# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2020**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

**A** This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
KESTRA FINANCIAL, INC. 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 08/05/2016

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
KESTRA FINANCIAL, INC.

5707 SOUTHWEST PARKWAY
BLDG. 2, STE. 400
AUSTIN, TX 78735

**2b** Employer Identification Number (EIN) 47-1566880

**2c** Plan Sponsor's telephone number 844-559-7872

**2d** Business code (see instructions) 523110

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature. | 10/14/2021 | BREDT NORWOOD |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address [X] Same as Plan Sponsor

**3b** Administrator's EIN

**3c** Administrator's telephone number

**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
**a** Sponsor's name
**c** Plan Name

**4b** EIN

**4d** PN

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | **5** | 601 |
| **6** Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** Total number of active participants at the beginning of the plan year | **6a(1)** | 535 |
| **a(2)** Total number of active participants at the end of the plan year | **6a(2)** | 588 |
| **b** Retired or separated participants receiving benefits | **6b** | 0 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 73 |
| **d** Subtotal. Add lines **6a(2)**, **6b**, and **6c** | **6d** | 661 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 1 |
| **f** Total. Add lines **6d** and **6e** | **6f** | 662 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 531 |
| **h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 21 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2G 2J 2K 2R 2T 3D

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [ ] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**9b** Plan benefit arrangement (check all that apply)

| | | |
|---|---|---|
| **(1)** | [ ] | Insurance |
| **(2)** | [ ] | Code section 412(e)(3) insurance contracts |
| **(3)** | [X] | Trust |
| **(4)** | [ ] | General assets of the sponsor |

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

| | | |
|---|---|---|
| **(1)** | [X] | **R** (Retirement Plan Information) |
| **(2)** | [ ] | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | [ ] | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

| | | | |
|---|---|---|---|
| **(1)** | [X] | | **H** (Financial Information) |
| **(2)** | [ ] | | **I** (Financial Information – Small Plan) |
| **(3)** | [ ] | 0 | **A** (Insurance Information) |
| **(4)** | [X] | | **C** (Service Provider Information) |
| **(5)** | [X] | | **D** (DFE/Participating Plan Information) |
| **(6)** | [ ] | | **G** (Financial Transaction Schedules) |

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2020 Form M-1 annual report. If the plan was not required to file the 2020 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

| SCHEDULE C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2020**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

**A** Name of plan
KESTRA FINANCIAL, INC. 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
KESTRA FINANCIAL, INC.

**D** Employer Identification Number (EIN)
47-1566880

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

CHARLES SCHWAB & CO. INC. AND AFFIL

94-1737782

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

SCHWAB RETIREMENT PLAN SERVICES INC

34-1479833

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 15 50 64 | NONE | 67325 | Yes [ ] No [X] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

CHARLES SCHWAB & CO., INC.

94-1737782

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 33 50 59 62 71 | NONE | 454 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

**(a)** Enter name and EIN or address (see instructions)

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes [ ] No [ ] | Yes [ ] No [ ] | | Yes [ ] No [ ] |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

| **(b)** Service Code(s) | **(c)** Relationship to employer, employee organization, or person known to be a party-in-interest | **(d)** Enter direct compensation paid by the plan. If none, enter -0-. | **(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | **(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | **(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | **(h)** Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| | | | Yes ☐ No ☐ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| CHARLES SCHWAB & CO. INC. AND AFFIL | 59 | 0 |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| SEE ATTACHMENT<br><br>13-2665689 | SEE ATTACHMENT |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **Part III** | **Termination Information on Accountants and Enrolled Actuaries (see instructions)**<br>(complete as many entries as needed) |
|---|---|

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2020**

**This Form is Open to Public Inspection.**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

**A** Name of plan
KESTRA FINANCIAL, INC. 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
KESTRA FINANCIAL, INC.

**D** Employer Identification Number (EIN)
47-1566880

**Part I** **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMIGTN TR CIT FXP IND+ AGG RET FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-2836296-225 | C | 106011 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMGT TR CIT FXP IDX+ CONS 2025 FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-2961375-230 | C | 70120 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMGTN TR CIT FXP IDX+ AGG 2025 FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-2935740-228 | C | 1195157 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMGTN TR CIT FXP IDX+ AGG 2035 FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-2987118-231 | C | 861052 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMGTN TR CIT FXP IDX+ AGG 2045 FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-3026996-234 | C | 2358008 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMGTN TR CIT FXP IDX+ AGG 2055 FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-3170652-237 | C | 816772 |

