

## Item 1 – Cover Page

### **Eide Bailly Advisors, LLC**

4310 17<sup>th</sup> Avenue South

PO Box 2545

Fargo, North Dakota 58108

(866) 740-4100

[www.eidebaillyfinancialservices.com](http://www.eidebaillyfinancialservices.com)

Date of Brochure: August 2023

---

This brochure provides information about the qualifications and business practices of Eide Bailly Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (866) 740-4100. 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.

Additional information about Eide Bailly Advisors, LLC is also available on the Internet at [www.Advisorinfo.sec.gov](http://www.Advisorinfo.sec.gov). You can view information on this website by searching for Eide Bailly Advisors, LLC's name or by using its CRD number: 113564.

\*Registration as an investment advisor does not imply a certain level of skill or training.

## Item 2 – Material Changes

Since our last annual amendment was filed in July 2023 the following material changes have been made:

We have made material changes to our business offerings, services and operations. Please refer to the specific section for the full descriptions.

- Item 4. We have changed our marketing name from Eide Bailly Financial Services to Eide Bailly Wealth, LLC. Please add our new email to your safe senders list, [wealth@eidebailly.com](mailto:wealth@eidebailly.com).
- Item 5. We made updates to our standard Fee structure for Financial Planning and Assets Under Management.
- Item 10. Certain of our employees are no longer are Registered Representatives of United Planners Financial Services.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on April 30 so you will receive the summary of material changes, if any, no later than August 28 each year. At that time, we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

### Item 3 - Table of Contents

Item 2 – Material Changes .....	2
Item 3 - Table of Contents .....	3
Item 4 – Advisory Business .....	4
Item 5 – Fees and Compensation .....	7
Item 6 – Performance-Based Fees and Side-By-Side Management .....	12
Item 7 – Types of Clients .....	12
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	12
Item 9 – Disciplinary Information .....	15
Item 10 – Other Financial Industry Activities and Affiliations .....	15
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading .....	16
Item 12 – Brokerage Practices .....	17
Item 13 – Review of Accounts .....	20
Item 14 – Client Referrals and Other Compensation .....	21
Item 15 – Custody .....	22
Item 16 – Investment Discretion .....	22
Item 17 – Voting Client Securities .....	22
Item 18 – Financial Information .....	23

## Item 4 – Advisory Business

### Ownership

Eide Bailly Advisors, LLC (henceforth referred to as “Advisor” or “We”) is an investment advisor registered with the Securities and Exchange Commission since September 2005. We are a South Dakota corporation that is wholly owned by holding company Eide Bailly Financial Services, LLC., which is wholly owned by Eide Bailly, LLP.

We are under common ownership with Eide Bailly Agency, LLC. an insurance agency and Eide Bailly Securities, LLC, a limited use broker/dealer registered with FINRA. Some employees are also insurance agents of Eide Bailly Agency, LLC. and some management personnel are also registered representatives with Eide Bailly Securities, LLC. However, Eide Bailly Securities has no active business lines and has no Client accounts.

We offer personalized services including financial planning, consulting, and asset management to individuals, trusts, estates, pensions and profit-sharing plans, business entities, as well as charitable organizations. Clients are free to choose one or more services without any obligation to engage us or Eide Bailly LLP, its partners, employees or any other affiliates.

We listen and learn what is important to you. In order to identify Client objectives, we ask about your goals, time horizons, risk tolerance, tax status and liquidity needs. We gather information on your unique situation then analyze to develop recommendations to educate you on your options and help you make informed decisions. Analysis and advice is provided through consultation with each Client and may include determination of financial objectives, identification of financial problems, cash flow management, risk management, investment management, education funding, retirement, tax planning and estate planning. We may also request to collaborate closely with other professionals such as your CPA or attorney to provide you with the best possible recommendation(s).

**Item 5, Fees and Compensation**, gives a more thorough description of fees so that clients and prospective clients (“Clients” or “you”) can review the services.

### Financial Planning

Financial planning is offered to help individuals and families determine and set their long-term financial goals, build and preserve wealth through investment strategy, asset allocation, risk management, retirement planning, estate and tax planning from an investment management perspective, cash flow planning, charitable planning, business transition planning and other additional areas if applicable. The role of a financial planner (Planner) is to find ways to help clients understand their overall financial situation and help them set financial objectives.

Planner services may be one time (standalone) or ongoing financial planning (ongoing when added upon agreement to our asset management services) in the form of online interactive plans via the WealthOne Client Portal. Planning services do not involve actively managing your accounts, but instead focus on your overall financial situation or specific topic-based planning that focus on an issue or area of concern to you.

Generally, Planner recommendations are generic in nature and do not involve the recommendation of specific investment or other products. If you elect to implement our recommendations, we suggest you work closely with your attorney, accountant, insurance agent and/or broker. Whether or not you choose to implement our recommendations or use other professionals is entirely your decision and under separate fee engagement. We have no referral fee arrangements between Eide Bailly LLP and Eide Bailly Advisors, LLC or others. Clients are free to accept or reject any recommendations and use any professional or firm to help implement recommendations.

### Consultations

We offer one time or recurring financial or investment strategy advice through consultations on any specific

topic(s) of interest or concern to you. Consultations can involve a single meeting or multiple meetings. No written plan is provided with consultations. We don't regularly provide Pension Consulting Services, but if requested, will do so under our Consultations fee agreement.

## **Asset Management Services**

Separately or if selected, concurrently with the above, we provide personalized asset management fee-based services by assisting with investment strategy and selection, monitoring investment performance, and risk analysis to suit your needs, goals, objectives and risk tolerance. We continuously monitor your account(s) and make trades (if discretionary) or recommend trades (non-discretionary) for your account(s) when necessary.

When requested, we craft a personalized investment policy statement (IPS) to fit your risk tolerance, goals and objectives. This IPS can be modified at any time after a consult with the Advisor.

At least annually, we contact you to determine whether your financial situation or investment objectives have changed, or if you want to impose and/or modify any reasonable restrictions on your accounts. We are always reasonably available to consult with you relative to the status of your accounts. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities. Your beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account. Your account(s) are maintained by a separate custodian and you retain ownership rights for your account(s) (e.g., the right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations). Advisor has a minimum assets under management of \$500,000 per Client household.

