

**Part 2A of Form ADV: *Firm Brochure***



**Lindner Capital Advisors, Inc.**

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This brochure provides information about the qualifications and business practices of Lindner Capital Advisors, Inc. ("LCA"). If you have any questions about the content of this brochure, please contact us at 770-977-7779 or [sales@lcaus.com](mailto:sales@lcaus.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.

LCA is a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about LCA also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, known as a CRD number. Our firm's CRD number is 108584.

## Item 2 Material Changes

The United States Securities and Exchange Commission requires that we provide to all clients an annual summary of material changes. This summary discusses only specific material changes that have been made to this Brochure since the last revision, March 30, 2011. We may further provide other ongoing disclosure information about material changes as necessary at any time without charge.

A complete Brochure may be requested by contacting sales@lcaus.com or 770-977-7779. This Brochure is also available on our website at [www.lcaus.com](http://www.lcaus.com).

March 30, 2012:

### Summary of Changes:

1. Randal Langdon has resigned as President and is no longer an employee of LCA.
2. LCA's Contemporary Portfolio Series Plus ("CPS Plus") Portfolio, a part of LCA's Contemporary Portfolio Series, has been renamed and is now referred to as the "Strategic Alternative Blend" Portfolio. A business decision was made by the firm that the new name better represents the portfolio's allocation and structure. The Strategic Alternative Blend is a model that is part of the Contemporary Portfolio Series. The new name has been updated as required.
3. Scott Wetherington's title has changed from "Chief Investment Strategist" to "Senior Portfolio Manager." Mr. Wetherington still retains the same responsibilities under the current title as the Portfolio Manager and still serves on LCA's Investment Committee.
4. The Tactical Economic Portfolio is no longer an LCA portfolio. The Tactical Economic Portfolio is now a W Capital Advisors, LLC (WAC) portfolio. WAC is an investment adviser registered with the State of Georgia and serves as a sub-advisor for the Tactical Economic Portfolio. Scott Wetherington is a partial owner and Investment Adviser Representative for WAC and an employee of LCA. Mr. Wetherington receives as salary for his position as Senior Portfolio Manager and serves on LCA's Investment Committee. Because of his association with both firms, there is a potential conflict of interest in sub-advising the Tactical Economic Portfolio and being the Portfolio Manager for LCA. Mr. Wetherington retains his fiduciary duty to the clients of LCA when making investment decisions for LCA.

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#### **Item 4 Advisory Business**

Lindner Capital Advisors, Inc. was incorporated in 1996 and registered with the Securities and Exchange Commission as a registered investment adviser in January 1997. Lindner Capital Advisors, Inc. maintains its principal place of business in Marietta, Georgia.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Robert J Lindner

LCA offers the following advisory services to our clients:

#### **INVESTMENT SUPERVISORY SERVICES ("ISS")**

Lindner Capital Advisors, Inc., provides continuous discretionary investment advisory and account supervisory services on a fee-only basis for individuals, businesses, qualified pension and profit sharing plans, individual retirement accounts, trusts, foundations, family offices, and other entities.

Lindner Capital Advisors, Inc., enters into agreements with other investment firms and professionals referred to as solicitors. These solicitors refer clients to Lindner Capital Advisors, Inc., in exchange for a tiered management fee described in greater detail in the fees portion of this brochure. Each solicitor has individual representatives that serve as an advisor to each client. These individuals are solicitor representatives.

Lindner Capital Advisors, Inc. will not independently decide the appropriate investment plan for an investor. In designing investment plans for clients, Lindner Capital Advisors, Inc. will rely on information supplied by the client, as well as the solicitor's representative, based on the client's financial situation, objectives, time horizon, and risk tolerance. This information becomes the basis for determining and constructing the asset allocation plan that Lindner Capital Advisors, Inc., believes best meets the client's long -term stated goals. Lindner Capital Advisors, Inc. may use computer software packages from third parties to better assist clients in achieving their goals.

The client investment plan will contain assets in classes that Lindner Capital Advisors, Inc., believes (based on historical data) have attractive combinations of return, risk, and correlation. Lindner Capital Advisors, Inc. has access to institutional quality mutual funds that are not available to the retail investor except when purchased through an advisor. These funds are utilized in client portfolios. Modern Portfolio Theory techniques are utilized in managing client accounts. Modern Portfolio Theory is a theory of investing developed by Harry Markowitz in the 1950's which proposes that investors may minimize market risk for an expected level of return by constructing a diversified portfolio. Lindner Capital Advisors, Inc., also offers institutional mutual funds, no load mutual funds, ETF's, and to qualified clients, certain Regulation D offerings.

Because some types of investments involve certain additional degrees of risk, these are only be implemented/recommended when consistent with the client's stated investment objectives (which can and may be revised from time to time), tolerance for risk, liquidity, and suitability.

### **MODEL PORTFOLIO MANAGEMENT**

Our firm provides portfolio management services to clients by using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal.