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WILMGTN TR CIT FXP IDX+ CON 2035 FD

**b** Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|
| 47-3018134-233 | C | 402547 |

| | | | |
|---|---|---|---|
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ CON 2045 FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-3144367-236 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 81840 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ CON 2055 FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-3216409-239 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 49368 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGT TR CIT FXP IND+ CONS RET FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-2916729-227 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 92822 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ MOD 2025 FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-2950747-229 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 2369701 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ MOD 2045 FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-3071639-235 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 2142912 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ MOD 2055 FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-3188067-238 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 633182 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ MOD RET FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-2851418-226 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 1117432 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | WILMGTN TR CIT FXP IDX+ MOD 2035 FD | | |
| **b** Name of sponsor of entity listed in (a): | WILMINGTON TRUST, N.A. | | |
| **c** EIN-PN 47-3002484-232 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 1554037 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | MORLEY STABLE VALUE FUND | | |
| **b** Name of sponsor of entity listed in (a): | PRINCIPAL GLOBAL INVESTORS TRUST COMPANY | | |
| **c** EIN-PN 93-6274329-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 2986682 |
| **a** Name of MTIA, CCT, PSA, or 103-12 IE: | VFTC RETIREMENT SAVINGS TRUST II | | |
| **b** Name of sponsor of entity listed in (a): | VANGUARD FIDUCIARY TRUST COMPANY | | |
| **c** EIN-PN 45-5455475-023 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) | 0 |

**Part II** **Information on Participating Plans (to be completed by DFEs)**
(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2020**

**This Form is Open to Public Inspection**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

**A** Name of plan
KESTRA FINANCIAL, INC. 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
KESTRA FINANCIAL, INC.

**D** Employer Identification Number (EIN)
47-1566880

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 55104 | 161694 |
| **(2)** Participant contributions | 1b(2) | 0 | 121039 |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 803527 | 714903 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 15625567 | 16837643 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 16780399 | 23009118 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 6780362 | 8800026 |

| | | | **(a)** Beginning of Year | **(b)** End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 40044959 | 49644423 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 40044959 | 49644423 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| | **Income** | | **(a)** Amount | **(b)** Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 1308819 | |
| | **(B)** Participants | 2a(1)(B) | 4136304 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 1654592 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 7099715 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | 39926 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 39926 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 529046 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 529046 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | 1612446 |
| **(7)** Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| **(8)** Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| **(9)** Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| **(10)** Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 3224046 |
| **c** Other income | 2c | | 1194349 |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 13699528 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 4022973 | |
| **(2)** To insurance carriers for the provision of benefits | 2e(2) | | |
| **(3)** Other | 2e(3) | | |
| **(4)** Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 4022973 |
| **f** Corrective distributions (see instructions) | 2f | | 3244 |
| **g** Certain deemed distributions of participant loans (see instructions) | 2g | | |
| **h** Interest expense | 2h | | |
| **i** Administrative expenses: **(1)** Professional fees | 2i(1) | | |
| **(2)** Contract administrator fees | 2i(2) | | |
| **(3)** Investment advisory and management fees | 2i(3) | 6522 | |
| **(4)** Other | 2i(4) | 67325 | |
| **(5)** Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 73847 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 4100064 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | 9599464 |
| **l** Transfers of assets: | | | |
| **(1)** To this plan | 2l(1) | | |
| **(2)** From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [ ] Unmodified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

**b** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

**(1)** [X] DOL Regulation 2520.103-8 **(2)** [X] DOL Regulation 2520.103-12(d) **(3)** [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: BAKER TILLY VIRCHOW KRAUSE, LLP **(2)** EIN: 39-0859910

