First Kentucky Securities Corp.

Part 2A of Form ADV: *Firm Brochure*

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This brochure provides information about the qualifications and business practices of First Kentucky Securities Corporation. If you have any questions about the contents of this brochure, please contact us at 502-893-7288 or anicholson@firstky.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 with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about First Kentucky Securities Corporation also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 7524.

Item 2 Material Changes

First Kentucky Securities Corporation filed an "other-than-annual" update to its Form ADV, Part 2A (the "Brochure") on September 10, 2018.

This Item 2 provides our clients with a summary of material changes to the Brochure since that date.

- Item 5 Fees and Compensation – Updated fees and compensation to clarify client fees and other revenue received by the firm.

The foregoing is only a summary of the material changes to the Brochure. It does not purport to identify every change to the Brochure since the last annual update (e.g., format changes). This summary of material changes is qualified in its entirety by reference to the full discussion in this Brochure. Clients are encouraged to read the Brochure in detail and contact their account representative with any questions.

Further, any information set forth herein regarding pooled investment vehicles managed by the Firm is qualified in its entirety by reference to applicable offering and governing documents. In the event of a conflict between the information set forth in this Brochure and the information in the applicable governing and/or offering documents, the governing or offering documents, the governing and/or offering documents shall control.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Our current Firm Brochure is available to our existing and prospective clients 24 hours a day through the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

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Item 4 Advisory Business

First Kentucky Securities Corporation is an SEC-registered investment adviser with its principal place of business located in Louisville, Kentucky. First Kentucky Securities Corporation (hereinafter "FKSC" or "firm" or "we") began conducting business as an investment adviser in 2007.

The firm's principal shareholder (i.e., those individuals and/or entities controlling 25% or more of this company) is Raymond S. Kramer Jr., Branch Manager and Municipal Principal.

As of 10/31/2018, assets under our firm's management were $197,817,702 of client assets on a discretionary basis, and $141,668,283 of client assets on a non-discretionary basis.

FKSC offers the following services and programs to our clients:

- RBC Capital Markets Services (offered through our clearing firm arrangement)
    1. Resource II Program – a wrap fee program sponsored by RBC*****
    2. Strategic ETF Model Portfolios – a wrap fee program sponsored by RBC and State Street Global Advisors (SSGA)*****
    3. Unbundled Managed Account Solutions (UMAS) - a wrap fee program sponsored by FKSC*****
    4. FKSC Advisory Fee Program (Non-Wrap)
- Financial Planning Services
- Securities Rating Services
- Consulting Services

****See Appendix 1: Wrap Fee Program Brochure for details.***

FKSC provides continuous advice to a client based on the individual needs of the client. Through personal discussions in which goals and objectives of a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Publicly-traded master limited partnerships (MLPs)
- Designated unit investment trusts (UITs)

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

RBC CAPITAL MARKETS SERVICES

1. Resource II Program

The Resource II Program is a wrap fee program sponsored by RBC Capital Markets and offered through RBC Correspondent Services, a division of RBC Capital Markets Corporation, Member NYSE/FINRA/SIPC ("RBC"). FKSC may recommend and refer its clients to various third-party money managers available through the Resource II Program (the "Program").

FKSC will assist clients with the identification of investment objectives through preparation of a risk profile questionnaire and will assist clients in the selection of appropriate money managers available through the Program. Client accounts may also be invested in model portfolios provided by third party money managers available through the Program. Clients may grant FKSC the authority to select or re-allocate client’s assets amongst third party managers on a non-discretionary basis.

On at least an annual basis, FKSC will meet with clients to review the performance of Client's account, investment guidelines and other relevant factors in order to assess what changes, if any should be made to the management of client's account.

The money managers selected under the Programs will have discretion to determine the securities to be bought or sold within the client’s accounts subject to reasonable restrictions imposed by the client, subject to the client’s signature on the money manager’s account agreement.

Resource II is a wrap fee program where custody and brokerage fees are included in the total advisory fee charged to the client, subject to the exceptions of certain fees stated in RBC's Program Brochure.

Clients should refer to RBC's disclosure brochure for additional information regarding the Program.