## **Sub-Advisors**

In order to address a client's investment objective, we sometimes recommend allocating a portion of client assets to outside, or unaffiliated, money managers ("Sub-Advisors") that are registered or exempt from registration as investment advisors. Sub-Advisors are responsible for continuously monitoring investment vehicles, performance and client accounts which includes making trades for client accounts when necessary. Sub-advisors typically have minimum account sizes that can vary between \$10,000 and \$250,000 depending on the firm. We will discuss these account minimums with the Client prior to making a recommendation with any Sub-Advisor.

## **Qualified Retirement Plans**

We offer Qualified Retirement Plan advisory services for sole proprietors and various types of business entities separately or in combination. Primarily for pensions, profit sharing plans, cash balance plans, 401(k) or 403(b) plans. When engaged for Employee Retirement Income Security Act of 1974 as amended ("ERISA"), for 3(21) services we acknowledge our status as a fiduciary to the plan on a non-discretionary basis.

These services typically include the following:

- Selection of Investments – We help Clients review options and investment selections for the plan
- Monitoring Investment Performance – At least annually, review the performance of the Plan's investment options and participant statistics
- Employee Communications – For clients maintaining control over their own account ("self-directed plans"), we may provide educational support designed for plan participants. The nature of topics covered will be determined by Advisor and the client under Employee Retirement Income Security Act ("ERISA") Section 404(c). The educational support or information will not provide individualized, tailored investment advice.

We do not act as a Plan Administrator or Recordkeeper. We may refer you to an outside Third Party Administrator (TPA) or attorney to assist, under a separate engagement agreement, for example, with plan design, document generation, testing and compliance services. TPA and/or Recordkeeping fees are distinct and separate from our fees for advisory services. Clients are free to choose their own providers without any

obligation to engage us or any affiliated companies or strategic partners for TPA services. Please see **Item 10, Other Financial Activities and Affiliations**, for further information.

## Seasons Direct

Seasons Direct is an automated investment program (the “Program”) that clients open at Charles Schwab & Co., Inc. (“CS & Co.”) through which clients are invested in a range of tailored investment strategies we have constructed and manage pursuant to discretionary investment authority, each consisting of a portfolio of exchange-traded funds (“ETFs”) and a cash allocation. Seasons Direct investments are managed as a model portfolio which aggregates clients, not individual portfolio asset analysis. Client may instruct us to exclude up to three ETFs from their portfolio. The client’s portfolio is held in a brokerage account opened by the client at Charles Schwab & Co., Inc. (“CS & Co.”). We use the Institutional Intelligent Portfolios® platform (“Platform”) offered by Schwab Performance Technologies (“SPT”), a software provider to independent investment advisors and an affiliate of CS & Co., to operate the Program. We are independent of and not owned by, affiliated with, or sponsored or supervised by SPT, CS & Co., or their affiliates (together, “Schwab”). We, and not Schwab, are the client’s investment advisor and primary point of contact with respect to the Program. We are solely responsible for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client’s investment needs and goals, and managing that portfolio on an ongoing basis. We have contracted with SPT to provide us with the Platform, which consists of technology and related trading and account management services for the Program. The Platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the client’s investment objectives, risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client’s financial situation and objectives as well as answers to the online questionnaire. The client then indicates an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client’s portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

The Seasons Direct digital program minimum is \$5,000. We charge clients a fee for our services as described under **Item 5 Fees and Compensation**. Clients pay brokerage commissions, transaction costs or any other fees to the qualified custodian CS & Co. as part of the Program. Schwab does receive other revenues in connection with the Program. We don’t pay SPT fees for the Platform so long as we maintain \$100 million in client assets in accounts at CS & Co. that are not enrolled in the Program. This fee arrangement gives us an incentive to recommend or require our clients with accounts not enrolled in the Program be maintained with CS & Co.

## Other Services

Any other professional services offered by Eide Bailly LLP, employees, partners, or affiliates are offered and billed in addition to and separate from this program.

## IRA Rollovers

Clients, when looking to rollover their account from an employer retirement plan or other qualified accounts have options or any combination of these options. Clients may 1) leave assets where they are at 2) roll over to IRA or other qualified account 3) roll into new employer plan or 4) cash out the account value (which could result in higher taxes and/or penalties depending upon account owner age/circumstances). We have an economic incentive to recommend a rollover of accounts to our asset management, which creates a conflict of interest if we will earn new (or increase current) compensation as a result of the rollover. To manage this conflict of interest arising from rolling over funds we will (i) not recommend investments which result in us receiving unreasonable compensation and (ii) fully disclose relevant information about the applicable fees we charge for advising and (iii) disclose any material conflicts of interest related to us and (iv) refrain from making any materially misleading statements regarding such rollover.

We acknowledge our fiduciary obligations for our investment advice on whether to maintain, rollover or distribute proceeds from retirement plans or other qualified accounts to accounts managed by us as Advisor. We strive to act with care, skill, prudence, and diligence in the best interest of our clients. The decision to take any distribution or rollover assets from any account always resides with the Client themselves.

Please refer to **Item 5, Fees and Compensation** and **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss** for more information.

### **Tailor Advisor Services to Needs of Clients**

Our services are always provided based on your specific needs. You have the ability to impose restrictions on your accounts, including specific investment selections and sectors. However, we will not enter into an investment advisor relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies, or where the prospective client seeks to impose unduly restrictive investment guidelines. We will notify you if our services no longer seem to be a good fit with your specific financial objectives or situation. We help Clients invest in various strategies and investments; including but not limited to products such as municipal or corporate bonds, stocks, ETFs, mutual funds, alternatives and any other investments deemed necessary for our client's portfolios.

Please note that the Investment Advisor Representative on your account can be changed by Advisor in order to provide you with the best possible service. You have sole discretion about whether or not to contract for our services or any recommendations to use other professionals. In addition, you have sole discretion about whether or not to implement any Advisor recommendations. If you do decide to implement recommendations, you are responsible for taking any actions or implementing any transactions required. You are free to select any professional broker/dealer, insurance agent, CPA, attorney to follow up or implement our recommendations. Please see **Additional Compensation**, below.

### **Client Assets Managed by Advisor**

The amount of Client assets managed by Advisor totaled \$ \$1,325,396,106.79. Of the assets under management, \$883,379,474.77 is managed on a discretionary basis and \$442,016,632.02 is managed on a non-discretionary basis as of April 30, 2023.

## **Item 5 – Fees and Compensation**

This section provides additional details of each service's fees structure per **Item 4, Advisory Business**.