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| **b** | Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** | Was this plan covered by a fidelity bond? | **4e** | X | | 20000000 |
| **f** | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | X | | |
| **j** | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | **4j** | | X | |
| **k** | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** | Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | X | |
| **n** | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | **4n** | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☐ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**5c** Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

# SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2020**

**This Form is Open to Public Inspection.**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

**A** Name of plan
KESTRA FINANCIAL, INC. 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
KESTRA FINANCIAL, INC.

**D** Employer Identification Number (EIN)
47-1566880

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 82-3967259

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

## Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

**14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

| | | |
|---|---|---|
| **a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment) | **14a** | |
| **b** The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14b** | |
| **c** The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14c** | |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | |
| **b** The corresponding number for the second preceding plan year | **15b** | |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**20** **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____

# Kestra Financial, Inc.
# 401(k) Plan

*Financial Statements and*
*Supplemental Schedule with*
*Independent Auditors' Report*

December 31, 2020 and 2019

bakertilly

# KESTRA FINANCIAL, INC. 401(K) PLAN

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Note: Supplemental schedules, other than those listed above, are omitted because of the absence of conditions under which they are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

# INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of
Kestra Financial, Inc. 401(k) Plan:

We were engaged to audit the accompanying financial statements of Kestra Financial, Inc. 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

## Management's Responsibility for the Financial Statements

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

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Charles Schwab Bank and Charles Schwab Trust Bank, (collectively, the "Trustees" of the Plan), except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that Charles Schwab Trust Bank holds the Plan's investment assets and executes investments transactions as of December 31, 2020 and for the year ended December 31, 2020, and Charles Schwab Bank held the Plan's investment assets and executed investment transactions as of December 31, 2019. The Plan Administrator has obtained certifications from the Trustees as of December 31, 2020 and 2019, and for the year ended December 31, 2020, that the information provided to the Plan Administrator by the Trustees is complete and accurate.

## Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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**Other Matter – Supplemental Schedule**

The supplemental schedule of Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2020, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Baker Tilly US, LLP

**BAKER TILLY US, LLP**
Plano, Texas
October 13, 2021

# KESTRA FINANCIAL, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2020 AND 2019

| | 2020 | 2019 |
|---|---|---|
| **Assets** | | |
| Investments, at fair value: | | |
| Mutual funds of registered investment companies | $ 23,009,118 | $ 16,780,399 |
| Self directed brokerage accounts | 8,800,026 | 6,780,362 |
| Total investments, at fair value | 31,809,144 | 23,560,761 |
| Common collective trusts | 16,837,643 | 15,625,567 |
| Total investments | 48,646,787 | 39,186,328 |
| Receivables: | | |
| Participant contributions | 121,039 | - |
| Company contributions | 161,694 | 55,104 |
| Total receivables | 282,733 | 55,104 |
| Notes receivable from participants | 714,903 | 803,527 |
| Net assets available for benefits | $ 49,644,423 | $ 40,044,959 |

The accompanying notes are an integral part of these financial statements.

# KESTRA FINANCIAL, INC. 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2020

| | | |
|---|---|---|
| **Additions to net assets available for benefits attributed to:** | | |
| Investment income: | | |
| Interest and dividends | $ | 529,046 |
| Net appreciation of fair value of investments | | 6,024,319 |
| Total investment income | | 6,553,365 |
| Interest income on notes receivable from participants | | 39,926 |
| Contributions: | | |
| Participants | | 4,136,304 |
| Company, net | | 1,308,819 |
| Rollovers | | 1,654,592 |
| Total contributions | | 7,099,715 |
| Total additions | | 13,693,006 |
| **Deductions from net assets available for benefits attributed to:** | | |
| Benefits paid to participants | | 4,026,217 |
| Administrative expenses | | 67,325 |
| Total deductions | | 4,093,542 |
| Net increase in net assets available for benefits | | 9,599,464 |
| **Net assets available for benefits:** | | |
| Beginning of year | | 40,044,959 |
| End of year | $ | 49,644,423 |

The accompanying notes are an integral part of these financial statements.

