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Part 2A – Appendix 1 WRAP FEE PROGRAM

Form ADV Part 2A – Appendix 1 Wrap Fee Program Brochure

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of Sanctuary Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at compliance@sanctuarywealth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration may not imply a certain level of skill or training. Additional information about Sanctuary Advisors, LLC is also available on the SEC's website at <https://advisorinfo.sec.gov/firm/summary/226606>.

ITEM 2: MATERIAL CHANGES

This Wrap Fee Program Brochure ("Wrap Brochure") is Sanctuary Advisors' disclosure document prepared according to regulatory requirements and rules. Consistent with those rules, Sanctuary Advisors will provide a summary of any material changes to this and subsequent Wrap Brochures within one hundred twenty (120) days of the close of its fiscal year. Furthermore, Sanctuary Advisors will provide other interim disclosures regarding material changes, as necessary. Material changes that have been made to this Wrap Brochure since its annual amendment dated March 2022 are described below:

- Item 4: Details regarding services and fees have been revised.
- Item 6: Details regarding evaluation of sub-advisers have been revised.

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ITEM 4: Services, Fees, and Compensation

Sanctuary Advisors, LLC, an Indiana limited liability company ("Sanctuary Advisors"), was formed in 2015 and is a registered investment advisor firm with the United States Securities and Exchange Commission (the "SEC"). Sanctuary Advisors is a wholly owned subsidiary of Sanctuary Wealth Group, LLC ("Sanctuary Wealth"). Sanctuary Advisors' principal business is offering investment advisory services to entities, institutions and individuals.

Sanctuary Advisors offers its services through its network of investment advisor representatives ("IARs"). IARs may organize their own business entity ("IAR Business Entities") to provide certain support services to the IAR and their team as they perform investment advisory services for clients and such entity may provide services other than investment advisory services. However, all investment advisory services are provided through Sanctuary Advisors.

IARs may also conduct advisory services under a trade name ("DBA"). The name and logo of the IAR Business Entities and/or DBAs may appear on marketing materials, as approved by Sanctuary Advisors, or client statements, as approved by the custodian. For a full a list of DBAs under Sanctuary Advisors, please refer to Sanctuary Advisor's ADV Part 1A.

The following information in this brochure is meant to provide a detailed description of Sanctuary Advisors, its various services, associated fees and compensation, important customer disclosures, as well as conflicts of interest disclosures. Clients should carefully review information regarding conflicts of interest as these conflicts can have an effect on services, costs, and investment advice provided by Sanctuary Advisors and its IARs. Sanctuary Advisors has policies and procedures in place to ensure that recommendations are made in the best interest of the client and, when possible, to eliminate conflicts altogether.

4.A. DESCRIPTION OF ADVISORY SERVICES OFFERED

Sanctuary Advisors' menu of advisory services is designed to address many different types of investors and their particular styles, needs, and preferences. Through Sanctuary Advisors, clients will have access to a variety of services, which include financial planning services, portfolio management for individuals and businesses, portfolio management for institutional clients other than investment companies, and selection of other advisors.

Sanctuary Advisors may render discretionary and non-discretionary investment advisory services to clients relative to brokerage/qualified accounts, variable life/annuity products, and/or individual employer-sponsored retirement plans. Client accounts are managed pursuant to the client's agreement with Sanctuary Advisors.

Advisory services may include but are not limited to: (i) an allocation to traditional investments such as stocks, bonds, mutual funds, and separately managed accounts; and (ii) an allocation to alternative investments such as private equity, real estate trusts, hedge funds, and precious metals. Sanctuary Advisors' investment recommendations are not limited to any specific product or service offered by a broker-dealer and will generally include advice regarding the securities and transactions further described in Item 8.A. Methods of Analysis and Material Risks.

Sanctuary Advisors requires clients to participate in the formation of the investment plan, investment advice, and recommendations by discussing, among other things, the client's investment experience, financial circumstances, investment objectives, tolerance for risk, and identifying goals. However, clients are obligated to immediately inform Sanctuary Advisors in writing of any changes in the foregoing.

4.A.1 DISCRETIONARY ASSET MANAGEMENT SERVICES

Sanctuary Advisors provides a discretionary advice option that allows Sanctuary Advisors to buy and sell investments in your advisory account without asking you in advance (a "discretionary advisory account").

