulting Program</i></b> | Depending on plan size, annual fee of \$0 - \$100,000 |

---

## 3. EAGLE RETIREMENT PLAN PROGRAM

### **a) Retirement Plan Consulting Program (CP)**

Advisory fees are negotiable and cover both fiduciary and non-fiduciary services, as applicable. These fees may be tiered based on the total assets within the Plan.

The advisory fee is disclosed in the CP Agreement and is paid to us either directly by the responsible plan fiduciary or from the Plan's assets (by the recordkeeper).

### **b) ERISA Investment Manager Program (EIMP)**

Advisory fees are negotiable and cover both fiduciary and non-fiduciary services, as applicable. The fees may be tiered based on the total assets within the Plan. The Advisory fee is disclosed in the EIMP Agreement, and we are paid either directly by the responsible plan fiduciary or from the Plan's assets (by the recordkeeper).



## B. BILLING METHOD

### 1. FINANCIAL PLANNING SERVICES

#### a. Financial Planning

You are billed for financial planning fees, which are payable to Eagle. You may be billed as follows: (i) 100% upon signing the Financial Planning Agreement; (ii) 50% upon signing the Financial Planning Agreement, with the remainder due upon delivery of the written financial plan; or (iii) the fees may be paid in equal installments beginning upon the execution of the Financial Planning Agreement, with the balance due upon delivery of the written financial plan to you.

#### b. Seminars

In general, attendees make the payment at the seminar or prior to attending the seminar. In some cases, fees paid by third parties are collected after the seminar is completed. Payment should be made payable to Eagle pursuant to information provided by your IAR.

#### c. Fee Based Hourly Advice and Project Fee Programs

Fees are paid in monthly installments based on the hours worked during the previous month. If a flat fee is charged for the entire project, you may pay the entire fee upon signing the Hourly/Project Fee Form and agreement, or you may pay in installments. Payment should be made payable to Eagle pursuant to information provided by your IAR.

### 2. EAGLE RETIREMENT PLAN PROGRAMS

In the CP and EIMP programs, you may either pay the program fees directly or authorize the plan's record keeper or custodian to pay Eagle from plan assets.

In the CP Program, fees will be paid annually in advance, or if paid quarterly, within thirty days of each quarter-end in arrears. In the EIMP Program, fees will be billed quarterly in arrears. Please see Item 5D (*Prepayment of Advisory Fees*) below for additional information.

## C. OTHER FEES AND EXPENSES

### Additional Information Regarding Fees and Expenses:

- 1) Fees and Expenses of Mutual Funds and Exchange-Traded Funds and Notes.** If your account holds mutual funds, ETFs or ETNs (collectively, "Funds"), these securities have their own internal fees and expenses, which are separate from the program fees described above. These fees and expenses, which are more fully described in each Fund's prospectus, may include, but are not limited to, management fees, other fund expenses, and mutual fund distribution fees ("12b-1 fees"). Please note if you transfer in a mutual fund and redeem it, you may be subject to a deferred sales charge per the prospectus. You can invest in a Fund directly, without also paying for, and

receiving Eagle's services. You should review the Fund's internal fees and the fees charged by Eagle to fully understand your total costs of investing.

- 2) Short-Term Redemption Fees.** Some mutual fund companies assess short-term redemption fees to discourage short-term trading. Short-term redemption fees are typically assessed when a mutual fund is sold after being held for a short period of time, as defined in the fund's prospectus. Short-term redemption fees may be incurred because of a liquidation, rebalancing or reallocation of funds that were held for a short period of time. Such fees are retained by the fund company and are currently reflected on trade confirmations as "commissions." Before you sell or liquidate a fund, you should consider whether it assesses a short-term redemption fee. Please talk to your IAR if you have any questions about these fees and see the prospectus of the particular fund for more information.
- 3) Important Disclosure for Clients Who Are Rolling Over Retirement Account Proceeds.** If you are rolling over the proceeds of an employer-sponsored retirement plan (e.g., a 401(k) plan) ("Plan") to an Individual Retirement Account ("IRA"), you should consider the following:
- When you roll over the proceeds of a Plan to an IRA, you will likely have more investment options available than you had in the Plan, and you will enjoy the benefit of the guidance that your Eagle IAR(s) can provide about your IRA. Your IRA agreement, the product prospectuses, Eagle's Forms ADV and your Eagle IAR(s) can provide you with more information concerning the fees and expenses involved in establishing an IRA.
  - Instead of establishing an IRA, you may have the option of leaving your money in the Plan. You should review the plan documents and/or contact the Human Resources Department of the company sponsoring the Plan to determine if this option is available to you. You should be aware that the Plan may offer different, but typically more limited, investment options, which may have lower fees and expenses than the investment options that are available for an IRA through Eagle, and that the Plan may also assess other administrative costs (e.g., recordkeeping and compliance fees) and fees for services such as access to a customer service representative. If you have the option of leaving your money in an existing Plan, you may also wish to consider how satisfied you are with the available investment options and their performance, as well as your ability to obtain guidance concerning your Plan investments.
  - Instead of establishing an IRA, you may also have the option of transferring investments from a prior employer's Plan to a new employer's Plan. If your current employer offers a Plan, you should contact your employer's Human Resources Department to determine if this option is available to you. In considering whether to transfer your assets to a new employer's Plan, you should also consider the available investment options, any fees or expenses applicable to those options or the Plan itself and your ability to obtain guidance concerning your Plan investments.
  - Instead of establishing an IRA, you may also have the option of taking a taxable distribution from the Plan. If you are considering this option, you should consult with your tax adviser concerning the potential tax consequences.
  - If you hold shares of your employer's stock in your Plan, you should consult with your tax adviser concerning the potentially negative tax consequences of removing those shares from the Plan.
  - If you leave your job between age 55 and 59½, you may be able to take penalty-free withdrawals from a Plan. For IRAs, penalty-free withdrawals generally may not be made until

- age 59½. It may also be easier for you to borrow from a Plan. Your former employer and/or the Plan documentation may provide additional details concerning your withdrawal options.
- Depending on the state in which you reside, assets held in a Plan may enjoy greater protection from creditors than assets held in an IRA.
  - Although Eagle IARs can provide advice concerning IRA investments, they do not provide legal or tax advice.