Fee waivers or discounts for our services may be offered to Eide Bailly LLP employees and family members and friends of our associated persons which are not available to all clients. No fee waivers or discounts are available to anyone for the digital platform Seasons Direct.

### **Financial Planning and Consultation Services Fees**

An hourly fee of \$300.00 per hour will be charged for the financial planning services designated above. Planner estimates 16-17 hours for a full financial plan, with a minimum fee of \$5,000.00 to complete the financial planning services. Planner will waive planning hours used up to 20 hours for Clients with Eide Bailly Advisors, LLC. assets under management of over \$1,000,000.00 within 30 days of plan completion. Financial planning fees are negotiable and may be discounted or waived depending upon the complexity, relationship, and/or services requested. Eide Bailly LLP partners or employees may receive waived fees or discounts for financial planning services as an employee or partner benefit. The standard billing of Planner are the following: the date or thereafter that Planner substantially provides the services described under this Agreement; or the date the engagement is terminated by either Client or Planner. Upon presentment of the invoice to Client, Client will promptly pay Planner any outstanding balance due.

An estimate of the total hours needed to complete the plan is provided at the start of the advisory relationship and will depend upon the nature and complexity of your circumstances as well as the Planner

providing the services. If the actual hours needed exceed the estimate given, Planners contacts you for permission to continue preparing the plan.

For consultations, either one time or ongoing will be charged at \$300 per hour. The consulting fixed fee is determined by multiplying the quoted hourly rate \$300 per hour by the number of hours estimated to complete the requested work. A retainer not exceeding one-half of the quoted fee may be required at the time the consulting agreement is signed and the remainder due upon completion. However, if additional time is needed due to work outside of the originally quoted scope of services, this is discussed with you and additional fees are charged.

Services for financial planning typically terminate automatically after twelve months from the date of the signed agreement unless Client requests by signing a new agreement or ongoing if added upon agreement to our asset management services meeting the assets under management of \$1,000,000. However, either party can terminate the agreement at any time by providing written notice to the other party. You are responsible for the time expended by our Planners to the date of termination. Both hourly and fixed fees are calculated by multiplying the hourly rate times the actual hours expended on the services to the date of termination. No revision to the quoted consulting fixed fee is made if the actual hours expended are less than or slightly more than the original estimate.

All payments are invoiced and processed via Eide Bailly LLP with separate line items for Eide Bailly Advisors work. Client will notify Planner within ten (10) days of receipt of an invoice if Client disputes any billing entry. If the fees due are over and above those already collected, we provide you with an invoice detailing the charges, fees paid in and fees remaining due. While Eide Bailly LLP does the billing and client may pay via credit card or ACH payment, the Advisor has no access to the credit card or ACH, bank information itself. Both Advisor and Eide Bailly LLP., are not able to initiate any payments on the Client's behalf from their credit card or bank. Clients are not required to use any particular online payment solution and may remit payment by check to the corporate office.

## **Asset Management Fees**

Standard annual fees charged as a tier percentage range from 0.25% to 1.15% of the assets under the selection and monitoring advisory agreement and are based on the nature, size and complexity of your account(s). We seek to keep Client portfolios fully invested. From time to time, if requested by Client, or specific to Client's certain short term goals, Advisor may keep larger cash position in the Client's portfolio for a period of time. As such, cash positions (money market, etc.) are included in the fees per the Advisor's asset management fee agreement. Cash and cash equivalents could miss market advances and the Advisor fee could potentially exceed the interest paid by the Client's money fund.

Advisor aggregates clients' assets to allow lineal descendants or family members (defined as grandparents, parents, domestic partners, and children, adopted, step or foster, who may live in different locations) or former family member or legal guardianship to achieve fee breakpoints. However, there are times when Advisor will not aggregate certain client accounts (which generally happens when accounts require additional servicing). Moreover, Advisor will not aggregate when family members of the same family engage Advisor for different services. Consequently, similarly situated Clients could be treated dissimilarly.

Custom fees are negotiable in advance based on the complexity of Client's situation, the amount and composition of assets managed, the representative providing the management services, other services provided by Advisor's affiliates to Client and Client's relationship and history with Advisor and/or Eide Bailly LLP. Consequently, the annual fee charged by one representative can be different than the annual fee charged by another representative. We always disclose the fee charged to you before we provide any services. Advisor believes that its annual fee is reasonable in relation to services provided under this Agreement and the fees charged by other investment advisers offering similar services/programs. However, the Advisors' annual advisory fee may be higher or lower than that charged by other investment advisers offering similar services. See the Asset Management Agreement for further details.

It is important that you understand we manage investments for other clients and give them advice or take actions for them or for our personal accounts that may be different from the advice we provide to you or



actions we take for you. We are not obligated to buy, sell or recommend to you any security or other investment that we buy, sell or recommend for any other clients or for our own accounts.

You can make investment decisions, or additions or withdrawals from your account at any time, subject to our right to terminate account(s) from Advisor if no longer a good fit to Advisor services. Additions are accepted in cash or securities provided that we reserve the right to liquidate any transferred securities or decline to accept particular securities into your account. We consult with you about the options and ramifications of transferring securities. If you liquidate securities, you may be charged transaction fees and/or contingent deferred sales charges (by the variable annuity, mutual fund or exchange traded fund) and possibly have tax ramifications. If you withdraw funds, you may be subject to any securities settlement procedures the custodian imposes. We design portfolios as long-term investments and withdrawals could impair the ability to achieve your investment objectives.

Fees are automatically deducted from your account based on end of month or quarter calculation from your custodian, and you must provide written authorization to have the fees deducted from the account and paid directly to us. At least quarterly, you receive an account statement from the account custodian detailing transactions in your account, including advisory fees charged. Schwab or other custodian's asset based fees, transaction or service fees charged by the custodian are separate from and in addition to the fees to the Advisor. You should review the account statements received from the account custodian and verify that appropriate advisory fees are being deducted. The custodian will not verify the accuracy of the advisory fees deducted.

### **Qualified Retirement Plan Services**

Fees for Qualified Retirement Plan Investment Advisory Services are negotiated based on variables that include asset size, account size, number of employees, complexity of the plan investment options selected by the plan sponsor and the level of services agreed upon. Advisory fees are calculated and debited out of plan assets by the custodian according to their quarterly process. Other service providers such as TPA or Recordkeeper charge separately.