# 1 – DESCRIPTION OF PLAN

## GENERAL

Kestra Financial, Inc. 401(k) Plan (the "Plan") is a defined contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan was established on August 5, 2016, covering substantially all employees of Kestra Financial, Inc., (the "Company" or "Plan Administrator"). Charles Schwab Trust Bank as of December 31, 2020, and for the year ended December 31, 2020, and Charles Schwab Bank as of December 31, 2019, serve as the trustees ("Trustees"). Schwab Retirement Plan Services, Inc. ("SRPS") has been retained to provide recordkeeping services for the Plan. The following description provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

## ELIGIBILITY AND PARTICIPANT ACCOUNTS

The Plan covers all full-time employees, except union employees, non-resident aliens, and leased employees. Part-time and temporary employees must work at least 1,000 hours to become eligible. Employees become eligible for participation on the first day of the month upon reaching the age of twenty-one and upon completion of three months of service. Subject to certain limitations on annual additions, each participant's account is credited with employee elective deferrals, Company discretionary contributions, and an allocation of Plan earnings or losses, and charged with certain administrative expenses.

## CONTRIBUTIONS

The Plan is funded through employee elective deferrals and Company contributions. A participant may elect to contribute a portion of his or her pretax or after-tax (Roth) compensation from 1% to 100%, subject to certain maximum limitations imposed by the Internal Revenue Code ("IRC") ($19,500 for 2020). Employees who are eligible to make elective deferrals under the Plan and who have attained the age of fifty before the close of the Plan year are also eligible to make catch-up contributions subject to the maximum limitation imposed by the IRC ($6,500 for 2020). Rollover contributions representing distributions from other qualified defined benefit or defined contribution plans are permitted and may be contributed prior to meeting the eligibility requirements for participation in the Plan.

The Plan allows for Company discretionary matching contributions in amounts to be determined by the Company. For the year ended December 31, 2020, the Company elected to contribute a matching contribution in the amount of 50% of participant elective deferrals up to 6% of a participant's eligible compensation.

## 1 – DESCRIPTION OF PLAN, CONTINUED

### BENEFITS PAID TO PARTICIPANTS

Participants may withdraw amounts from their account equal to their vested account balance for reasons of disability, retirement, death (withdrawn by participant's estate), or termination. Participants may also make hardship withdrawals on the balance of their account related to their elective deferral contributions.

For vested account balances greater than $5,000, participants may elect a distribution in the form of a single lump sum payment. Upon termination, vested account balances less than $5,000 may be distributed to the applicable terminated participant within a reasonable time after terminating employment or rolled over to an individual retirement account selected by the Plan Administrator.

### INVESTMENT OPTIONS

The Plan provides for contributions to be invested by the participants among a variety of mutual funds of registered investment companies, self-directed brokerage accounts, and common collective trusts in accordance with participant investment elections and the provisions of the trust agreement. Participants should refer to the Plan website for additional fund information.

### VESTING

Participants are immediately vested in elective deferrals and rollover contributions plus actual earnings, thereon. Vesting in the Company's discretionary contributions, plus actual earnings thereon, is based on years of continuous service. Participants vest 33% per year beginning after one year of qualified service and are 100% vested after three years of qualified service or upon occurrence of the participant's retirement, death, or disability, as defined by the Plan document.

### FORFEITURES

Forfeitures of terminated participants' non-vested accounts are used to reduce Company contributions. As of December 31, 2020 and 2019, there were forfeitures of $38,194 and $28,441 available, respectively. For the year ended December 31, 2020, forfeitures in the amount of $72,811 were used to reduce Company matching contributions.

### NOTES RECEIVABLE FROM PARTICIPANTS

Borrowings are available to all participants. Notes receivable from participants are limited to a minimum of $1,000 up to a maximum of the lesser of $50,000 or 50% of their vested account balance, subject to certain restrictions as defined by the Internal Revenue Service ("IRS"). Note terms range from one to five years, unless for the purchase of a primary residence, in which case the Plan Administrator may permit a longer repayment term of up to thirty years. The notes receivable from participants are secured by the vested balance in the participant's account and bear a reasonable interest rate, as determined by the Plan Administrator. Repayments are made through payroll deductions and are reinvested in the participant accounts according to individual investment elections. As of December 31, 2020, notes receivable from participants have interest rates ranging from 4.25% to 7.75%, and maturity dates ranging from January 2021 through December 2049. Notes receivable from participants as of December 31, 2019, have interest rates ranging from 4.25% to 7.75%, and maturity dates ranging from March 2020 through December 2049.