**4) Disclosure Pursuant to Section 408(b)2 under ERISA.**

*Services.* We offer consulting and advisory services to qualified defined contribution retirement plans through two programs, Eagle Retirement Plan Consulting Program (“CP”) and the Eagle ERISA Investment Manager Program (“EIMP”) (together known as the “Eagle Retirement Plan Program”). Services offered in these programs are described in Item 4B (*Advisory Services Offered*) of this Brochure and in more detail in the Eagle Strategies LLC Retirement Plan Consulting Program Agreement and the Eagle Strategies LLC Retirement Plan Program Agreement (collectively, the “Eagle Retirement Plan Program Service Agreements”). Neither we nor the IAR provide recordkeeping services to plans.

*Status.* To the extent we provide investment advice, we act as a fiduciary under Section 3(21) of ERISA in the Eagle Retirement Plan Program. In the EIMP program, the IAR acts as a fiduciary in assisting the plan in selecting an investment manager. Eagle and the IAR also provide services in a non-fiduciary capacity, such as in providing participant education and enrollment services and plan sponsor support.

*Direct and Indirect Compensation.* In the EIMP program, we receive an asset-based advisory fee either directly from the plan or from the plan sponsor. In the CP program, we receive a fixed dollar fee either directly from the plan or from the plan sponsor. These fees are also described in Item 5A (*Compensation and Schedule of Fees*) of this Brochure and in more detail in the Eagle Retirement Plan Program Service Agreements. We pay IARs a portion of the advisory fee for the IAR’s services related to the Retirement Plan Program. The portion of the advisory fee payable to the IAR ranges from 35% to 90.3% of the fee we receive. If you would like further information on the current level of compensation your IAR is being paid relating to your account, please call 1-888-695-3245. Neither we nor any of our affiliates receive any indirect compensation because of services provided to plans in Eagle Retirement Plan Program. In the EIMP program, fees are also paid by the plan to the third-party managers they have selected. In addition, our IARs may receive indirect, non-cash compensation in the form of “council credits” for the EIMP Program.

*Termination.* Services provided under the Eagle Retirement Plan Program are terminable by the plan at any time without penalty upon written notice to us. Please see the Retirement Plan Program Agreement for additional information regarding the termination process.

- 5) Comparing Costs.** If purchased separately, the investment advisory services described in this Brochure could cost more or less than if paid for on a wrap-fee basis. In addition, the fee for your account could also be: (i) higher or lower than the costs incurred if you purchased the underlying securities in a brokerage account; and (ii) higher or lower than the cost of similar services offered through other investment advisory programs at Eagle or elsewhere. You should consider these factors and other differences among the programs when deciding whether to invest in an investment advisory or a brokerage account and, if applicable, which investment advisory program or payment option best suits your individual needs. This pricing and cost differential

creates a conflict of interest for Eagle and Eagle IARs, as there is a financial incentive to recommend higher priced programs. We address this conflict of interest by disclosing it to you.

You should be aware that the underlying expenses of mutual fund, ETF, and ETN shares purchased in an Eagle program account may be higher than if such products were purchased outside of an advisory account. If such products were purchased outside of an advisory account, however, you would not receive the benefit of our investment advisory services.

In addition, the relative cost of the program compared to purchasing the services separately will depend on several factors, including (but not limited to):

- The costs associated with receiving the services if provided separately;
- The frequency or volume of trading activity, or lack thereof, in your account; and
- The associated costs of trading.

The combination of such fees if provided separately may be higher or lower than a single wrap fee.

For additional information about brokerage practices, see Item 12 below.

- 6) Compensation for Eagle Programs.** We and the IAR will earn compensation if you invest in a program described in this Brochure. This creates a conflict of interest for Eagle and Eagle IARs, as there is a financial incentive to recommend one of the programs described in this Brochure. We address this conflict of interest by disclosing it to you.

Additional Information Regarding Compensation and Conflicts of Interest:

- 1) *Proprietary Products and Affiliated Funds.*** Our affiliates receive compensation if investment products that they manage (for example, MainStay Funds and IndexIQ ETFs) are purchased in an Eagle account. The MainStay family of mutual funds, managed by New York Life Investment Management (“NYLIM”), and the IndexIQ ETFs, managed by IndexIQ Advisors LLC, which are among the securities available in the Programs outlined herein are distributed through NYLIFE Distributors. All these entities are affiliates of Eagle. As a result, IARs generally have a greater familiarity with MainStay and IndexIQ funds because our affiliates sponsor educational, marketing and other promotional events for our IARs. This may lead our IARs to focus on MainStay or IndexIQ funds when making investment recommendations rather than funds from other providers. However, Eagle and the IARs receive no portion of the compensation that our affiliates earn for managing these products.

In the solicitor programs described in this Brochure, unaffiliated Advisors may recommend mutual fund products that our affiliates manufacture. Eagle’s affiliates receive compensation if investment products that they manage (for example, MainStay Funds and IndexIQ ETFs) are included in an investment account. However, Eagle and the IARs receive no portion of the compensation that our affiliates earn for managing these products.

In the CP programs described in this Brochure, our IARs may recommend mutual fund products that our affiliates manufacture. Eagle’s affiliates receive compensation if investment products that they manage (for example, MainStay Funds and IndexIQ ETFs) are included in an investment

account. However, Eagle and the IARs receive no portion of the compensation that our affiliates earn for managing these products.

- 2) *Mutual Fund Share Classes.*** Mutual fund companies offer different mutual fund share classes. Different mutual funds with similar investment policies, and different share classes within those funds, have different expense levels. Further, the expenses, purchaser eligibility requirements, applicable 12b-1 fees, shareholder servicing fees and revenue sharing arrangements will differ by both the mutual fund company as well as the particular share class within that fund.

Information about the mutual funds and share classes that are available through your account, including their investment policies, restrictions, charges, and expenses, is contained in the mutual funds' prospectuses. You should read these prospectuses carefully.

## **D. PREPAYMENT OF ADVISORY FEES**

### **a. Financial Planning Services**

You may terminate a Financial Planning Agreement by providing written notice to your IAR or to Eagle. If you terminate the agreement more than five (5) business days after its effective date, we will be entitled to compensation for advice already provided, and you will be refunded the remainder of the fees. If we or the IAR terminates prior to the delivery of the financial plan, you will receive a full refund of any fees paid under the agreement. Additionally, we will refund all fees if the plan is not completed within nine months from the effective date of the Financial Planning Agreement, unless you have agreed to a later delivery date.