- Wrap Fee Programs may not be suitable for all investment needs, and anydecision to participate in a Wrap Fee Program should be based on the client's individual financial circumstances and investment goals.
- The benefits under a Wrap Fee Program depend, in part, upon the size of a client's account and the number of transactions likely to be generated in the account. For example, Wrap Fee Accounts may not be suitable for accounts with little activity. Participating in a Wrap Fee Program may cost more or less than the cost of purchasing such services separately from a broker-dealer.
- FKSC receives compensation as a result of the client's participation in Resource II which may be more than what FKSC would receive if the client paid separately for investment advice, brokerage and other services.
- FKSC mayhave a financial incentive to recommend Resource II over other programs and services.

In determining whether to establish a Resource II account, a client should be aware that the overall cost to the client may be higher or lower than the client might incur by purchasing separately the types of securities available in the Program.

2. Strategic ETF Model Portfolios

Strategic ETF Model Portfolios provide asset allocation strategies offered by RBC Correspondent Services and State Street Global Advisors (SSGA) on the RBC platform. The Strategic ETF Model Portfolios are ETF portfolios that will help tailor portfolios in smaller accounts (minimum = $5,000) to clients' investment objectives and risk tolerances. Five strategies are available, ranging from Conservative to Aggressive.

FKSC will assist clients with the identification of investment objectives through preparation of a risk profile questionnaire. Client accounts will be invested in model portfolios provided by and managed by SSGA.

The portfolios are rebalanced quarterly, and overall allocations reviewed at least annually by SSGA.

SSGA will have discretion to determine the securities to be bought or sold within the client's accounts subject to reasonable restrictions imposed by the client, subject to the client's signature on the money manager's account agreement.

SSGA is a wrap fee program where custody and brokerage fees are included in the total advisory fee charged to the client, subject to the exceptions of certain fees stated in RBC's Program Brochure.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

- at least annually, contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;·
- be reasonably available to consult with the client; and
- maintain client suitability information in each client's file.

3. Unbundled Managed Account Solutions (UMAS) – FKSC Wrap Fee Program

The FKSC Wrap Fee Program offers portfolio management services to clients as the sponsor and portfolio manager of the FKSC Wrap Fee Program. A wrap fee program is an investment management program that provides the client with advisory and brokerage execution services for an inclusive fee which incorporates charges for advisory services, custody, clearing, transaction execution and account reporting. For more information regarding the Program, including the fee schedule and other important considerations, clients should refer to Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure.

4. FKSC Advisory Fee Program (Non-Wrap)

The FKSC Advisory Fee Program seeks to help clients develop and reach financial goals through a thoughtful combination of technology, expertise and the use of financial investments. In consultation with a client, information is gathered related to client's current and future financial needs, existing resources, goals, and risk tolerance. A proposal to the investment approach is presented, and if accepted, implemented and monitored according to the client's objectives.

The adviser may propose investment portfolios consisting of mutual funds, exchange traded funds (ETFs), individual stocks and bonds, or other suitable securities. If a client agrees to engage our services, we will work to open new accounts, move assets to our clearing firm RBC Correspondent Services, and begin executing on our annual service model. Any changes to a client's personal or financial situation must be communicated immediately so we can take that information into consideration.

The FKSC Advisory Fee Program offers investment management services on a non-discretionary basis, meaning that client authorization is obtained before entering any buy or sell orders in a client account.

The terms and conditions under which a client shall engage our investment practice for advisory services shall generally be set forth in an agreement between the client and our firm. Clients may terminate these contracts at any time upon written notification (see *Termination of the Advisory Relationship* under **General Information**).

FINANCIAL PLANNING SERVICES

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- *PERSONAL*: We review family records, budgeting, personal liability, estate information and financial goals.

- *TAX & CASH FLOW*: We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability.

- *INVESTMENTS*: We analyze investment alternatives and their effect on the client's portfolio.

- *INSURANCE*: We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.

- *RETIREMENT*: We analyze current strategies and investment plans to help the client achieve his or her retirement goals.

- *DEATH & DISABILITY*: We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.

- *ESTATE*: We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Typically the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

SECURITIES RATING SERVICES

First Kentucky Securities Corporation, doing business as First Credit Advisors (FCA), provides timely and in-depth company-specific or security-specific equity research for institutional clients including, among others, investment managers or other advisers to hedge funds or other private funds, investment companies and pension or profit-sharing plans. FCA's research and analysis is widely available to institutional advisers and others through web-based, broker research sites. In addition, we may distribute research reports directly to clients that have done business with our firm in the past twelve month period.