### **Seasons Direct**

Seasons Direct clients will be charged 0.60% of their assets in the Program computed for each monthly billing period. Calculations are rounded to the nearest penny. As described in **Item 4 Advisory Business**, clients pay brokerage commissions, transaction costs or other fees to CS & Co. as part of the Program. Schwab does not receive other revenues in connection with the Program. Brokerage arrangements are further described below in **Item 12 Brokerage Practices**. Seasons Direct has a minimum account size of \$5,000 and a minimum for the tax-harvesting feature of \$50,000.

Schwab generally does not charge separately for maintaining custody of client accounts but may charge brokerage commissions and/or transaction fees directly to you. We do not receive any portion of the commission or fees from either the custodian or from you. In addition, you may incur certain charges imposed by third parties other than us in connection with investments made through your account. These charges include, but are not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges and IRA and qualified retirement plan fees. Our management fees charged are separate and distinct from the fees and expenses charged by investment company securities that we recommend to you. A description of these fees and expenses are available in each security prospectus.

Management services continue until terminated, and services can be terminated at any time by providing written notice to the other parties. Termination is effective upon receipt of the notice. We charge a prorated fee based on the number of days those services are provided prior to the effective date of termination. You receive a statement from your account custodian detailing account activity, including advisory fees charged and adjustments to those charges.

### **Third Party Money Managers**

To address a client's designated investment objectives, we sometimes recommend that a client invest all or a portion of their investment assets to one or more unaffiliated, Third Party Money Managers ("Sub-Advisor"). Through this service, we are able to establish agreements directly with Sub-Advisor to offer a wide range of advisory services, including portfolio management and asset allocation. We can then refer you to a Sub-Advisor which provides asset management services for your account(s). If the client decides to retain the Sub-Advisor, some Sub-Advisors require the client to enter into an agreement directly with the Sub-Advisor. The Sub-Advisor is responsible for continuously monitoring your accounts and making discretionary trades in your accounts when necessary.

When you agree to engage a Sub-Advisor that we recommend, we are considered a promoter to the Sub-Advisor. As a result, we are paid a portion of the fee charged and collected in the form of promoter fees or consulting fees. Each promoter arrangement is performed pursuant to a written agreement and is in compliance with SEC Rule 206(4)-3 and applicable state securities rules and regulations.

Although the Sub-Advisor will be responsible for making all investment decisions, we are available to answer questions you may have regarding your account and act as the communication conduit between you and the Sub-Advisor.

Investment advisory fees incurred by a Client increase when the Client elects to use Sub-Advisor. Some Sub-Advisors will allow client requested trading within a portion of the Sub-Advisor account. In general, our representatives do not have any discretionary trading authority with respect to your managed account(s) with the third-party investment advisor(s).

We developed jointly with Symmetry Partners certain investment allocation models available for Client Account(s) and recommend an investment allocation model based upon client investment objectives, risk tolerance and financial circumstances disclosed by Client to us. Eide Bailly Advisors in conjunction with Symmetry Partners or collaboratively known as "Joint Advisors" use discretion for Symmetry to trade within the portfolio sleeves per the Symmetry Asset Management agreement.

Symmetry exercises investment discretion and trading authority over these Accounts. We monitor the performance of the Sub-Advisor with respect to the Sub-Advisor's management of the designated assets of Account relative to appropriate peers and/or benchmarks. We are available to answer questions Client may have regarding any portion of Client's Account managed by a Sub-Advisor and act as the communication conduit between Client and the Sub-Advisor. Symmetry Partners as Sub-Advisor has a minimum account size of \$10,000 and Parametric as Sub-Advisor has a minimum of \$250,000.

We implement trades in some of our advisory programs on a discretionary basis. **See Item 16, Investment Discretion**, for additional discussion on discretionary and non-discretionary authority.

For accounts managed by us through Symmetry, the investment advisory fees of Advisor and the Sub-Advisor are billed monthly or quarterly in arrears and calculated based on the fair market value of the account as of the last business day of the quarter. For the initial month or quarter, fees are calculated on a prorated basis based on the number of days the account was open in that initial period. There can be additional fees or transactions cost from the custodian of the assets.

Sub-Advisor annual fees vary depending upon the independent Sub-Advisors. The Sub-Advisor fees will be outlined in a separate agreement or as an Addendum to our Asset Management Agreement. Sub-Advisor fees are charged separately from the advisory fee paid to Advisor. Sub-Advisor fees are calculated to deduct the investment advisory fees of both Advisor and the Sub-Advisor, and instructions sent to the qualified custodian for the deduction of such fees.

We will supervise the Sub-Advisor(s). We may terminate or change the Sub-Advisor(s) when, in our sole discretion, we believe such termination or change is in your best interest. We will continue to monitor and review asset allocation, asset performance, and your investment needs. Although we review the performance of numerous third-party money manager firms, we enter into only a select number of relationships with third-party money manager firms that have agreed to pay us a portion of the overall fee

charged to our clients. Therefore, we have a conflict of interest because we only recommend third-party investment advisors that agree to compensate us for referring our clients.

Please be advised that there may be other third-party programs, not recommended by us, that are suitable for you and that may be more or less costly than arrangements recommended by us. No guarantees can be made that your financial goals or objectives will be achieved by us or a Sub-Advisor recommended by us. Further, no guarantees of performance can ever be offered by us. **See Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, for more details.

If we recommend a Sub-Advisor to you, a complete description of their services, fee schedules and account minimums is stated in their Form ADV Disclosure Brochure. The applicable disclosures and brochures are provided to you when we initially recommend the Sub-Advisor. While the actual fee charged to you varies depending on the Sub-Advisor and selection of other services utilized, the portion retained by us in the form of promoter fees or consulting fees will not exceed 2%. Fees are calculated and deducted directly from client's custodial account(s).

### **Webinars or Seminars**

Our representatives present informational and educational webinars or seminars to advisory prospects and clients on general financial and investment topics at no charge. In some cases, an outside vendor, advisor firm or money manager is invited to discuss the features of a program(s) sponsored by the outside entity and provided by us.

### **Commission and Fee Offset**

In addition to providing advisory services, some representatives may also be CPAs, and/or insurance agents. Therefore, they earn additional compensation under a separate agreement or transactional application when providing tax service and commissions when selling securities and/or insurance products. **See Additional Compensation**, below.

You may select any insurance agent you wish to implement transactions recommended by our Advisors. If you elect to have our representatives implement the transactions, they may waive or reduce the amount of the advisory fee charged by the amount of the commissions received. Any reduction is at their discretion but does not exceed 100% of the commission received.