## 1 – DESCRIPTION OF PLAN, CONTINUED

### ADMINISTRATIVE EXPENSES

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of benefits paid to participants and notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

### PLAN TERMINATION

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan subject to the provisions of ERISA. In the event the Plan is terminated, each of the participants will have a non-forfeitable, 100% vested interest in his or her account balance, including all Company contributions, subject to payment of liquidation costs and expenses.

## 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

The financial statements have been prepared under the accrual method, in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP").

### ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with U.S. GAAP requires the Plan's management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, changes therein, and associated disclosures. Accordingly, actual results may vary from the estimates used in preparing the accompanying financial statements.

### BENEFITS

Benefits are recorded when paid.

### INVESTMENT VALUATION AND INCOME RECOGNITION

Investments are reported at fair value. Fair value is 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. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The income or loss earned on participant accounts is allocated on a daily basis using the previous day's ending account balance. Net appreciation (depreciation) of fair value of investments includes the Plan's gains and losses on the investments bought and sold, as well as, held during the year.

## 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

### NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon terms of the Plan document or note policy of the Plan.

### RECENT ACCOUNTING PRONOUNCEMENTS

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2018-13, Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement. ASU No. 2018-13 modifies the disclosure requirements for fair value measurements in Topic 820, Fair Value Measurement. The amendments are based on the concepts in the FASB Concepts Statement, Conceptual Framework for Financial Reporting—Chapter 8: Notes to Financial Statements, which the Board finalized on August 28, 2018. ASU No. 2018-13 is effective for fiscal years beginning after December 15, 2019. The Plan's adoption of this pronouncement did not have a material impact to the Plan.

## 3 – FAIR VALUE MEASUREMENTS

### INVESTMENT VALUATION AND LEVELING

FASB Accounting Standards Codification ("ASC") Topic 820 for Fair Value Measurements and Disclosures provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 Significant observable inputs other than quoted prices in active markets for which inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

## 3 – FAIR VALUE MEASUREMENTS, CONTINUED

### INVESTMENT VALUATION AND LEVELING, CONTINUED

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

In establishing a fair value hierarchy for the Plan's investments in accordance with ASC 820, the following value methodologies were used for each type of investment:

*Mutual funds of registered investment companies*: Valued at quoted market prices which represent the net asset value ("NAV") of shares held by the Plan at year end.

*Self-directed brokerage accounts*: Valued at NAV or quoted market prices of mutual funds of registered investment companies or stock shares held by the brokerage funds at yearend.

*Common collective trusts*: Valued at NAV of units of the common collective trust. The NAV, as provided by the Trustees, is used as a practical expedient to estimating fair value. The NAV is based upon the fair value of the underlying investments comprising the trust less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. There were no unfunded commitments as of December 31, 2020 and 2019. The redemption frequency for each investment is daily, with the exception of the Morley Stable Value Fund, which is 30 days. The redemption notice period is 5 days for all investments, with the exception of the Morley Stable Value Fund, which is 12 months.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The Plan believes its valuation methods are appropriate and consistent with other market participants; even so, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2020:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds of registered investment companies | $23,009,118 | $ - | $ - | $23,009,118 |
| Self directed brokerage accounts | 8,800,026 | - | - | 8,800,026 |
| Total investment assets in fair value hierarchy | 31,809,144 | - | - | 31,809,144 |
| Investments measured at net asset value (1) | | | | |
| Common collective trusts | | | | 16,837,643 |
| Total investments, at fair value | | | | $48,646,787 |

## 3 – FAIR VALUE MEASUREMENTS, CONTINUED

### INVESTMENT VALUATION AND LEVELING, CONTINUED

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2019:

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Mutual funds of registered investment companies | $16,780,399 | $ - | $ - | $16,780,399 |
| Self directed brokerage accounts | 6,780,362 | - | - | 6,780,362 |
| Total investment assets in fair value hierarchy | 23,560,761 | - | - | 23,560,761 |
| Investments measured at net asset value (1) | | | | |
| Common collective trusts | | | | 15,625,567 |
| Total investments, at fair value | | | | $39,186,328 |

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the net assets.