### **b. Retirement Plan Consulting Program (CP).**

Fees will be paid annually in advance, or if paid quarterly, thirty days after each quarter-end in arrears. If a plan sponsor elects to direct the recordkeeper (the firm responsible for managing and tracking data within the retirement plan and communicating that information to the plan sponsor) to pay the Fees to us, plan sponsor agrees to provide such authorization to the recordkeeper within thirty (30) days of signing the CP agreement. Please see the Retirement Plan Program Agreement for additional information regarding the termination process.

### **c. ERISA Investment Manager Program (EIMP).**

Fees will be billed quarterly in arrears. The initial Fee is prorated based upon the number of days remaining in the initial quarterly period from the date of execution of the Program Agreement and will be based upon the market value of the Plan assets at the close of business on the last business day of the initial quarterly period. Thereafter, the quarterly portion of the annual Program Fees will be based upon the market value of the plan assets at the close of business on the last business day of the previous calendar quarter (without adjustment for anticipated withdrawals by plan participants or beneficiaries or other anticipated or scheduled transfers or distributions of assets). If the Program Agreement is terminated prior to the end of a quarter, we are entitled to a quarterly fee, prorated for the number of days in the

quarter prior to the effective date of termination, based on the market value of the plan assets at the close of business on the effective date of termination. Any unearned fees will be refunded to you.

## **E. OTHER COMPENSATION TO EAGLE AND INVESTMENT ADVISER REPRESENTATIVES FOR THE SALE OF SECURITIES AND OTHER INVESTMENT PRODUCTS**

**Compensation to IARs.** Eagle and Eagle IARs receive direct and indirect compensation because of your participation in the programs described in this Brochure. This compensation varies depending on the fee that you have negotiated. The amount of compensation may be more or less than Eagle or the IAR would receive if you participated in other programs or paid separately for the investment advice, brokerage and other services provided. Sales compensation varies between the programs described in this Brochure and other programs and financial products. Eagle and the IAR have a financial incentive to recommend LWP Programs over other programs or services.

Additionally, in connection with a program sponsored by New York Life Insurance Company or its affiliates, Eagle IARs are eligible for additional compensation and other benefits by earning “council credits” (which are based on sales production) or by meeting certain sales goals, which include the sale of insurance and securities products. The amount of council credits that an IAR earns may entitle him or her to receive higher payouts for the sale of various financial products, such as receiving a greater share of the advisory fee and entitles them to participate in various Company sponsored conferences. Eagle IARs receive council credits for the programs described in this Brochure and for sales of insurance and securities products. IARs receive twice the amount of the annualized advisor fee towards council credits for selling the products and programs described in this Brochure than they do for selling other products. Council credits are targeted to be equivalent across various New York Life products. This creates a conflict for the IAR to recommend the products and programs described in this Brochure instead of other products or programs. Eagle addresses this conflict by disclosing it. Please see Item 14 (*Client Referrals and Other Compensation*) for additional information regarding fees and compensation.

Further, sales of products that are managed and/or issued by Eagle’s affiliates, along with the sales of mutual funds and variable insurance products that are not managed or issued by an Eagle affiliate, determine your IAR’s eligibility for retirement, medical and life insurance benefits, and to attend conferences with educational, development and recognition components. Qualification to attend New York Life-sponsored educational, training, and development conferences is based on your IAR’s total sales of investment products (including those described in this Brochure), life insurance, long term care insurance, and annuities.

Third party investment advisers offered through the Solicitor and EIMP programs, with which we have agreements, work with Eagle and our IARs to promote their products. They may pay for training and education events and prospecting events such as seminars for employees, IARs, clients and prospective clients. For employees and IARs, these events may be held at Eagle’ or the third party investment adviser’s offices or at off-site locations, and the travel, meals and accommodations may be paid for by the third party investment adviser. Eagle reviews the invitee lists and confirms that the agenda for the event is relevant or appropriate for IARs and/or Eagle employees. Additionally, third party investment advisers may occasionally provide entertainment or gifts of nominal value to employees and IARs. Eagle may occasionally host a training and education event and receive payment from a third party

investment adviser to participate or attend the event. Please see Item 11A (*Code of Ethics Pursuant to SEC Rule 204A-1*) for additional information on how we address these conflicts.

Certain non-profit institutions compensate IARs for conducting seminars concerning charitable giving. Please reference Item 14A (*Economic Benefits Provided by Third Parties for Advice Rendered to Clients*) for additional information.

When you purchase a life insurance policy or annuity policy that is issued by an Eagle affiliate, the Eagle IAR receives additional compensation (including commissions, service fees, allowances for expenses, council credits and benefits) in her or his capacity as an insurance agent of the issuing insurance company. This compensation is governed and limited by Section 4228 of New York State Insurance Law. Eagle IARs also receive incentive awards for the sale of insurance products from time to time. You have the option of purchasing recommended products through other brokers or agents who are not affiliated with us.

While the prospect of receiving additional compensation from the sale of other products creates an incentive to recommend products based on the compensation expected to be received rather than your needs, we address this conflict and other conflicts in this Brochure in a variety of ways, including the following:

- Our IARs are trained to put your interests first as part of their fiduciary duty. Eagle's Code of Ethics also addresses their conduct and seeks to reinforce ethical behavior.
- We disclose conflicts in this Brochure and other disclosure documents so that you can make informed decisions. While our IARs are trained to make recommendations that they believe are in your best interest, the ultimate decision belongs to you. We encourage you to ask questions, read all available disclosure materials, consider all your options and take other steps to make educated decisions.

Please see Item 14 (*Client Referrals and Other Compensation*) for additional information regarding IAR compensation.

**Compensation to Eagle, its IARs and its Affiliates.** The amount of compensation that we and/or our IAR receives varies among programs. This leads to a conflict of interest, as we and/or our IAR have an incentive to recommend programs that pay higher compensation. We address this conflict by disclosing it to you.

Our affiliates receive compensation if their proprietary products are included in an investment account. For example, NYLIM, an affiliated investment adviser, receives management fees for amounts invested in MainStay mutual funds, and IndexIQ Advisors LLC, an affiliated investment adviser, receives management fees for amounts invested in IndexIQ exchange traded funds.

Please see Item 5C (*Other Fees and Expenses*) above for additional information regarding conflicts of interest.

---

## Item 6 Performance-Based Fees and Side-by-Side Management

---

Eagle and its IARs do not accept performance-based fees, which are fees based on a share of capital gains or on capital appreciation of the assets within your managed portfolio.

---

## Item 7 Account Requirements and Types of Clients

---

We provide investment advisory services to many different types of Clients, including individual investors, pension and profit sharing plans, traditional, Roth, SEP and SIMPLE IRAs, trusts, estates, charitable organizations, donor-advised funds, corporations and other business entities. Not all these types of clients participate in the programs described in this Brochure.