You can elect to implement the advice of our representatives through one or more of our advisory programs disclosed in this Disclosure Brochure. In this case, our representatives can waive or reduce the amount of the advisory fee charged as a result of earning additional ongoing fees. Any reduction is at their discretion and is disclosed to you prior to implementing any transactions or contracting for additional services.

### **Additional Compensation**

We are under common ownership with Eide Bailly Agency, LLC, a licensed insurance agency. In addition, a certain number of our representatives, principals and associated persons may be licensed with several unaffiliated life, disability and other insurance companies. Our representatives, in their capacities as insurance agents, recommend insurance products offered by these companies. If you purchase these products through our representatives in their separate capacity as insurance agents, they receive fees or commissions. Thus, a conflict of interest exists between our interests and yours, since any commissions earned could be in addition to advisory fees earned in their capacity as an agent. Suitable insurance and investment products are also available from other companies. You are under no obligation to purchase products either through Eide Bailly Agency, LLC or through outside insurance companies.

Please see **Item 10, Other Financial Activities and Affiliations, and Item 12, Brokerage Practices**, for additional discussion on these conflicts of interest.

We do not receive any expense reimbursement or payments on our behalf for travel and/or marketing

expenses from distributors or product sponsors of investment and/or insurance products.

## **Comparable Services**

We believe our fees for advisory services are reasonable with respect to the services provided and the fees charged by other investment advisors offering similar services. However, lower fees for comparable services may be available from other sources.

In addition, you could invest in a mutual fund directly or in company stock directly through their shareowner services, without our services. In that case, you would not receive the benefit of services provided by us which are designed, among other things, to assist you in determining diversification, allocation and reviewing the potential risks which are most appropriate for your financial condition and objectives. Accordingly, you should review and compare the fees charged to fully understand the total amount of fees to be paid by you and to evaluate the advisory services being provided.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. We do not charge nor receive performance-based fees.

## **Item 7 – Types of Clients**

We generally provide investment advice to:

- Individuals (including high-net worth individuals)
- Pension and profit-sharing plans, qualified retirement plans, 403(b) plans and Section 457 plans
- Trusts, estates or charitable organizations
- Corporations or business entities other than those listed above

Clients are eligible to enroll Seasons Direct account(s) as Individual, Custodial, Community Property, Joint Tenants, Tenants in Common, Contributory IRA, Roth Contributory IRA, Rollover IRA, SEP IRA, SIMPLE IRA, and Revocable Living Trust (with identical grantor and trustee).

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

### **Methods of Analysis**

Our overall investment philosophy employs a strategic asset allocation approach. This means our investment strategy aims to balance both risk and reward in your portfolio by apportioning assets according to your goals, risk tolerance and investment horizon. We classify investments using four main asset classes (equities, fixed income, alternatives and cash/cash equivalents). Each one has a different level of risk and return, and each one behaves differently over time. To keep your risk and reward balanced and your assets properly apportioned, we periodically rebalance your portfolio in order to maintain your long-term goals. When considering investment strategies and recommendations, we use fundamental, technical and cyclical analysis, which are explained in more detail below.

Eide Bailly Wealth's methods of analysis and investment strategies are based on academic research into optimal investing, with an emphasis on Modern Portfolio Theory (MPT) and Quantitative Methods of Analysis that extend from MPT. These analysis methods may include: use of MPT metrics such as return, standard deviation, and Sharpe Ratio, etc. Please see definitions of these terms below. The investment strategies consist of equity, fixed income components (or one or the other), and possibly other alternatives, and are comprised of open-end mutual funds, exchange traded funds, and sub-advised accounts.

### **Modern Portfolio Theory (MPT)**

Put forth by academics such as Nobel-Prize Winner Harry Markowitz, Modern Portfolio Theory is a method

for investing assets in such a way as to maximize the amount of return offered by the investment per unit of risk taken.

- **MPT Metrics:** Modern Portfolio Theory metrics such as return, standard deviation, and Sharpe Ratio.
- **Return:** A measure of the amount the investment has earned as a percentage of the amount that was invested.
- **Standard Deviation:** A measure of volatility or the dispersion of returns that the investment has experienced. A high standard deviation indicates a wide dispersion, which is considered to indicate a higher risk than an investment with a low standard deviation.
- **Sharpe Ratio:** A measure that combines return and standard deviation to illustrate the amount of return the investment offered for the level of risk that was taken. Specifically, Sharpe ratio measures the return of the investment over and above the return that could have been obtained in a relatively risk-free investment instrument (such as Treasury Bills), divided by the standard deviation of that additional return.

## **Quantitative Methods of Analysis**

Eide Baily Wealth employs quantitative investment analysis techniques to both make its asset allocation decisions and to assess historical performance of these asset allocation models. Regression analysis and holdings-based analysis are the primary quantitative analysis methods used.

- **Regression Analysis:** A statistical measure that attempts to determine whether there is a relationship between two or more variables. Regression analysis is often used to determine whether the behavior of one investment asset is dependent upon the behavior of one or more other assets, by quantitatively analyzing their returns. For example, whether the performance of a certain mutual fund is dependent upon the performance of the stock market in general.
- **Holdings-Based Analysis:** An analysis of fund holdings that allocates underlying securities to various segments based on chosen characteristics and measures how different the weight of the fund's allocation to that segment is from the 26 benchmark's weight to that segment.

## **Investment Strategies**

We use various investment strategies when implementing advice given to clients:

- Long term purchases (securities held at least a year)
- Short term purchases (securities sold within a year)
- Trading (securities sold within 30 days)
- Margin transactions (Investor pays for part of the purchase and borrows the rest from a brokerage firm; e.g., investor buys \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow securities or cash from Advisor.)
- Option writing (Including covered options, uncovered options or spreading strategies.) (Note: options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.)

We gather information from institutional research materials prepared by others, financial newspapers and magazines, corporate rating services, annual reports, prospectuses and filings with the Securities and Exchange Commission and company press releases.

## **Risk of Loss**

Investing in securities involves a risk of loss that you should be prepared to bear, including loss of your original principal. You should be aware that past performance of any security is not necessarily indicative of future results. Therefore, you should not assume that future performance of any specific investment or investment strategy will be profitable. We do not provide any representation or guarantee that your goals will be achieved. Further, depending on the different types of investments or type of accounts, there may be varying degrees of risks that may affect your investment values, for example:

- **Market Risk.** Either the market as a whole, or the value of an individual company, goes down, resulting in a decrease in the value of client investments. This is referred to as systematic risk.
- **Equity (Stock) Market Risk.** Stocks are susceptible to fluctuations and to volatile

increases/decreases in value as their issuers' confidence in or perceptions of the market change.