We conduct research regarding issuers or securities through competition and market analysis, economic modeling, earnings forecasts and valuation, among other factors. FCA generally provides research and analysis for equities of predominantly U.S. issuers in the technology, media, telecommunications, and consumer goods sectors. FCA analyzes fundamental data taken from original sources and/or publicly available reports. As appropriate, our information-gathering process may include on-site inspections of company operations, manufacturing, retail outlets and/or interviews with senior-level management.

FCA will also formulate a buy, hold or sell recommendation and price target based on its investment philosophy focusing, primarily, on an issuer's prospects for long-term growth taking into consideration its market share, competitive position and anticipated consumer demand for products or services, capital strength, profitability and appropriate valuations. Once we have initiated coverage of a particular issuer or security, we will provide regular updates regarding the status of such issuer or security including any changes in inventory or resource access or supply, demand, competition or technology, among other factors, that could impact our outlook or valuation.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are of a generic nature.

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT SERVICES

FKSC's fees for Portfolio Management Services are based upon a percentage of assets under management. The following fee schedule is indicative of a typical wealth management account. Your actual fee may vary depending upon your specific portfolio (WRAP or Non-WRAP account – see information below), the complexity of the portfolio, the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, and overall management, among other factors. The fee schedule may be negotiated with the client on a case-by-case basis. No fee will be in excess of 2.50% without specific approval by the firm's Compliance Officer.

Assets Under Management	Annual Fee
$25,000 - $49,999	2.50%
50,000 - $99,999	2.00%
$100,000 - $1,999,999	1.75%
$2,000,000 - $3,999,999	0.75%
$4,000,000 - $4,999,999	0.50%
$5,000,000 and over	0.25%

Fees are deducted in advance of each quarter, based upon the net value of the assets in the client account on the last business day of the previous quarter, pro-rated for additions and withdrawals.

Depending on the particular arrangement with each client, we will generally debit their custodial accounts for portfolio management fees. The firm may also receive periodic money market distribution assistance from our custodian, RBC, for assets held in a money market sweep account. In addition, RBC pays the firm a monthly interest rebate based on monthly average margin balances, as well as, a monthly rebate on personal lines of credit accounts opened with RBC.

RESOURCE II PROGRAM (WRAP)

RBC Capital Markets, LLC, as the sponsor of the Resource II wrap fee program, charges the client a wrap fee (the "Program Fee") based on a percentage of assets under management. For more information regarding the Program, including the fee schedule and other important considerations, clients should refer to Part 2A Appendix 1: Wrap Fee Program Brochure.

STRATEGIC ETF MODEL PORTFOLIOS (WRAP)

Our annual fee for portfolio management services for the Strategic ETF Model Portfolios is based upon a percentage of assets under management. For more information regarding the Program, including the fee schedule and other important considerations, clients should refer to Part 2A Appendix 1: Wrap Fee Program Brochure.

UNBUNDLED MANAGED ACCOUNT SOLUTIONS PROGRAM (UMAS) – FKSC WRAP FEE PROGRAM

Our annual fee for portfolio management services through the FKSC Wrap Fee Program is based upon a percentage of assets under management. For more information regarding the Program, including the fee schedule and other important considerations, clients should refer to Part 2A Appendix 1: Wrap Fee Program Brochure.

FKSC ADVISORY FEE PROGRAM (NON-WRAP)

Fees assessed for the FKSC Advisory Fee Program will be outlined in the advisory agreement and agreed upon prior to entering into contract. Fees are billed on a pro-rata annualized basis, charged quarterly in advance based on the value of the client's account on the last day of the previous quarter. A determination of aggregate household valuations will be done quarterly to determine the applicable schedule and preferred account for payment.

There are no minimum account requirements.

Fees and Compensation in General

WRAP Accounts

In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Thus, client's portfolio transactions will typically be executed without commission charge. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

FKSC and the portfolio advisor receive a portion of the Program fee for services provided to clients in the RBC-sponsored Resource II Program.

The client will receive RBC's Wrap Fee Program Brochure (Form ADV Part 2A Appendix 1), prepared by RBC describing the specific fees charged within the Program, the minimum account requirements, billing arrangements and service termination provisions. Clients are encouraged to review this disclosure document regarding the particular characteristics of the fees charged within the Program.