Each Eagle Program has minimum account size requirements. Eagle and/or its Program partners have the option to waive account minimums. Account minimums for each Program are as follows:

| Program                            | Minimum Account Size |
|------------------------------------|----------------------|
| Retirement Plan Consulting Program | None                 |
| ERISA Investment Manager Program   | None                 |

For accounts that fall below the required minimum, we or the program sponsor reserve the right to charge an additional fee. Please see Item 5C (*Other Fees and Expenses*) for information regarding small account fees.

Certain Programs also require that you meet a minimum net worth or minimum income requirement to invest. Please ask your IAR for additional information regarding these requirements.

---

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

---

### ***Methods of Analysis and Investment Strategies.***

#### **a. Financial Planning**

Among other options, Eagle IARs may use one of the following programs to perform financial planning analyses: eMoney Advisor (Wealth Management Solutions), Planning Shepherd or Sungard Expert Solutions (Advisor Series). To perform financial planning analyses, IARs may also produce their own written output, such as Close-out Letters. You should discuss with the Eagle IAR the method and program to be used in preparing your financial plan.

#### **b. CP and EIMP**

For the CP Program, the Eagle IAR provides the plan sponsor with Fi360 reports, which are based on the investments in the retirement plan and the IAR's recommendations.

For the EIMP program, the Eagle IAR provides the plan sponsor with a proposal, which will include an investment manager recommendation. Such recommendations will be based on the goals and preferences provided by the plan sponsor and will be consistent with the investment characteristics identified and preferred by the plan sponsor for the plan.

***Risk of Loss.*** With any investment product, including those available in the programs described in this Brochure, there is a risk of loss. Clients investing in securities through any program should be able and



prepared to bear the risk of loss if the overall market and/or the specific products purchased decline in value.

The following section outlines the risks associated with specific strategies and securities.

*Tactical Asset Allocation.* Generally, accounts managed through a tactical approach to asset allocation will trade more frequently and may incur greater trading costs than a strategic approach. Performance for accounts using a tactical approach may be more volatile and may underperform in some market cycles.

*Strategic Asset Allocation.* Accounts managed through a strategic approach generally trade less frequently and may have lower trading costs. Performance for accounts using a strategic approach may be more volatile and may underperform in some market cycles.

*Active Management Style.* For accounts that utilize an active management style, returns may be reduced by the cost of hiring a professional manager and the cost of buying and selling investments in the account. Performance for accounts using an active management approach may be more volatile and may underperform in some market cycles.

*Passive Management Style.* Accounts that utilize a passive management style have lower costs than accounts that are actively managed because these accounts may not need to retain active professional managers, and because their holdings are not as frequently traded. Performance for accounts using a passive management approach may be more volatile and may underperform in some market cycles.

In any investment account, frequent trading can affect investment performance through increased brokerage costs, transaction costs and tax inefficiencies.

Clients purchasing mutual funds, ETFs and ETNs should refer to the relevant prospectus for more information about the risks of investing in a particular fund, as well as applicable fees and expenses. Clients purchasing ETFs or ETNs should understand that the market price of ETFs and ETNs may be at, above or below its net asset value, and that the ETF's or ETN's performance may not mirror the performance of its underlying index. Operating expenses and other costs are deducted daily from the value of the fund and will lower the rate of return for that fund. Please see Item 5 (*Fees and Compensation*) for more information regarding fund expenses.

Unlike mutual funds, ETFs and ETNs, risks relating to investing in individual securities include non-diversification and volatility. For instance, the decline in value of one security may not be offset by the increase in value of other portfolio securities. There is no guarantee that diversified products such as mutual funds, ETFs and ETNs will provide gains or prevent losses. Clients purchasing individual securities should be aware of the greater volatility associated with those products.

For a description of the investment strategies and methods of analysis employed by Program sponsors, and for an explanation of risk associated with other programs, strategies and/or securities, please see the applicable Program Sponsor's Form ADV Part 2 (available at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)) or applicable fund prospectus.

---

## Item 9 Disciplinary Information

---

Eagle does not have any material disciplinary information to report.

---

## Item 10 Other Financial Industry Activities and Affiliations

---

### A. BROKER-DEALER REGISTRATION

Eagle is not registered as a broker-dealer. Certain management persons and back office personnel of Eagle and all Eagle IARs are also registered representatives of NYLIFE Securities, a broker-dealer affiliate.

### B. OTHER REGISTRATIONS

Neither Eagle nor any of its management persons are registered as a Futures Commission Merchant, Commodity Pool Operator or as a Commodity Trading Advisor.

### C. MATERIAL RELATIONSHIPS WITH RELATED PERSONS

Eagle is a wholly owned subsidiary of NYLIFE LLC, which in turn is a wholly owned subsidiary of New York Life Insurance Company, a New York mutual life insurance company. Eagle is also an affiliate of two other insurance companies, New York Life Insurance and Annuity Corporation (NYLIAC) and NYLIFE Insurance Company of Arizona. The principal business of New York Life and its insurance company affiliates is the sale of individual and group life insurance and annuity contracts. Eagle's IARs, acting in their capacity as agents of New York Life and its affiliated insurance companies, receive compensation for the sale of proprietary insurance and annuity products.

We are affiliated with the following broker-dealers, which are indirect wholly-owned subsidiaries of New York Life Insurance Company:

- **NYLIFE Securities LLC** ("NYLIFE Securities") is registered with the SEC as a broker-dealer. All Eagle IARs are also registered as representatives of NYLIFE Securities and, acting in their capacity as registered representatives of NYLIFE Securities, receive commissions or other compensation for the sale of securities products offered through NYLIFE Securities that do not involve Eagle programs.
- **NYLIFE Distributors LLC** ("Distributors") is registered with the SEC as a broker-dealer and is the principal underwriter of the MainStay mutual funds, which are managed by NYLIM, an affiliated investment adviser. Distributors is also the principal underwriter for variable insurance and variable annuity contracts issued by NYLIAC.

We are affiliated with several registered investment advisers, including NYLIM, the manager of the MainStay mutual funds. Other Eagle affiliates are sub-advisers to certain of these funds. Eagle is also affiliated with Index IQ Advisors LLC, the manager of the IndexIQ exchange traded funds. Conflicts may arise because investments in affiliated funds generate additional management fees and other compensation to Eagle's affiliates. This conflict is mitigated because Eagle and the IAR receive no portion of this compensation.