## 4 – FINANCIAL INFORMATION CERTIFIED BY THE PLAN'S TRUSTEES (UNAUDITED)

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustees, of the Plan, have certified to the completeness and accuracy of all investments reported in the accompanying Statements of Net Assets Available for Benefits as of December 31, 2020 and 2019, and the supplemental Schedule H, Line 4(i) – Schedule of Assets (held at End of Year) as of December 31, 2020, and the related investment activity reported in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2020.

## 5 – RISKS AND UNCERTAINTIES

Investment securities are exposed to various risks, such as interest rate, concentration, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of the investments will occur in the near term and that such changes could materially affect participant account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

## 6 – PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by the Trustees; and therefore, these transactions qualify as party-in-interest transactions. The Plan issues notes receivable to participants, which are secured by the participant's account balances. These transactions also qualify as party-in-interest transactions. Certain administrative functions of the Plan are performed by an officer or employees of the Company. No such officer or employee receives compensation from the Plan.

## 7 – TAX STATUS OF THE PLAN

The Plan is based on a prototype plan developed by Schwab Retirement Plan Services, Inc., which received a favorable opinion letter dated June 19, 2014, from the IRS stating that the prototype plan constitutes a qualified plan under Section 401 of the IRC. The Company believes the Plan, as adopted and amended, is operating within the guidelines of the IRC, and continues to be tax exempt. Accordingly, no provision for federal income taxes has been provided in the accompanying financial statements.

U.S. GAAP requires the Plan Administrator to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the DOL or IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

## 8 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

There are no material reconciling items between the net assets reported in the audited financial statements and the Schedule H of the Form 5500 as of and for the year ended December 31, 2020.

## 9 – SUBSEQUENT EVENTS

In accordance with FASB ASC 855, "Subsequent Events," the Plan has evaluated events or transactions occurring after December 31, 2020, the Statement of Net Assets Available for Benefits date, through October 13, 2021, the date the financial statements were issued, and determined there were no events that would impact the financial statements as of and for the year ended December 31, 2020; except as disclosed below:

Effective September 13, 2021, the Plan approved a resolution to adopt certain provisions of the American Taxpayer Relief Act of 2021 and will now allow in-plan roth rollovers.