The Program Fee is charged on a calendar quarter basis in advance, based on the value (market value or fair market value in the absence of market value) of the account at the end of the quarter and prorated to the end of the quarter upon inception of the account. Fees will be debited from the account in accordance with the client authorization in the Managed Services Account Agreement.

Non-WRAP Accounts

The Advisory Fee pays for our advisory services to clients under the Non-WRAP Program, as well as administrative expenses charged by RBC Advisor Services to bill client accounts on a quarterly basis.

The Advisory Fee does not cover any brokerage or execution costs associated with the implementation of investments in client accounts. The Advisory Fee does not include expenses of mutual funds and electronically traded funds such as fund management fees charged to each fund's investors, mark-ups, mark-downs, or spreads paid to market makers, and/or odd-lot differential fees.

Clients may incur charges for other account services provided not directly related to the execution and clearing of transactions, including, but not limited to, IRA custodial fees, safekeeping fees, wire transfer fees, interest charges on margin loans, exchange fees, and fees for transfers of securities.

Clients should be aware that depending on the level of fees charged by the executing broker-dealer, and the amount of portfolio activity in the clients' account, the value of the services provided under this Program may exceed the total cost of such services had they been provided separately. In addition, the Program Fee may be higher or lower than that charged by other sponsors of comparable advisory fee programs. In addition, a disparity in advisory fees may exist between the advisory fees charged to other clients.

FINANCIAL PLANNING

FKSC's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client’s circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fee can be calculated on an hourly or fixed fee basis. Our hourly rate ranges from $100 to $500 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship. Our fixed fee typically ranges from $500 to $5,000 depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed $1,200 for work that will not be completed within six months. The balance is due upon completion of the plan.

The client is billed upon presentation of the completed financial plan to the client based on actual hours accrued.

Financial Planning Fee Offset: We reserve the discretion to reduce or waive the hourly fee and/or the minimum fixed fee if a financial planning client chooses to engage us for our Portfolio Management Services.

SECURITIES RATING SERVICES

Clients will often access and review our research service before determining whether to engage us for these services. Our fees for these services are determined primarily by negotiation with the client. Fees are generally paid quarterly in arrears and will typically range from $180 to $150,000 annually.

The client will consider the factors it deems most relevant when determining the value of our research and, typically, we will not be privy to those considerations. However, we generally base our negotiations over the client's proposed compensation on the client's size and assets under management; the expenditure of resources required to gather the research; the complexity of the research and the general range of compensation paid to our firm by other clients for the same or similar research, among other considerations.

CONSULTING SERVICES

FKSC's Consulting fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting fee can be calculated on an hourly or fixed fee basis. Our hourly rate ranges from $100 to $500 per hour. Although the length of time it will take to provide a Financial Consultation will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship. Our fixed fee typically ranges from $500 to $5,000 depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed $1,200 for work that will not be completed within six months. The balance is due upon completion of the plan.

The client is billed upon presentation of the completed financial consultation to the client based on actual hours accrued.

GENERAL INFORMATION

Other Compensation: Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and, acting in that capacity, they can implement transactions for our advisory clients. In so doing, these individuals will earn separate compensation in the form of commissions and/or 12b-1 fees (trail fees earned from the sale of mutual funds and/or ETFs). However, if a client is invested in a security that pays our management personnel or other related persons commissions, we exempt that security from the management fee. If an account holds mutual funds that pay 12b1 fees, we rebate those fees back to the client. Clients should be aware that certain mutual funds may have lower fee share classes available.

While these individuals endeavor at all times to put the interest of the clients first as part of FKSC's fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice, and termination will become effective within five business days after receipt of such notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to FKSC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provide separately. We will review with clients any separate program fees that may be charged to clients.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to First Kentucky Securities Corporation's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: FKSC is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, FKSC may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of $1,200 more than six months in advance of services rendered.

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

FKSC does not charge performance-based fees.

Item 7 Types of Clients

FKSC provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above
- State or municipal government entities
- Insurance companies

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Quantitative Analysis. We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.
A risk is using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Margin transactions. We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will

fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

RISK OF LOSS

Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

FKSC is a registered broker-dealer and investment adviser. This section contains information about certain disciplinary matters that FKSC believes are material to a client's evaluation of its advisory business or the integrity of its management. FKSC has been subject to disciplinary events relating to its brokerage business which FKSC does not view as material to a client's evaluation of its advisory business or the integrity of its management. Additional disciplinary information relating to FKSC's brokerage business can be found in Part 1 of FKSC's Form ADV.