Currently, Eagle's investment adviser affiliates do not provide investment advisory services directly to Eagle Clients. A listing of Eagle's affiliated investment advisers can be found in Eagle's Form ADV Part 1.

#### **D. SELECTION OF OTHER ADVISERS**

The amount of compensation we and/or our IAR receives varies by program and/or by the options selected within a program. This leads to a conflict of interest, as we and/or our IAR have an incentive to recommend certain options over others. We address this conflict by disclosing it.

In some cases, Eagle (or its affiliates) has other business relationships with certain outside advisers that act, or have affiliates that act as advisers in our Eagle Retirement Plan Programs and solicitor programs. Eagle contracts with Morningstar (and/or its affiliates), Fund Evaluation Group, Portfolio Management Consultants, Inc. ("Investnet|PMC") and Wilshire Associates for a variety of other services. Due to these relationships, Eagle may have an incentive to recommend one adviser over another. However, as your IAR is not involved with these business relationships, your IAR does not have an incentive to recommend one adviser over another.

### **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

---

#### **A. CODE OF ETHICS PURSUANT TO SEC RULE 204A-1**

The Eagle Strategies Code of Ethics (the "Code") sets forth the standards of business conduct for Eagle personnel defined as "Supervised Persons" under SEC rules, and serves as an ethical blueprint for ensuring that all Eagle Clients are treated fairly. In general, Supervised Persons include IARs, staff members and New York Life employees who primarily work on Eagle business. The Code emphasizes the core values of the Eagle organization, Eagle's commitment to compliance with securities laws, and protection of material nonpublic information. The Code also sets forth ethical standards to which all Eagle IARs are expected to adhere, including but not limited to requirements to observe guidelines regarding fiduciary responsibilities and restrictions on the giving and receiving of gifts. In addition, certain individuals with access to Eagle account order or holdings data, defined as "Access Persons" are subject to additional requirements regarding personal trading noted below in Items 11C and 11D. The Code is one of the tools Eagle uses to mitigate some of the conflicts of interest set forth herein.

Eagle will provide a Code of Ethics to all Clients and prospective Clients upon written request to:

Eagle Strategies LLC  
Attn: Eagle Securities Standards  
51 Madison Avenue, Room 251  
New York, NY 10010

## **B. RECOMMENDATIONS INVOLVING SECURITIES IN WHICH EAGLE HAS A MATERIAL FINANCIAL INTEREST**

An Eagle financial plan does not recommend specific products. Nevertheless, we anticipate that our IARs may, in their capacity as sales representatives for New York Life and its affiliates, offer their products after presentation of a financial plan or other advisory service. The financial planning Client is free to decide whether to carry out any of the plan recommendations and is free to implement some or all the recommendations through New York Life and its sales force or through any other person or financial service institution they select.

For the programs described in this Brochure, an Eagle IAR or a third-party investment adviser may recommend a mutual fund or ETF that is managed by an Eagle affiliate.

## **C. CONFLICTS IN CONNECTION WITH PERSONAL TRADING**

From time to time an Eagle IAR or affiliate may:

- recommend to you, or buy or sell for your account, securities in which we, an IAR or an affiliate has a material financial interest;
- invest in the same securities (or related securities, such as warrants, options or futures) that we, an IAR or an affiliate recommends to you; or
- recommend securities to you, or buy or sell securities for your account, at or about the same time that we, an IAR or an affiliate, buys or sells the same securities for their own accounts.

A conflict could arise where an Eagle affiliate or IAR takes an action with a security that disadvantages a Client purchasing or selling the same security. Eagle does not coordinate advisory activities with its investment adviser affiliates. For IARs, The Code specifies personal securities transaction procedures designed to prevent unethical trading practices and includes prohibitions on trading on knowledge about Client transactions. We also monitor the personal trading activities of Access Persons to identify instances in which these policies may have been violated.

## **D. CONFLICTS IN CONNECTION WITH TIMING OF PERSONAL TRADING**

The Code specifies personal securities transaction procedures designed to prevent unethical trading practices. In addition, Eagle monitors the accounts of IARs and their staff, who are designated as Access Persons. This review utilizes certain criteria to identify if they trade in a covered security within seven days before or after an IAR's Client trades in the same security. A similar review is applied to Access Persons who are not IARs and staff, such as Home Office personnel. For this group, the review utilizes certain criteria to identify if they trade in a covered security within one day or seven days (depending on the individual's role) before or after any Client trades in the same security.

## Item 12 Brokerage Practices

---

### A. SELECTION OF BROKER-DEALERS

For the programs included in this brochure Eagle does not select a broker-dealer.

### B. BROKERAGE FOR CLIENT REFERRALS

We do not recommend broker-dealers based on Client referrals from third parties.

### C. DIRECTED BROKERAGE

Please refer to the disclosure documents provided by Program Sponsors for additional information on these relationships. Clients who hold securities in their accounts that are not managed by us or the Program Sponsor should refer to the applicable Program documentation for complete information on commissions charged to their account when other managers direct trades in securities.

Not all Program Sponsors require their Clients to direct brokerage. Please review the appropriate Program Sponsor's ADV Part 2 for non-LWP programs.

### D. AGGREGATION OF TRADES ACROSS MULTIPLE CLIENT ACCOUNTS

The Program Sponsors participating in the various programs may aggregate (or bundle) trades that are placed for different clients' accounts; you should refer to their respective disclosure brochures to learn more.

## Item 13 Review of Accounts

---

### A. PERIODIC REVIEWS

Your Eagle IAR will be available to consult with you at least annually to review your current financial situation, risk tolerance and time horizon, as well as to verify that your profile information is current and accurate and update any account restrictions. Financial planning Clients will generally not receive a periodic review of their financial plan; Clients wishing to update their financial plans will likely be required to request an update and pay an additional fee.

For Clients participating in the Eagle Retirement Plan Program, the periodic reviews will differ based on the practices of the outside adviser. Please refer to that adviser's Form ADV Part 2A for more information.

For the solicitor programs described in this Brochure, we monitor and conduct due diligence on the unaffiliated Advisers that are recommended to you by our IARs. Eagle or Envestnet|PMC, an unaffiliated

service provider selected by Eagle, evaluates the programs offered through our solicitor program. These programs have undergone a due diligence review and are monitored and reviewed by Eagle's Investment Committee, which includes representatives from Eagle's Product department, Eagle senior management and legal and compliance personnel. To continue to be offered, these programs must continue to perform in line with their stated mandates and must not be the subject of any outstanding material compliance or regulatory concerns. Eagle may, at times, increase the level and/or frequency of monitoring of Advisers available in the solicitor program.