Investors holding common stock (or common stock equivalents) of any issuer are generally exposed to greater risk than if they hold preferred stock or debt obligations of the issuer.

- **Company Risk.** There is always a certain level of company or industry specific risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company may perform poorly or that its value may be reduced based on factors specific to it or its industry (e.g., employee strike, unfavorable media attention).
- **Foreign Risk.** Investments in foreign securities pose special risks such as currency fluctuation and political risks which can be more volatile than a United States only investment.
- **Currency Risk.** Foreign investments are subject to fluctuations in the currency exchange rate. Specifically, the value of the dollar against the currency of the investment's originating country.
- **Options Risk.** Options on securities may be subject to greater fluctuations in value than investing in the underlying securities. Purchasing and writing put or call options are highly specialized activities and involve greater than ordinary investment risk. Puts and calls are the right to sell or buy a specified amount of an underlying asset at a set price within a set time.
- **Political and Legislative Risk.** Companies face a complex set of laws where they operate and have clients. The political and legal environment can change quickly without much warning, bringing additional impact to investments, especially those operating outside of the United States.
- **Fixed Income Risk.** Investing in bonds involves the risk that the issuer will default on the bond and be unable to make payments. In addition, individuals depending on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **ETF and Mutual Fund Risk.** ETF and mutual fund investments bear additional expenses based on a pro-rata share of operating expenses, including potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities held by the ETF or mutual fund. Clients also incur brokerage costs when purchasing ETFs.
- **Management Risk.** Your investments also vary with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our strategies do not produce the expected returns, the value of your investments will decrease.
- **Pandemic Risk.** Disease outbreaks (epidemics and pandemics) can materially and adversely impact the investments as businesses deal with core decreases in business activities such as staffing shortages, supply chain issues and more in the local, state, national and global economy and instability in the marketplace. Advisor has a business continuity plan in place to ensure and maintain normal business operations to service clients.

**Risks of Borrowing Against Assets:** When you purchase securities, you pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you borrow part of the purchase price then you are engaging in margin transactions and there is risk involved with this. The securities held in your margin account are collateral for the custodian or clearing firm that loaned you the money. If those securities decline in value, then the value of the collateral supporting your loan also declines. As a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm then issues a margin call and/or sell other assets in your account.

It is important that you fully understand the risks involved in trading securities on margin, including:

- You can lose more funds than you deposit in your margin account
- The account custodian or clearing firm can force the sale of securities or other assets in your account
- The account custodian or clearing firm can sell your securities or other assets without contacting you
- You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call
- The account custodian or clearing firm moves securities held in your cash account to your margin account and pledge the transferred securities
- The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and are not required to provide you advance written notice
- You are not entitled to an extension of time on a margin call

## Allocation of Assets

Conflicts can arise in allocating investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed appropriate for your account(s) and other accounts advised by us equitably and consistently with the best interests of all accounts involved. However, there is no assurance that a particular investment opportunity that comes to our attention is allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to you or any other client or use it for any client's benefit.

### **Primary Recommendation of One Type of Security**

We do not recommend any specific security to clients. Instead, we recommend any suitable product for each client relative to their specific circumstances and needs.

## **Item 9 – Disciplinary Information**

Our firm has no legal or disciplinary events that are material to your evaluation of our business or the integrity of our management. We have Financial Advisors with event disclosures, visit [investor.gov/crs](http://investor.gov/crs) for a free and simple search tool to research our firm and our Financial Professionals.

## **Item 10 – Other Financial Industry Activities and Affiliations**

We do not have a related person that is:

- An investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
- A futures commission merchant, commodity pool operator or commodity trading advisor
- A banking or thrift institution
- A law firm
- A sponsor or syndicator of limited partnership

We are an SEC registered investment advisor and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives also sell other products or provide services outside of their role as investment advisor representatives with us.

### **Broker-Dealer**

Some of our management personnel are also registered representatives with Eide Bailly Securities, LLC. Eide Bailly Securities, LLC is a limited use broker-dealer registered with FINRA and SIPC which is under common ownership with Advisor. No client accounts are opened or maintained with Eide Bailly Securities, LLC. No services are offered via Eide Bailly Securities, LLC.

### **Insurance Agency**

We are under common ownership with Eide Bailly Agency LLC, a licensed insurance agency. Some representatives, principals and associated persons are licensed and appointed with several unaffiliated life, disability and other insurance companies. They in their agent capacity recommend an insurance review from our Insurance Advisor for recommending insurance products offered by these companies. If you purchase these products the Agency receives the fees and commissions which benefits our enterprise, and also may impact the future salary of our insurance agents. Thus, a conflict of interest exists between our interests and your interests. You are under no obligation to purchase products either through Eide Bailly Agency, LLC or through outside insurance companies.

### **Accounting, Pension Consulting and Real Estate Services**

We are subsidiary, wholly owned by Eide Bailly, LLP. Thus, our officers and representatives are employees, and some are partners of Eide Bailly, LLP and some are engaged in the practice of accounting as Certified Public Accountants. We refer clients to Eide Bailly, LLP for various business services, including but not limited to accounting services, pension consulting services, estate planning, business valuation

and/or real estate brokerage services for a separate fee engagement. In addition, clients of Eide Bailly, LLP are referred to us. Employees of Eide Bailly, LLP are not paid a direct fee based on the actual referrals made to us. Advisor is not paid direct fee for referrals we make to others. Due to common ownership, referrals for additional services may be a conflict of interest for additional compensation.

We recommend you include and use your accountant/CPA, attorney, insurance agent, broker or other professional(s) to implement plan objectives. Although, we do not serve as your attorney or accountant, do not provide tax or legal advice, we take pride in collaborating, per the Client's request, on client service considerations, such as for high-net-worth families or enterprises. You are under no obligation to use Eide Bailly, LLP and its subsidiaries or any other strategic partners for any services offered.

### **Sub-Advisors**

As described in **Item 5, Fees and Compensation**, we have formed relationships with independent, third-party money managers (Sub-Advisors).