4.A.2 NON-DISCRETIONARY ASSET MANAGEMENT SERVICES

Sanctuary Advisors provides a non-discretionary advice option where Sanctuary Advisors provides recommendations, you decide whether to implement the recommendation, and, if approved and requested by the client, Sanctuary Advisors implements the recommendation. This may result in a delay in executing recommended trades, which could adversely affect the performance of your account. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to client's account.

4.A.3. CLIENT-TAILORED SERVICES AND CLIENT-IMPOSED RESTRICTIONS

As outlined above, Sanctuary Advisors will develop an investment portfolio plan with asset allocations to meet the client's specific investment needs and goals. Additionally, clients may, with written notice to Sanctuary Advisors, request restrictions on the management of their accounts, such as prohibiting investing in certain securities or types of securities. Clients must promptly notify Sanctuary Advisors in writing of any changes in such restrictions.

4.A.4. SUB-ADVISERS

Sanctuary Advisors may delegate some or all of its investment advisory functions over a particular client account or accounts to another investment advisor ("Sub-Advisor"). Prior to delegating advisory functions, Sanctuary Advisors will perform due diligence on the Sub-Advisor, enter into a sub-advisory contract with the Sub-Advisor, and supervise the advisory and other services provided by the Sub-Advisor. Although Sanctuary Advisors retains authority to engage or terminate Sub-Advisors, Sanctuary Advisors typically informs clients prior to engagement or termination of the Sub-Advisor to which it delegates investment advisory functions and what portion of the client's account is being given over to the Sub-Advisor to manage when it is practicable to do so.

Having access to various Sub-Advisors offers a wide variety of manager styles and provides the opportunity to utilize more than one adviser for the account. Factors that Sanctuary Advisors considers in recommending/selecting Sub-Advisors generally include, without limitation, the client's stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

With respect to assets managed by Sub-Advisors, Sanctuary Advisors' role will be to monitor the overall financial situation of the client, monitor the investment approach and performance of the Sub-Advisor, and to assist the client in understanding the investments in the client's account.

Clients will be provided each Sub-Advisors Form ADV Part 2A Brochure, which contains important information regarding the strategies, fees and risks of the Sub-Advisor, upon request.

4.A.5. MANAGED ACCOUNT PLATFORMS

Sanctuary has contracted with Lockwood Advisors, Inc. ("Lockwood"), an affiliate of Pershing ("Pershing"), for access to a managed account platform ("Platform"). The Platform is a program sponsored by Lockwood that provides access to a variety of model portfolios created and managed by various investment advisers, including Sanctuary Advisors and Lockwood. The model providers and portfolios available to clients are reviewed and selected by Lockwood and ultimately reviewed and selected by Sanctuary Advisors. The strategies of the model portfolios are not tailored to the particular needs or circumstances of a client. Instead, the strategies are provided by advisers to the Platform as impersonal, generalized, non-discretionary advice that the applicable adviser will implement as such adviser deems appropriate pursuant to the authority granted to them. When Sanctuary Advisors uses the Platform for a client account, Sanctuary Advisors will allocate all or a portion of the client's account to one or more strategies selected for the client. The applicable adviser of the strategy will then monitor the account and implement the strategy through the Platform.

Sanctuary Advisors role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the advisers, and to assist the client in understanding the investment of the model portfolio.

If a model portfolio is created by another adviser, such as Lockwood, then Lockwood will act as sub-adviser to the account. Clients will be provided the applicable advisers Form ADV Part 2A Brochure, which contains important information regarding the strategies, fees and risks of the adviser, upon request.

4.B. FEES

4.B.1 MANAGEMENT SERVICES

Fees for advisory services are generally calculated as a percentage of the total market value of the managed assets. Sanctuary Advisors offers its investment advisory services through a network of IARs that each create a fee schedule for accounts primarily serviced by such IAR, which will be provided to clients upon request. In no event shall the maximum fee exceed 2.75% for the total portfolio assets committed to the IAR. Fees are negotiated on an individual basis at the time of the engagement for such services. Factors considered in determining the fees charged generally include, without limitation, complexity of the portfolio, amount of assets to be placed under management, related accounts, or other special

requirements. The specific fee schedule will be identified in the advisory agreement between the client and Sanctuary Advisors. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

The wrap fee program is an all-inclusive billing alternative. The fee paid to Sanctuary Advisors includes fees for the management, brokerage (e.g., commissions, ticket charges, etc.), custodial fees, and other related costs and expenses collectively. Sanctuary Advisors generally receives the total fee charged less the amounts paid by Sanctuary Advisors for all transaction and execution expenses. Inasmuch as Sanctuary Advisors pays to the applicable broker-dealer the transaction and execution costs associated with client accounts, this may create a disincentive for Sanctuary Advisors to trade securities in accounts. Clients participating in the program will receive a copy of Sanctuary Advisors Wrap Fee Brochure.