In the solicitor program, your selected Adviser is responsible for managing your portfolio. While our IARs do not provide advisory services in the solicitor program, your IAR is available to consult with you at least annually to review your account, investment objectives, financial situation, risk tolerance, time horizon and any investment restrictions, and will communicate applicable changes to your selected Adviser. In addition, at your request, your IAR is available to coordinate meetings together with you and the Adviser to review your account's investment allocation, performance and fees.

On an annual basis, the Managing Partner who supervises the office to which your IAR is assigned, or another designated person within that office, reviews a sample of Eagle Client files for each IAR assigned to that office.

## **B. NON-PERIODIC REVIEWS**

In the event of a Client complaint or other concern, we will review relevant accounts.

## **C. REGULAR REPORTS PROVIDED TO CLIENTS**

Financial Planning Clients will receive no regular reports from us. If you wish, you can contract with us for our IAR to update the financial plan for an additional fee.

CP Clients will receive a Fi360 monitoring report from their IAR on a quarterly basis. EIMP Clients receive statement information from their record keeper.

All reports described above are written.

## Item 14 Client Referrals and Other Compensation

---

### **A. ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS**

We are a party to cash solicitation agreements with Brinker Capital and Frontier Asset Management, which are unaffiliated investment advisers ("Advisers"). We and our IARs receive compensation pursuant to these agreements for introducing Clients to these Advisers and for providing certain ongoing services. This compensation is typically equal to a percentage of the investment advisory fee charged by the Advisers (which, in turn, is based on the total assets being managed by the Advisers on a Client's behalf); such compensation will differ depending on the terms of the agreement between the Advisers and Eagle. This compensation is generally paid to us by the Advisers on a monthly or quarterly basis, depending on the Program, from which we pay a portion to the IAR. To the extent that one Adviser pays

Eagle (and thus, the IAR) a higher solicitor fee than the other to manage a given level of assets, the IAR has an incentive to recommend the higher paying Adviser over the other. Additional disclosure, including applicable Forms ADV and solicitor disclosure documents, will be provided to you at the time of solicitation in accordance with Rule 206(4)-3 under the Advisers Act.

Certain non-profit institutions compensate IARs for conducting seminars concerning charitable giving. If persons who have attended such seminars purchase products through the IARs to effect charitable gifts, the IARs will also receive compensation on the sale of Eagle advisory products or the sale of insurance, securities and annuity products. As the IARs are receiving compensation for conducting the seminars and for the sale of products to persons who elect to make charitable gifts, such arrangements create a conflict of interest. We address this conflict by disclosing it here and in the IAR's Form ADV Part 2B. Please see Item 5 (*Fees and Compensation*) above for additional information regarding conflicts of interest relating to fees and compensation.

You should be aware that the receipt of additional compensation itself creates a conflict of interest. We address this conflict through disclosure. Please see Item 5C (*Other Fees and Expenses*) for additional information.

## **B. COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS**

We do not currently have any referral arrangements involving non-advisory personnel.

### [Item 15 Custody](#)

---

Eagle does not have custody of any client assets for the Programs described in this brochure.

### [Item 16 Investment Discretion](#)

---

Program Sponsors and appointed sub-advisers exercise discretion over Client accounts. In these cases, you make a direct grant of discretion to the relevant sub-advisor. In all circumstances in which a Program Sponsor or a sub-adviser has discretion to trade your account, your funds are held with a qualified custodian, and you will receive appropriate reporting of all transactions in the account.

In certain limited instances, we may also permit an IAR to hold a power of attorney or act as a trustee over a family member's Eagle account, which also involve an IAR exercising discretionary authority over client assets.

### [Item 17 Voting Client Securities](#)

---

## **A. PROXY VOTING POLICIES AND PROCEDURES**

Eagle does not have authority to vote, and does not vote, proxies on Clients' behalf nor does it participate in any legal proceedings involving investments in Client accounts.

## **B. CLIENT VOTING OF SECURITIES**

Eagle does not have authority to vote, and does not vote, proxies on Clients' behalf nor does it participate in any legal proceedings involving or respond to corporate actions for investments in Client accounts. We also do not provide advice to Clients regarding their voting of proxies, responding to corporate actions or their participation in legal proceedings involving investments within their accounts, including, but not limited to, the filing of "Proofs of Claim" in class action settlements. You should not contact Eagle or IARs with questions about proxy solicitations or legal proceeding. Other investment advisers within the various Programs may vote proxies, respond to corporate actions, or participate in legal proceedings, where applicable, on your behalf. You are encouraged to review the applicable Program disclosure document and Client Services Agreement for further information.

## [Item 18 Financial Information](#)

---

### **A. BALANCE SHEET**

A copy of our most recent audited financial statement, including balance sheet, is attached.

### **B. FINANCIAL CONDITION**

We are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to you.

### **C. BANKRUPTCY PETITIONS DURING THE PAST TEN YEARS**

We have never filed a bankruptcy petition, nor have we ever been subject to an involuntary bankruptcy petition.

## [Item 19 Requirements for State-Registered Advisers](#)

---

Eagle is federally registered as an investment adviser with the Securities and Exchange Commission. It is not registered as an investment adviser in any state nor are we required to be.



**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Statement of Financial Condition**  
**December 31, 2017**

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Index**  
**December 31, 2017**

(In dollars)

---

|  | <b>Page(s)</b> |
|--|----------------|
| <b>Report of Independent Registered Public Accounting Firm .....</b> | <b>1</b>       |
| <b>Financial Statement</b>   |                |
| Statement of Financial Condition .....                               | 2              |
| Notes to Statement of Financial Condition.....                       | 3–8            |



## **Report of Independent Auditors**

To the Board of Managers of Eagle Strategies LLC

We have audited the accompanying statement of financial condition of Eagle Strategies LLC (the "Company") as of December 31, 2017.