We recommend clients use Sub-Advisor(s) when it is a good fit with their financial situation, objectives and goals. When we refer clients to a Sub-Advisor, we receive an Advisor fee and the Sub-Advisor receives a fee. Therefore, we have a conflict of interest because we only recommend Sub-Advisors that agree to compensate us by paying us the Advisor fees portion which the Sub-Advisor/Solicitor operationally bills to your account and pays Advisor along with the Sub-Advisor management fees they receive.

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

### **Code of Ethics Summary**

According to the Investment Advisors Act of 1940, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. We and our associated persons have a fiduciary duty to all clients. We have established a Code of Ethics as well as policies (e.g. insider trading policy, gift policy, etc.) that all associated persons must read. They must then execute an acknowledgment agreeing that they understand and agree to comply with our Code of Ethics and policies. Our fiduciary duty to clients is considered the core underlying principle for our Code of Ethics and represents the expected basis for all associated persons' dealings with clients. We have the responsibility to make sure that the interests of clients are placed ahead of our own or our associated persons' investment interests. All associated persons will conduct business in an honest, ethical and fair manner. All associated persons will comply with all federal and state securities laws at all times. We provide full disclosure of all material facts and potential conflicts of interest to clients prior to services being conducted. All associated persons have a responsibility to avoid circumstances that might negatively affect or appear to affect their duty of complete loyalty to clients.

This section is only intended to provide current clients and potential clients with a description of our Code of Ethics. If current clients or potential clients wish to review our Code of Ethics in its entirety, a copy can be requested at no cost from any of our associated persons and it will be provided promptly.

### **Participation in Client Transactions and Personal Trading**

We, our representatives and employees, sometimes buy or sell securities or have an interest or position in a security for our personal accounts that is recommended to clients. We are and will continue to be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. It is our express policy that no one employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, which is designed to prevent employees from benefiting from transactions placed on behalf of advisory accounts.

As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

1. An officer or employee will not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her possession of material non-public



- information. No person associated with us will prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for our Advisor firm and anyone associated with us with access to advisory recommendations. These holdings are reviewed on a regular basis by compliance.
  3. All clients are fully informed that certain individuals receive separate compensation when effecting transactions during the implementation process.
  4. We require that all officers or employees act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
  5. Any individual not observing any of the above may be subject to termination or other sanctions.

## Item 12 – Brokerage Practices

### Best Execution

Clients are under no obligation to act on the financial planning recommendations of Eide Bailly Advisors, LLC. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we conduct periodic reviews to look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

### Directed Brokerage

Clients should understand that not all investment advisors require the use of a particular broker-dealer or custodian. Some advisors allow their clients to select whichever broker-dealer the client decides. By requiring clients to use a particular broker-dealer, Eide Bailly Advisors, LLC may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker-dealers may cost clients more money than if the client used a different broker-dealer or custodian. However, for compliance and operational efficiencies, Eide Bailly Advisors, LLC has decided to require our clients to use broker-dealers and other qualified custodians determined by Eide Bailly Advisors, LLC.

### Charles Schwab & Co., Inc. (CS & Co.)

#### The custodian and broker-dealers

Eide Bailly does not maintain custody of your assets on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account. **See Item 15 Custody, below.**

Your assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that our clients use Charles Schwab (“CS & Co.”, a registered broker-dealer, member SIPC, as the qualified custodian or other custodians for specific types of accounts. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when instructed to. While we recommend that you use Schwab as custodian/broker, you will

decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in **Item 14 Client Referrals and Other Compensation**. You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see “Your brokerage and custody costs”).

### **How we select brokers/custodians**

We recommend Schwab or other custodians, that will hold your assets and execute transactions. When considering whether the terms that the custodian provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see “Products and services available to us from Schwab”)

### **Your brokerage and custody costs**

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you transaction costs or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. For some accounts, Schwab charges you a percentage of the dollar amount of assets in the account in lieu of commissions or transaction costs. For other accounts such as Seasons Direct, Schwab’s transaction rates and asset-based fees applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$100,000 of their assets in accounts at Schwab. This commitment benefits you because the overall commission rates and/or asset-based fees you pay as stated in your client asset management agreement are lower than they would be otherwise. In addition to asset-based fees, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

Client accounts enrolled in the Seasons Direct are maintained at, and receive the brokerage services of, CS & Co. While clients are required to use CS & Co. as custodian/broker to enroll in the Program, the client decides whether to do so and opens its account with CS & Co. by entering into a brokerage account agreement directly with CS & Co. We do not open the account for the client. If the client does not wish to place his or her assets with CS & Co., then we cannot manage the client’s account through the Program. CS & Co. may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Platform.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How we select brokers/custodians”). By using another broker or dealer you may pay lower transaction costs.

### **Products and services available to us from Schwab**

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. Schwab’s support services are generally available on an unsolicited basis (we don’t have to request them) and at no charge to us. Following is a more detailed description of Schwab’s support services:

### **Services that benefit you**

Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

### **Services that do not directly benefit you**

Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts and operating our firm. They include investment research, both Schwab’s own and that of third parties. We use this research to service all or a substantial number of our clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients’ accounts
- Assist with back-office functions, recordkeeping, and client reporting

### **Services that generally benefit only us**

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and related compliance needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

### **Schwab provides some of these services itself**

In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party’s fees. Schwab also provides us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for these services from our own resources. Our representatives and staff utilize services, tools, software and resources which benefit our firm to help us grow our business. This is a potential conflict of interest. We believe, however, that our selection of utilizing Schwab, CS & Co. as a custodian and broker is in the best interest of our clients. Our selection is supported by the scope, quality and pricing of services available to our clients.

### **Our interest in Schwab's services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. The fact that we receive these benefits from Schwab is an incentive for us to recommend the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. In some cases, the services that Schwab pays for are provided by an affiliate of ours or by another party that has some pecuniary, financial or other interests in us or in which we have such an interest. This creates an additional conflict of interest. We believe, however, that taken in the aggregate, our recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

### **Soft Dollar**

We have no arrangements currently under which products or services other than execution of securities transactions are obtained by an adviser, from or through a broker-dealer, in exchange for the adviser's directing client trades to the broker-dealer.

### **Handling of Trade Errors**

From time-to-time Advisor may make an error in submitting a trade order on your behalf. When this occurs, Advisor may place a correcting trade with the custodian of your account. If an investment gain results from the correcting trade, the gain will remain in your account unless the same error involved other client account(s) that should have received the gain, it is not permissible for you to retain the gain, or we confer with you and you decide to forego the gain (e.g., due to tax reasons). If the gain does not remain in your account and Charles Schwab & Co. Inc. ("Schwab") is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, Advisor will pay for the loss to make the client whole. Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under \$100 to minimize and offset its administrative time and expense. Generally, if related trade errors result in both gains and losses in your account, they may be netted. Advisor does not derive any benefit from correcting a trade error.