4.B.2 SUB-ADVISERS

When one or more Sub-Advisors are utilized, the sub-advisory fees will be incorporated into Sanctuary Advisors advisory services fee. Sanctuary typically deducts its advisory services fee from the client account and pays the Sub-Advisors fee.

4.B.3 MANAGED ACCOUNT PLATFORM

Fees for services through the Platform are generally calculated as a percentage of the total market value of all managed assets but excluding margin debit balance (if applicable). There may, however, be additional charges such as wire transfer fees or commissions for trades not executed through Pershing. The Platform services may cost you more or less than purchasing similar services separately, assuming the services could be purchased directly from the various providers thereof. In evaluating a model portfolio program, clients should consider several factors. A client may be able to obtain some or all the services available through a particular program on an “unbundled” basis through Sanctuary Advisors or through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower (or higher) than the fee charged in the model portfolio program. Payment of an asset-based fee may produce accounting, bookkeeping, or income tax results that differ from those resulting from the separate payment of (i) securities commissions and other execution costs on a trade-by-trade basis and (ii) advisory fees.

Revenues received by Sanctuary Advisors vary between the various model portfolio programs offered on the Platform. This presents a conflict of interest in that Sanctuary Advisors receives higher fee revenues from some programs than from others and, because IAR compensation is based, in part, on production (i.e., the amount of the net fee revenues and other revenues received by Sanctuary Advisors by client accounts) Sanctuary Advisors and IARs may have an incentive to recommend a higher-priced program when a comparable lower priced alternative is available. Sanctuary Advisors' policies require IARs to only recommend those programs and services that are in the best interest of each client.

4.B.4 PAYMENT

Generally, Sanctuary Advisors requires clients to authorize the direct debit of advisory service fees from their accounts. However, certain exceptions may be granted, subject to Sanctuary Advisors' written consent, to permit clients to be billed directly for advisory service fees. The client may withdraw this authorization for direct debit of the advisory service fee at any time by notifying Sanctuary Advisors or the custodian in writing. If the cash portion of an account is insufficient to pay the advisory service fee, Sanctuary Advisors may direct the custodian to liquidate assets selected by Sanctuary Advisors to pay such fees.

The advisory service fee is paid in advance and is due and payable on the first day of each calendar month or quarter, as specified in the client's advisory agreement. The advisory service fee for the first calendar month or quarter in which an account is opened will be due and payable in the month or quarter immediately following account funding. For the calendar month or quarter in which an advisory agreement is terminated, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to us from the client will be invoiced or deducted from the client's account prior to termination. Upon termination of a client's advisory agreement, the client will be charged all usual fees for transactions and services provided with respect to the client's account.

4.B.5. ADDITIONAL CLIENT FEES CHARGED

All fees paid for advisory services are in addition to and separate and distinct from the fees and expenses charged by exchange-traded funds, mutual funds, private placement, and other pooled investment vehicles. Such fees and expenses are described, respectively, in each exchange-traded fund and mutual fund's prospectus, or similar disclosure statement, and each private placement or pooled investment vehicle's confidential offering memoranda. The client should review all fees

charged by pooled investment vehicles, brokers, custodians, separate account managers, Sanctuary Advisors and others to fully understand the total amount of fees paid by the client for investment and financial-related services.

As a client, you should be aware that the wrap fee charged by Sanctuary Advisors may be higher (or lower) than those charged by others in the industry, and that it may be possible to obtain the same or similar services from other firms at lower (or higher) rates. A client may be able to obtain some or all the types of services available through our wrap fee program on an individual basis through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower or higher than the fees shown above.

Sanctuary Advisors may trade client accounts on margin. Securities purchased on margin will be included in the client's as a managed asset for purposes of calculating the client's advisory service fee and will be valued at such securities' absolute market value (compared to any negative amount that may show on a client's statement for the margined security as the result of a lower net market value). Sanctuary Securities have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved. Sanctuary Advisors' policies require IARs to make recommendation in the best interest of each client.