### ***Management's Responsibility for the Statement of Financial Condition***

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a statement of financial condition that is free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the statement of financial condition based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the statement of financial condition, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the statement of financial condition in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of financial condition. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Eagle Strategies LLC as of December 31, 2017 in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

March 23, 2017

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

---

**Assets**

|                                       |                      |
|---------------------------------------|----------------------|
| Cash and cash equivalents             | \$ 16,577,357        |
| Investments                           | 31,495               |
| Financial planning fees receivable    | 308,292              |
| Wrap fees receivable                  | 652,500              |
| Receivable from NYLIFE Securities LLC | 439,050              |
| Prepaid expenses and other assets     | 143,624              |
| Prepaid commission expense            | 2,392,070            |
| Deferred tax asset                    | 1,945,792            |
| <b>Total assets</b>                   | <b>\$ 22,490,180</b> |

**Liabilities and Member's Equity**

|  |                      |
|--|----------------------|
| Commissions payable                          | \$ 856,134           |
| Deferred fee income                          | 2,993,532            |
| Deferred investment fee plan                 | 9,134,329            |
| Other liabilities                            | 3,201                |
| Federal income taxes payable                 | 14,034               |
| Payable to New York Life Insurance Company   | 348,930              |
| <b>Total liabilities</b>                     | <b>13,350,160</b>    |
| Total member's equity                        | 9,140,020            |
| <b>Total liabilities and member's equity</b> | <b>\$ 22,490,180</b> |

The accompanying notes are an integral part of this financial statement.

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Notes to Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

---

**1. Organization and Business**

Eagle Strategies LLC (the “Company”) is a wholly-owned subsidiary of NYLIFE LLC (a wholly-owned subsidiary of New York Life Insurance Company, “NYLIC”). The Company is a Registered Investment Adviser. The Company provides financial planning and investment advisory services to clients through associated financial advisors who are registered with NYLIFE Securities LLC (“Securities”), an affiliated broker-dealer and wholly-owned subsidiary of NYLIFE LLC.

**2. Basis of Presentation**

The accompanying financial statement has been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

**3. Summary of Significant Accounting Policies**

**Use of Estimates**

The preparation of this financial statement in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement. Actual results could differ from those estimates.

**Cash and cash equivalents**

Cash equivalents include investments that have remaining maturities of three months or less at date of purchase and are carried at fair value.

**Investments**

Investments primarily consist of money market funds, mutual funds and equity securities in a Lifetime Wealth Portfolio (“LWP”) managed account.

LWP is an investment advisory program, offered through the Company that provides professional money management by independent third party sub-advisors. The Company’s money market funds and mutual funds investments within the managed account are recorded at fair value. Investments carried at fair value are discussed in Note 4 Fair Value Measurement.

**Deferred Investment Fee Plan**

The Company maintains the Deferred Investment Fee Plan (“DIF Plan”) for Investment Adviser Representatives (“IARs”) of the Company, which is a non-qualified, unfunded plan that allows eligible financial advisors to defer a percentage of their wrap fee commissions. The Company records a liability for the deferrals and credited returns earned on the deferred investment fee plan liability on the Statement of Financial Condition.

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Notes to Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

---

**Financial Planning Fees Receivable**

Financial planning fees receivable are accrued when a financial planning contract is signed and reversed when fee payments are received.

A liability for financial planning fee income not yet earned is recorded in the deferred fee income account, with the corresponding commission paid on the deferred fee income recorded in the prepaid commission expense account.

**Wrap Fees Receivable**

Wrap fees receivable are generally computed as a percentage of the fair value of a client's portfolio under management and are accrued as earned.

**Business Succession Program**

The Company maintains a Business Succession Program for approved IAR's of the Company. The program allows a successor IAR ("Successor") to provide investment advisory services to clients of a senior IAR ("Senior") upon the Senior's retirement, disability or death with the Successor agreeing to pay the Senior a Succession Fee in five annual installments. The Company enters into a Loan and Security agreement with the Successor to finance the Succession Fee. The Successor repays the loan, with interest, using investment advisory fees from services that the Successor provides to the succeeded clients. Accordingly, the Company records an asset for the loan amount and accrued interest on the Statement of Financial Condition. As of December 31, 2017, there are no loans or accrued interest due to the Company.

**Income Taxes**

For U.S. federal income tax purposes, the Company is treated as a limited liability Company whose federal taxable income or loss flows through NYLIC, and is included in the group's U.S. federal consolidated income tax return. The consolidated income tax provision or benefit is allocated among the members of the group in accordance with a tax allocation agreement. The tax allocation agreement provides that the Company computes its income tax provision or benefit, in general, on a separate company basis and may, where applicable, include the tax benefits of operating or capital losses utilizable in NYLIC's consolidated returns. Intercompany tax balances are generally settled quarterly on an estimated basis with a final settlement within 30 days of the filing of the consolidated return. Current federal income taxes are charged or credited to operations based upon amounts estimated to be payable or recoverable as a result of taxable operations for the current year and any adjustments to such estimates from prior years.

State and local tax returns are generally filed separately. In those cases where the Company's results are included with NYLIC's state tax filings, the Company is charged or credited for state taxes paid by NYLIC only to the extent that the Company's income/loss increases or reduces NYLIC's state tax liability. However, in years where NYLIC's own income level requires it to pay a flat state tax and the Company's income/loss does not affect NYLIC's state tax liability, no state tax liability or benefit is allocated to the Company pursuant to the tax allocation agreement.

Deferred federal income tax assets and liabilities are recognized for expected future tax consequences of temporary differences between GAAP and taxable income. Temporary differences are identified and measured using a balance sheet approach whereby GAAP and tax balance sheets are compared. Deferred income taxes are generally recognized based on enacted

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Notes to Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

---

tax rates and a valuation allowance is recorded if it is more likely than not any portion of the deferred tax asset will not be realized.

The Company determines whether it is more likely than not that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. The amount of tax benefit recognized for an uncertain tax position is the largest amount of benefit that is greater than fifty percent likely of being realized upon settlement. Unrecognized tax benefits are included within other liabilities, and are charged to earnings in the period that such determination is made.

**Accrued Litigation Expense**

Litigation expenses are accrued when they become probable and estimable. There are no settlements and legal costs for pending matters at December 31, 2017.

**Guarantees**

Under the business succession program, the Company acts as guarantor with respect to a Successor's obligation to pay succession fees up to the total maximum amount and the annual maximum amounts set forth in the Loan and Security agreement between Successor and Senior.

At December 31, 2017, the Company had no recorded liabilities with this guarantee. Under current Loan and Security Agreements, the Company could be liable for guaranteeing \$29,844 of succession fees in future years.

**Business Risks and Uncertainties**

Weak market performance may adversely affect the Company's investment offerings and cause potential purchasers of these offerings to refrain from new or additional investments, and may cause current investors to withdraw from the market or reduce their rates of ongoing investment. Poor market performance may affect the value of the assets under management in clients' managed accounts. Changes in the regulatory environment may also adversely affect the Company's investment offerings. These factors could impact the financial condition of the Company.