### **Block Trades**

Advisors or Sub-advisor can elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading, or block trading and is used by our firm when we believe such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. We use the average price allocation method for transaction allocation. Under this procedure we will calculate the average price and transaction charges for each transaction included in a block order and assign the average price and transaction charge to each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which we or our associated persons may invest, we will do so in accordance with the parameters set forth by SEC guidance. Neither we nor our associated persons receive any additional compensation as a result of block trades.

## **Item 13 – Review of Accounts**

### **Account Reviews**

All financial planning services terminate upon 12 months from the date of the planning agreement or if

added to asset management then will terminate when no longer managing client assets. Client may choose to have Planner review and update the plan annually or more frequently to adjust it for changes in Client's financial situation. Client must enter a separate engagement for Planner's services to review and/or update the plan after 12 months if planning only client or under the asset management minimum. However, we recommend that you have your financial situation reviewed and updated at least annually. If you elect this review and update without asset management services, a new planning agreement is required and additional fees are charged.

Managed and Sub-Advisor accounts are reviewed at a minimum annually. Account review frequency is discussed at the account opening and are offered more frequently depending upon the client's needs and request. The calendar is the main triggering factor, although reviews will be conducted due to your request, due to a change in your circumstances or due to unusual market, economic or political activity. Our representatives conduct reviews on their own Client accounts. Absent your specific instructions, we review accounts to verify they are performing in accordance with your stated investment objective and strategy. We also review accounts to verify portfolio holdings, appropriate asset allocation, possible re-balancing needs, anti-money laundering concerns, fee calculation accuracy and continued suitability. To assist in these reviews, our representatives periodically request and review updates to your investment information.

### **Account Reports**

Financial planning clients do not receive any reports other than the interactive online plan. Asset management clients receive an account statement at least quarterly from your custodian. Additionally, we provide a report at least annually that include the following; account summary, asset allocation, income and performance report.

Client is strongly urged to compare any reports received from Advisor or Sub-Advisor against Client's Account statements received from the qualified custodian(s). Discrepancies between reports received from Advisor and the statements received from the qualified custodian(s) should be reported immediately to Advisor and the Client's custodian(s).

## **Item 14 – Client Referrals and Other Compensation**

### **Client Referrals**

From time to time, the firm may retain third parties to act as promoters for the firm's investment management services. All compensation with respect to the foregoing will be fully disclosed to each client to the extent required by applicable law. The firm will ensure each promoter is properly registered in all appropriate jurisdictions. All such referral activities will be conducted in accordance with Rule 206(4)-1 under the Advisers Act, where applicable. As a matter of firm practice, the advisory fees paid to us do not increase as a result of a referral.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the referral arrangement because the cost of these services would otherwise be borne directly by us. You should consider these conflicts of interest when selecting a custodian. The products and services provided by Schwab, how they benefit us, and the related conflicts of interest are described above (**see Item 12—Brokerage Practices**).

As we have jointly created with Symmetry Partners, the Eide Bailly Seasons Investments, where we recommend

to clients which creates a conflict of interest. Other services provided by Symmetry are intended to help us manage and further develop our business. Some of this assistance may benefit our firm but not directly benefit our client accounts. Advisor strives to put the interests of our clients first as part of our fiduciary duty. Clients should be aware that the receipt of direct or indirect economic benefit by Advisor or its representatives may influence our choice.

Please see **Item 10, Other Financial Industry Activities and Affiliations** for our affiliation with the accounting firm of Eide Bailly, LLP and **Item 5, Fees and Compensation** and **Item 12, Brokerage Practices**, for additional discussion about solicitor/referral fees, other compensation, non-economic benefits.

## **Item 15 – Custody**

We do not maintain custody of client assets.

We previously discussed in **Item 5, Fees and Compensation** that we directly debit advisory fees from client accounts. As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. At least quarterly, the custodian is required to send to the client an account statement showing all transactions within the reporting period. Because the custodian does not calculate the fee to be debited, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact us directly if they believe that there is an error in their statement.

## **Item 16 – Investment Discretion**

In addition to having trading authority, for some accounts we have discretion in managing and directing the investment of Client accounts. This means we make all decisions to buy, sell or hold securities, cash or other investments in the managed account in our sole discretion without consulting with you before implementing any transactions. You must provide us with written authorization to exercise this discretionary authority.

When discretionary authority is granted, it is limited. We do not have access to your funds and/or securities with the exception of having advisory fees deducted from your account and paid to us by the account custodian. Any fee deduction is done pursuant to your prior written authorization provided to the account custodian. You have the ability to place reasonable limitations on the discretionary power granted to us so long as the limitations are specifically set forth or included as an attachment to the client agreement.

If services are provided on a non-discretionary basis, we always contact you before implementing any transactions in an account. You must accept or reject our investment recommendations, including (1) the security being recommended, (2) the number of shares or units and whether to buy or sell. Once these factors are agreed upon, we are responsible for making decisions regarding the timing of the purchase or sale and the price at which it is bought or sold. You should know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of implementing trades and we may not achieve the optimal trading price.

If the Client elects to use the Sub-Advisor to manage Client's account, the Client will grant the Sub-Advisor with the discretionary authority (in the sole discretion of the Sub-Advisor without first consulting with the Client) to make all decisions to buy, sell or hold securities, cash or other investments for such portion of the account managed by the Sub-Advisor. The Client will also grant the Sub-Advisor with the power and authority to carry out these decisions by giving instructions, on behalf of client, to brokers and dealers and the qualified custodian(s) of the account.

## **Item 17 – Voting Client Securities**

As a matter of firm policy, we do not vote proxies on your behalf. Therefore, Clients maintain responsibility to read through the information provided with the proxy voting document and make an election based on the information provided.

We do not offer any consulting assistance regarding proxy voting to clients. Some Sub-Advisors that we engage may offer proxy voting on your behalf. Clients should discuss terms and conditions of such services directly with their representative.

### **Item 18 – Financial Information**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

We do not believe there are any financial conditions that are reasonably likely to impair our ability to meet our contractual commitments to clients.

Finally, we have not been the subject of a bankruptcy petition at any time.