# SUPPLEMENTAL SCHEDULE

# KESTRA FINANCIAL, INC. 401(K) PLAN

EIN #47-1566880, PLAN NUMBER 001

SCHEDULE H, LINE 4I – SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2020

| (a) | (b) Identity of issuer, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par or maturity value | (e) Current Value |
|---|---|---|---|
| | **Mutual funds of registered investment companies:** | | |
| | State Street | Ishares S&P 500 Index K | $ 5,772,810 |
| | New York Life | Mainstay Large Cap Growth R6 | 3,711,025 |
| | American Funds | Europacific Growth R6 | 3,024,225 |
| | Ishares | Ishares RSSLL 2000 SMCP Index k | 1,945,599 |
| | John Hancock | John Hancock Disc Valur R6 | 1,789,143 |
| | BlackRock | Ishares US Aggregate Bond Index K | 1,725,859 |
| | Wells Fargo | WF Small Company Growth Instl | 1,561,728 |
| | JPMorgan | JPMorgan Small Cap Growth R6 | 1,544,410 |
| | BlackRock | Ishares MSCI Total Intl Index K | 844,119 |
| | DoubleLine | Doubleline Core Fixed Income I | 768,991 |
| | Massachusetts Financial Services Company | MFS Mid Cap Growth Fund R6 | 161,954 |
| | American Century Investments | AMCENT Mid Cap Value R6 | 87,407 |
| | Ishares | Ishares Russell Midcap Index K | 71,848 |
| | **Total mutual funds of registered investment companies** | | **23,009,118** |
| | **Common collective trusts:** | | |
| | Principal Global Investors Trust Company | Morley Stable Value Fund | 2,986,682 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Moderate 2025 Fund | 2,369,701 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Aggressive 2045 Fund | 2,358,008 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Moderate 2045 Fund | 2,142,912 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Moderate 2034 Fund | 1,554,037 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Aggressive 2025 Fund | 1,195,157 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Moderate Retirement Fund | 1,117,432 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Aggressive 2035 Fund | 861,052 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Aggressive 2055 Fund | 816,772 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Moderate 2055 Fund | 633,182 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Conservative 2035 Fund | 402,547 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Aggressive Retirement Fund | 106,011 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Conservative Retirement Fund | 92,822 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Conservative 2045 Fund | 81,840 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Conservative 2025 Fund | 70,120 |
| | Wilmington Trust, N.A. | Wilmington Trust FlexPath Index Conservative 2055 Fund | 49,368 |
| | **Total common collective trusts** | | **16,837,643** |
| | **Self-directed brokerage accounts:** | | |
| * | Charles Schwab Bank | Self-directed brokerage accounts | **8,800,026** |
| * | **Plan participants** | Participant loans with interest rates ranging from 4.25% to 7.75% due at various dates from January 2021 through December 2049. | **714,903** |
| | **Total** | | **$ 49,361,690** |

* A party-in-interest as defined by ERISA.

Column (d) cost information omitted for participant-directed investments.

**Kestra Financial, Inc. 401(k) Plan**
**Schedule C, Part I, Line 3 - Service Provider Indirect Compensation Information**
**December 31, 2020**

**EIN: 47-1566880**
**Plan Number: 001**

**Received By Charles Schwab & Co., Inc. (EIN: 94-1737782)**

| Fund Family/Provider | EIN | Formula |
|---|---|---|
| Al Frank | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Alger | 13-2665689 | Rate of 0.40% of average daily balance of asset(s) |
| Allianz Funds | 06-1349805 | Rate of 0.40% of average daily balance of asset(s) |
| American Century Investments | 43-0821857 | Rate of 0.35% of average daily balance of asset(s) |
| American Funds | 90-0924512 | Rate of 0.37% of average daily balance of asset(s) |
| AQR Funds | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Artisan | 39-1811840 | Rate of 0.40% of average daily balance of asset(s) |
| BlackRock | 04-6171663 | Rate of 0.40% of average daily balance of asset(s) |
| BMO Funds | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Carillon Family of Funds | 59-1237041 | Rate of 0.50% of average daily balance of asset(s) |
| Catalyst Mutual Funds | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Columbia Threadneedle | 93-0577450 | Rate of 0.50% of average daily balance of asset(s) |
| Diamond Hill Funds | 31-6547095 | Rate of 0.40% of average daily balance of asset(s) |
| DoubleLine | Not Available | Rate of 0.15% of average daily balance of asset(s) |
| Federated | 25-1111467 | Rate of 0.40% of average daily balance of asset(s) |
| First Eagle | 13-3392291 | Rate of 0.40% of average daily balance of asset(s) |
| Franklin Templeton Investments | 94-3167260 | Rate of 0.40% of average daily balance of asset(s) |
| Harding Loevner | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Hartford Mutual Funds | 13-3317783 | Rate of 0.40% of average daily balance of asset(s) |
| Janus Henderson | 43-1804048 | Rate of 0.35% of average daily balance of asset(s) |
| JPMorgan | 13-2624428 | Rate of 0.50% of average daily balance of asset(s) |
| Laudus Funds | 94-3106735 | Rate of 0.10% of average daily balance of asset(s) |
| Lord Abbett | 13-3731507 | Rate of 0.39% of average daily balance of asset(s) |
| Matthews Asia Funds | 94-3250972 | Range of 0.33 - 0.40% of average daily balance of assets |
| Nuveen | 36-3817266 | Rate of 0.40% of average daily balance of asset(s) |
| Oak Associates | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Parnassus | 94-6579180 | Rate of 0.40% of average daily balance of asset(s) |
| Schwab Funds | 94-3106735 | Rate of 0.15% of average daily balance of asset(s) |
| T. Rowe Price | 52-2264646 | Rate of 0.15% of average daily balance of asset(s) |
| USA Mutuals | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| Vivaldi | Not Available | Rate of 0.40% of average daily balance of asset(s) |
| WCM Investment Management | Not Available | Rate of 0.40% of average daily balance of asset(s) |