4.B.6. CONFLICTS OF INTEREST

IAR compensation, in part, is based on the amount of fee revenue generated by the clients serviced by the IAR; therefore, a conflict of interest exists because IARs have an incentive to recommend investment products based on the compensation received, rather than on the client's needs. Further, this compensation may be more than the amount Sanctuary and its IARs would receive if you paid separately for investment advice, brokerage, and other services. Accordingly, a conflict of interest exists because Sanctuary Advisors and our IARs have a financial incentive to recommend the wrap fee program. Sanctuary Advisors has implemented a Code of Ethics and internal policies and procedures to ensure that the interests of its clients are given priority to the interests of its IARs. See Item 11: Code of Ethics, Participation or Interests in Client Transactions and Personal Trading for details regarding the Code of Ethics and Sanctuary Advisors internal policies and procedures.

We have an incentive to advise you to invest in certain investments, such as fixed income products, alternative investments, structured notes, or sub-managed portfolios, because the manager or sponsor of those investments may share distribution fees, underwriting fees, manager fees, or a portion of their revenue with affiliates. To address any conflict of interest, Sanctuary Advisors has implemented a Code of Ethics and specific policies and procedures to ensure any transaction is in the client's best interest.

The benefits under a wrap fee program depend, in part, upon the size of the account, the management fee charged, and the number of transactions likely to be generated in the account. For example, a wrap fee program may not be suitable for accounts with little trading activity. To evaluate whether a wrap fee program is suitable for you, you should compare the fees and any other costs of the wrap fee program with the amounts that would be charged by other advisors, broker-dealers, and custodians, for advisory fees, brokerage and other execution costs, and custodial services comparable to those provided under the wrap fee program.

ITEM 5: Account Requirements and Types of Clients

We offer investment advisory services with a wrap fee arrangement to the following types of clients:

- Individuals;
- Corporations and other businesses;
- Trusts;
- Estates;
- Charitable organizations;
- Pension and Profit-Sharing Plans;
- Employee Benefits Plans.

In general, Sanctuary Advisors does not require a minimum dollar amount to open and maintain an advisory account or

participate in the Wrap Program; however: (i) Sanctuary Advisors has the right to terminate a client account if it falls below a minimum size which, in Sanctuary Advisors' sole opinion, is too small to manage effectively or establish an account minimum in the future; and (ii) Sanctuary Advisors, in its sole discretion, may establish a minimum portfolio asset value size requirement for participation in our Wrap Program. Sub-Advisers may have minimum account standards.

ITEM 6: Portfolio Manager Selection and Evaluations

Sanctuary Advisors may recommend or select one or more Sub-Advisers for a particular client. See Item 4 of this Wrap Brochure for additional information on Sanctuary Advisors' basis for recommending, selecting, and replacing Sub-Advisers. Sub-Advisers provide performance information and Sanctuary Advisors reviews such information.

Portfolio management services for the Wrap Program may be provided by Sanctuary Advisors and its IARs. Such arrangements create a potential conflict of interest because Sanctuary Advisors may receive higher aggregate compensation if clients retain Sanctuary Advisors instead of unaffiliated investment advisers.

Please refer to additional information found in the following Items of ADV Part 2A, which accompanies this Wrap Brochure: Item 4 – Advisory Business; Item 6 – Performance-Based Fees and Side-By-Side Management; Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss; and Item 17 – Voting Client Securities.

ITEM 7: Client Information Provided to Portfolio Managers

To provide the Program services, we will share your private information with your account custodian. Sanctuary Advisors may also provide your private information to mutual fund companies and/or private managers as needed. Sanctuary Advisors provides certain information about the client to Sub-Advisers for the client's account on a periodic basis. Such information includes the client's investment objectives and risk tolerance. Sanctuary Advisors will update such information from time to time to the extent it materially changes.

Sanctuary Advisors will only share the information necessary to carry out our obligations to you in servicing your account and we share your personal account data in accordance with the Sanctuary Advisors' privacy policy.

ITEM 8: Client Contact with Portfolio Managers

Client can contact Sanctuary Advisor at any time. Where reasonably requested, Sanctuary Advisors will arrange for communications with the client's portfolio managers. You should contact Sanctuary Advisors, an IAR, or a Sub-Adviser directly with any questions regarding your account. You should contact your IAR concerning changes in your investment objectives, risk tolerance, or requested restrictions placed on the management of your assets.

ITEM 9: Additional Information

Sanctuary Advisors has no disciplinary events. Please see ADV Part 2A for more information in the following areas: Item 9 – Disciplinary Information; Item 10 - Other Financial Industry Activities and Affiliations; Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading; Item 13 - Review of Accounts; Item 14 - Client Referrals and Other Compensation; and Item 18 - Financial Information.