The Company relies on computer systems to conduct business, including customer service, customer relationship management and producing financial statements. While the Company has policies, procedures, automation and backup plans and facilities designed to prevent or limit the effect of failure; its computer systems may be vulnerable to disruptions or breaches as the result of natural disasters, man-made disasters, criminal activity, pandemics, transaction errors by registered representatives or personnel, or other events beyond its control. The failure of the Company's computer systems for any reason could disrupt its operations, result in the loss of customer business and adversely impact its profitability.

**4. Fair Value Measurement**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The authoritative guidance around fair value establishes a framework for measuring fair value that includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three levels. The level in the fair

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Notes to Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement.

The three levels of the fair value hierarchy based on the inputs to the valuation are as follows:

- Level 1 Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market. Active markets are defined as a market which many transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 Fair value is based on observable inputs, other than Level 1 inputs, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other model driven inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Valuations are generally obtained from third-party pricing services for identical or comparable assets or through the use of valuation methodologies using observable market inputs.
- Level 3 Instruments whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions in pricing the asset or liability.

The following table represents the balances of assets measured at fair value on a recurring basis as of December 31, 2017:

|                               | <b>Quoted Prices in<br/>Active Markets<br/>for Identical<br/>Assets<br/>(Level 1)</b> | <b>Significant<br/>Observable<br/>Inputs<br/>(Level 2)</b> | <b>Significant<br/>Unobservable<br/>Inputs<br/>(Level 3)</b> | <b>Total</b>         |
|-------------------------------|---|--|--|----------------------|
| <b>Cash equivalents</b>       |   |  |  |                      |
| Money market funds            | \$ 16,526,226   | \$ -   | \$ -   | \$ 16,526,226        |
| <b>Total cash equivalents</b> | <b>\$ 16,526,226</b>  | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ 16,526,226</b> |
| <b>Investments</b>            |   |  |  |                      |
| Money market funds            | \$ 7,975  | \$ -   | \$ -   | \$ 7,975             |
| Mutual funds                  | 22,413  |  |  | 22,413               |
| Equity securities             | 1,107   | -  | -  | 1,107                |
| <b>Total investments</b>      | <b>\$ 31,495</b>  | <b>\$ -</b>  | <b>\$ -</b>  | <b>\$ 31,495</b>     |



**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Notes to Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

---

**Determination of Fair Values**

The following is a description of the valuation methodologies used to determine fair value, as well as the general classification of such instruments pursuant to the fair value hierarchy.

**Cash Equivalents**

Cash equivalents include money market funds. Money market funds fair value is based on unadjusted quoted prices in active markets and they are classified as Level 1.

**Investments**

Investments carried at fair value include money market funds, mutual funds, and equity securities held in a managed account. Money market funds fair value is based on unadjusted quoted prices in active markets and are classified as Level 1. Mutual funds fair value is based on quoted daily net asset values and are classified as Level 1. Equity securities fair value is based on unadjusted quoted prices in active markets and are classified as Level 1.

**Transfers Between Levels**

Transfers between levels may occur due to changes in valuation sources, or changes in the availability of market observable inputs, which generally are caused by changes in market conditions such as liquidity, trading volume or bid-ask spreads. The Company's policy is to assume the transfer occurs at the beginning of the period. During the year ended December 31, 2017, there were no transfers between levels.

**5. Related Party Transactions**

The Company, under a service agreement with Securities is billed by Securities for separately identifiable brokerage services, including clearing and custody services, provided to the Company through Securities' nonaffiliated clearing broker in connection with the Company's investment advisory programs. At December 31, 2017, there is a net receivable related to brokerage services with Securities of \$439,050.

The Company is party to a service agreement with NYLIC whereby NYLIC provides services to the Company. The Company is charged for certain services based upon separately identifiable actual costs incurred. The services include personnel, office space, other services, administrative and professional fees. Also pursuant to the service agreement with NYLIC, the Company is charged administrative expenses from NYLIC which are specifically identifiable to the Company or allocated by NYLIC principally through analyses of time spent on matters relating to the Company or pursuant to agreed upon formulas.

**Eagle Strategies LLC**  
(An affiliate of New York Life Insurance Company)  
**Notes to Statement of Financial Condition**  
**December 31, 2017**

(In dollars)

---

**6. Income Taxes**

Pursuant to the tax allocation agreement (see Note 3 Significant Accounting Policies), as of December 31, 2017 the Company had a net income tax payable of \$14,034.

On December 22, 2017, tax reform legislation known as The Tax Cuts and Jobs Act (the "TCJA") was enacted into law in the U.S. The TCJA includes various changes to the tax law, including a permanent reduction in the corporate federal income tax rate from 35% to 21% effective January 1, 2018. Income tax effects resulting from changes in tax laws are accounted for by the Company in accordance with the authoritative guidance, which requires that these tax effects be recognized in the period in which the law is enacted and the effects are recorded as a component of provision for income taxes from continuing operations. As a result, the Company recognized the effects of the changes in the tax rate and laws resulting from the TCJA for the year ended December 31, 2017.

Deferred income taxes are generally recognized, based on enacted tax rates, when assets and liabilities have different values for financial statement and tax purposes.

The components of the net deferred tax asset reported as of December 31, 2017 are attributable to the following temporary differences:

|                            |                     |
|----------------------------|---------------------|
| <b>Deferred tax assets</b> |                     |
| Depreciation               | \$ 27,583           |
| Deferred compensation      | <u>1,918,209</u>    |
| Deferred tax asset         | <u>\$ 1,945,792</u> |

As of December 31, 2017, the Company has no federal net operating or capital loss carryforwards as they were fully utilized in the consolidated federal income tax return with NYLIC.

A valuation allowance against the deferred tax asset established at the date of the Statement of Financial Condition is not considered necessary because it is more likely than not the deferred tax asset will be realized under the tax allocation agreement.

As a member of NYLIC's consolidated group, the Company's federal income tax returns are routinely audited by the Internal Revenue Service ("IRS") and provisions are made in the financial statements in anticipation of the results of these audits. The IRS has completed audits through 2010 and tax years 2011 through 2013 are currently with the IRS. The Company believes that its recorded income tax liabilities are adequate for all open years.

The Company did not have any uncertain tax positions as of December 31, 2017.

**7. Subsequent Events**

The Company has performed an evaluation of events that have occurred subsequent to December 31, 2017, and through March 23, 2018, the date of the filing of this report. There have been no material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the financial statements as of December 31, 2017.