# Schedule H, line 4i - Schedule of Assets (Held at End of Year)

NAME OF PLAN SPONSOR: Kestra Financial, Inc.
NAME OF PLAN: Kestra Financial, Inc. 401(k) Plan
EIN: 47-1566880
PLAN NUMBER: 001

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| * | PARTICIPANT LOANS | Loans (2% - 7.75%) | | 714,903 |
| | FLEXPATH AGGRESSIVE RT I1 | Common Collective Trust Fund | | 106,011 |
| | FLEXPATH CONSERVATIVE 2025 | Common Collective Trust Fund | | 70,120 |
| | FLEXPATH IDX AGGRESSIVE 2025 | Common Collective Trust Fund | | 1,195,157 |
| | FLEXPATH IDX AGGRESSIVE 2035 | Common Collective Trust Fund | | 861,052 |
| | FLEXPATH IDX AGGRESSIVE 2045 | Common Collective Trust Fund | | 2,358,008 |
| | FLEXPATH IDX AGGRESSIVE 2055 | Common Collective Trust Fund | | 816,772 |
| | FLEXPATH IDX CONSERVATIVE 2035 | Common Collective Trust Fund | | 402,547 |
| | FLEXPATH IDX CONSERVATIVE 2045 | Common Collective Trust Fund | | 81,840 |
| | FLEXPATH IDX CONSERVATIVE 2055 | Common Collective Trust Fund | | 49,368 |
| | FLEXPATH IDX CONSERVATIVE RET | Common Collective Trust Fund | | 92,822 |
| | FLEXPATH IDX MODERATE 2025 I1 | Common Collective Trust Fund | | 2,369,701 |
| | FLEXPATH IDX MODERATE 2045 I1 | Common Collective Trust Fund | | 2,142,912 |
| | FLEXPATH IDX MODERATE 2055 I1 | Common Collective Trust Fund | | 633,182 |
| | FLEXPATH IDX MODERATE RT I1 | Common Collective Trust Fund | | 1,117,432 |
| | FLEXPTH IDX MODERATE 2035 I1 | Common Collective Trust Fund | | 1,554,037 |
| | MORLEY STABLE VALUE FD | Common Collective Trust Fund | | 2,986,682 |
| | PCRA | Self-Directed Brokerage Account | | 8,800,026 |
| | AMCENT MID CAP VALUE R6 | Registered Investment Company | | 87,407 |
| | DOUBLELINE CORE FIXED INCOME I | Registered Investment Company | | 768,991 |
| | EUROPACIFIC GROWTH R6 | Registered Investment Company | | 3,024,225 |
| | ISHARES MSCI TOTAL INTL IDX K | Registered Investment Company | | 844,119 |
| | ISHARES RSSLL 2000 SMCP IDX K | Registered Investment Company | | 1,945,599 |
| | ISHARES RUSSELL MIDCAP INDEX K | Registered Investment Company | | 71,848 |
| | ISHARES S&P 500 INDEX K | Registered Investment Company | | 5,772,811 |
| | ISHARES US AGGREGATE BD INDX K | Registered Investment Company | | 1,725,859 |
| | JOHN HANCOCK DISC VALUE R6 | Registered Investment Company | | 1,789,143 |
| | JPMORGAN SMALL CAP GROWTH R6 | Registered Investment Company | | 1,544,409 |
| | MAINSTAY WINSLOW LGCAP GRTH R6 | Registered Investment Company | | 3,711,026 |
| | MFS MID CAP GROWTH FUND R6 | Registered Investment Company | | 161,953 |
| | WF SPECIAL SMALL CAP VALUE R6 | Registered Investment Company | | 1,561,728 |

* Party-in-interest