FKSC has not been subject to any disciplinary events relating to its investment advisory business.

Item 10 Other Financial Industry Activities and Affiliations

Broker-Dealer

FKSC is registered as a broker-dealer, and is a member of the Financial Industry Regulatory Authority (FINRA). When you sign a contract with FKSC, you will be agreeing to use FKSC as the introducing broker to the clearing broker and custodian. Securities transactions for FKSC's brokerage clients are cleared through RBC Correspondent Services, a division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC, an unaffiliated broker-dealer. Advisory personnel of FKSC generally also registered representatives as to the brokerage activities of FKSC. We can be used to execute portfolio transactions for our investment advisory clients. These transactions will be conducted subject to proper, and customary, disclosure including (but not limited to) compensation received by FKSC and its registered representatives. Compensation will be received by FKSC, as a broker-dealer, and/or its registered representatives when portfolio transactions are effected onbehalf of investment advisory clients, and FKSC and its registered representatives generally receive compensation as a result of acting in one or both capacities.

Additionally, FKSC, as a broker-dealer, may buy securities for itself from, or sell securities it owns to clients of FKSC, at which time commissions and or other markups/markdowns may be charged to those clients.

Municipal Advisor

FKSC is registered with the Municipal Securities Rulemaking Board (“MSRB”) as a Municipal Advisor. To the extent FKSC represents a municipal entity as a consultant or in an underwriting capacity, and recommends those municipal securities to you, there is a conflict of interest as there is an incentive for FKSC and its representatives to recommend municipal products based on the compensation received, rather than on your needs. Notwithstanding such conflict of interest, we manage this conflict of interest by monitoring the suitability of such municipal product as a portion of your investment needs, and by utilizing municipal products that we believe to be in your best interest.

Insurance Agency

FKSC is licensed with the state of Kentucky as an insurance agency and certain associated persons of ours are licensed insurance brokers, and as such, do on occasion sell insurance products to our advisory clients. When such transactions occur, the associated person receives insurance commissions for such activities. This creates a conflict of interest as there is an incentive for FKSC and or its representatives to recommend insurance products based on the compensation received, rather than on your needs. Notwithstanding such conflict of interest, we manage this conflict of interest by monitoring the suitability of such insurance products as a portion of your investment needs, by utilizing insurance products only where it is your best interest, and after consultation with you regarding the insurance products, which consultation includes the disclosure of such potential conflicts in accordance with our fiduciary duty as your adviser.

Clients should be aware that the receipt of additional compensation by FKSC and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. FKSC endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client’s financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client’s needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;

- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

FKSC has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

FKSC and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

FKSC's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to anicholson@firstky.com, or by calling us at 502-893-7288. FKSC or individuals associated with FKSC may buy securities for the firm or for themselves from our advisory clients; or sell securities owned by the firm or the individual(s) to our advisory clients. We will ensure, however, that such transactions are conducted in compliance with all the provisions under Section 206(3) of the Advisers Act governing principal transactions to advisory clients.

FKSC and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security recommended to clients prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Item 12 Brokerage Practices

FKSC does not have any soft-dollar arrangements and does not receive any soft-dollar benefits. FKSC, a registered broker-dealer, has a clearing agreement with RBC Correspondent Services. In most cases, FKSC will conduct the brokerage functions related to its advisory accounts through this broker-dealer and its clearing firm. When you sign a contract with FKSC, you will be agreeing to use FKSC as the introducing broker to the clearing broker, RBC Correspondent Services, and custodian, RBC Advisor Services.

First Kentucky Securities Corporation requires that clients provide us with the written authority to determine the broker-dealer to use and the commission costs that will be charged to our clients for these transactions. We require that clients authorize us to place trades through RBC. We have evaluated RBC and believe that they will provide our clients with a blend of execution services, commission costs and professionalism that will assist our firm to meet our fiduciary obligations to clients.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

FKSC will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. FKSC will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. FKSC's block trading policy and procedures are as follows:

1. Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with FKSC, or our firm's order allocation policy.
2. The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
3. The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable FKSC to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution.

It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

4. Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
5. If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
6. Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
7. If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.
8. Municipal Bond Allocations: In the event a deal is partially filled, the allocation will be made in the best interests of all the clients in the deal, taking into account all relevant factors including, but not limited to, the size of each client's indication of interest, clients' liquidity needs, and previous allocations.
9. FKSC's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
10. Funds and securities for aggregated orders are clearly identified on FKSC's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
11. No client or account will be favored over another.

For participation in new municipal bond offerings, all eligible clients should visit our website at: **www.firstky.com** under the "**What's Important to you**?" tab, please "click" on the following two tabs:

- **"Upcoming KY Bond Sales" followed by "clicking" on the orange tab to the left which reads** "**Latest Bond Calendar**". This last tab will inform you of Kentucky municipal bonds that will be coming to the market shortly. This bond calendar is generally updated each Friday. Please contact your representative if you have an interesting in purchasing any of the upcoming offerings. Alternatively, you may bookmark this tab and reach it directly by going directly to: **http://firstky.com/whats-important-to-you/municipal-finance/upcoming-ky-bond-sales/**

· **"Bond Inventory"**; followed by "clicking" on the orange tab to the left which reads "Bond Inventory". This tab provides you with information on the Firm's municipal bond inventory for sale. This tab may be updated frequently as inventory changes; we recommend that you check our inventory daily. Please contact your representative if you have an interest in purchasing any our available inventory. Alternatively you may bookmark this tab and reach it directly by going directly to: **http://firstky.com/whats-important-to-you/municipal-finance/bond-inventory/**

All new offerings and the Firm's inventory are subject to change without notice, including issuer availability and prices/yields.

Please note, certain clients may be contacted by their investment advisory representative via telephone or email; notifying them of new issue municipal offerings coming to the market. Since it is impractical to contact ALL clients to notify them of upcoming municipal offerings, we are disclosing the fact that clients that are not contacted in advance may be at a disadvantage. Since certain clients must proactively rely on visiting the Firm's website, these clients may be at a disadvantage to those clients that are proactively contacted by their investment advisory representatives.

We urge all eligible clients that have an interest in participating in new municipal offerings to check the Firm's website daily based upon the instructions above.

Item 13 Review of Accounts

RESOURCE II PROGRAM
STRATEGIC ETF MODEL PORTFOLIOS

REVIEWS: Clients should refer to RBC's disclosure document for the Programs (Part 2A Appendix 1) Wrap Fee Program Brochure for information regarding the nature and frequency of reviews provided by RBC and/or the applicable third party managers.

FKSC will provide client review of client account(s) with RBC on at least an annual basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. These accounts are reviewed by the portfolio advisor assigned to the account.

REPORTS: Clients should refer to RBC's disclosure document for the Programs (Part 2A Appendix 1) Wrap Fee Program Brochure for information regarding the nature and frequency of reports provided by RBC. FKSC does not typically provide reports to Resource II and Strategic ETF Model Portfolios clients in addition to those provided by RBC.

UNBUNDLED MANAGED ACCOUNT SOLUTIONS PROGRAM (UMAS)
FKSC Wrap Fee Program

REVIEWS: Clients should refer to the FKSC Wrap Fee Program Brochure for information regarding the nature and frequency of reviews provided by FKSC and/or the applicable third party managers.

REPORTS: Clients should refer to the FKSC Wrap Fee Program Brochure for information regarding the nature and frequency of reports provided by FKSC.

FKSC ADVISORY FEE PROGRAM (NON-WRAP)

REVIEWS: We offer and insist that clients of the FKSC Advisory Fee Program participate in an annual strategy meeting. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, financial plan, and appropriately positioned based on market conditions. We may review client accounts on an informal basis more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc. Only our Financial Advisors will conduct client reviews.

REPORTS: Clients can expect to receive monthly and/or quarterly account statements from our clearing firm RBC Correspondent Services. RBC also sends a confirmation of any transaction effected in a client account. Clients of the FKSC Advisory Fee Program will also receive more detailed reporting throughout the year related to financial planning and portfolio performance. Any material changes to a client's financial situation and/or investment objectives must be communicated immediately for consideration.

FINANCIAL PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

CONSULTING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory engagement.

Item 14 Client Referrals and Other Compensation

It is FKSC's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is FKSC's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian, RBC Advisor Services ("RBC"), is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, RBC is required to send to the client a statement showing all transactions within the account during the reporting period.

Because RBC does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from RBC, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client’s investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client’s investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 18 Financial Information

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. FKSC has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of $1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

FKSC has not been the subject of a bankruptcy petition at any time during the past ten years.