Asset class investments are made using institutional mutual funds. In selecting these assets, the Advisor gives due consideration to past performance, transaction fees, expense ratios, consistency, and management style. LCA constructs asset allocation plans that range from aggressive to conservative and designed to meet the varying needs of the investor. The client and/or the Relationship Manager select the portfolio best suited to the client's individual needs, after the client has defined his or her objectives, risk tolerance, expected return, and time horizons. Investments are considered to be long term in nature, and investors should expect to remain fully invested in their selected asset allocation plan at all times. The Advisor, when it has discretion, strategically rebalances these portfolios on a periodic basis. Where LCA has discretion over client assets, LCA may use a global portfolio (fund of funds) in situations where an account does not meet the account minimum required. Rebalancing of this global portfolio is determined by the portfolio manager of the global portfolio.

The following is a list of the model portfolios for Lindner Capital Advisors, Inc.:

- **LCA Traditional 20.80**  
Allocation of 20% equity and 80% fixed income. Seeks preservation of capital with low volatility.
- **LCA Traditional 35.65**  
Allocation of 35% equity and 65% fixed income. Seeks preservation of capital with moderate volatility.
- **LCA Traditional 50.50**  
Allocation of 50% equity and 50% fixed income. Seeks balance between long- term growth of capital with moderate volatility.
- **LCA Traditional 65.35**  
Allocation of 65% equity and 35% fixed income. Seeks long- term moderate growth of capital.
- **LCA Traditional 80.20**  
Allocation of 80% equity and 20% fixed income. Seeks long- term moderately high growth of capital.
- **LCA Traditional 95.5**  
Allocation of 95% equity and 5% fixed income. Seeks long- term high growth of capital.
- **LCA Contemporary Portfolio**  
Allocation of 55% equity, 25% alternatives, and 20% fixed income. Seeks long- term growth of capital with an emphasis on minimizing downside volatility.
- **LCA Defensive Portfolio**  
Allocation of 0% equity and 100% fixed income. Seeks preservation of capital with lower than market volatility.

- **Strategic Alternative Blend**  
Allocation: Traditional 60:40 Multi-Strategy Allocation Approach, Integrated Tactical Strategy, Integrated Alternatives Strategy. Seeks long term growth of capital with an emphasis on minimizing downside volatility.
- **W Capital Advisors Tactical Economic Series**  
Allocation of either 0-100% equity or 0-100% fixed income based on quantitative economic signals. Seeks long- term growth of capital.

We manage these advisory accounts on a discretionary basis and a non-discretionary basis for retirement plan accounts. 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.

Through personal discussions with the client wherein the client's goals and objectives are established and through completing a risk tolerance profile, the solicitor representative determines if the model portfolio is suitable to the client's specific circumstances. Once the solicitor representative determines the suitability of the portfolio, the portfolio is managed by Lindner Capital Advisors, Inc., based on the individual portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, do have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

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
- Corporate debt securities (other than commercial paper)
- Variable annuities
- Mutual fund shares
- United States governmental securities
- ETF's
- Municipal Securities
- Structured Notes for accredited investors

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

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:

1. Ask each client's solicitor representative to 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 new investment restrictions or modify existing restrictions;

2. Ask each solicitor representative to be reasonably available to consult with the client; and
3. Advise the solicitor representative to maintain client suitability information in each client's file.

### **RETIREMENT PLAN INVESTMENT MANAGEMENT SERVICES**

Lindner Capital Advisors, Inc., offers comprehensive 401(k) services to plan sponsors through partnerships with NextStep, The Finway Group (dba the Architect 401K), The Online 401K, 401K ASP, The Advisor Lab, LLC, Private Client Services, LLC and their respective custodians. These strategic business alliances allow Lindner Capital Advisors, Inc., to offer a turnkey product to clients that includes nondiscretionary investment management services in a sophisticated platform that allows for the integration of investment, custodial, and administrative services.

As the investment manager for the platform, Lindner Capital Advisors, Inc., allows clients to choose from a group of five model portfolios designed by Lindner Capital Advisors, Inc., containing no-load, advisory class or load-waived mutual funds. Clients have discretion as to which model portfolio they choose, as well as the frequency of portfolio rebalancing. Clients in turn may reject a rebalancing recommendation. Clients also have the option of creating a custom portfolio.

### **WRAP FEE PROGRAM**

LCA provides investment advisory services to Clients participating in so-called "wrap fee" programs sponsored by various broker-dealers, investment advisers, consultants, or other organizations ("Sponsors"). In these programs, the Sponsor generally provides a package of services, which may include any or all of the following: Discretionary investment management, trade execution, account custody, performance monitoring, and manager evaluation. The "wrap fee" may be all inclusive or may cover only a portion of the services provided by the Sponsor and/or the discretionary adviser with other fees or expenses billed separately.

Sponsors typically: (1) assist clients in defining their investment objectives based on information provided by the clients; (2) determine whether the given wrap fee arrangement is suitable for each client; (3) aid in the selection and monitoring of investment advisers (whether LCA or another adviser) who manage accounts (or a portion account assets), and (4) periodically contact clients to ascertain whether there have been any changes in the clients' financial circumstances or objectives that warrant changes in the arrangement or the manner in which the clients' assets are managed. Client information is generally channeled to LCA through the program Sponsor, and LCA relies on the Sponsor to forward current and accurate Client information on a timely basis to assist in the day-to-day management of wrap accounts. Under certain programs, a Client may contact LCA directly concerning his or her account.

Wrap fee programs come in many forms. In some, the Client contracts only with the Sponsor and the discretionary manager enters into a sub-advisory contract with the Sponsor to provide discretionary investment advisory services to the Sponsor's clients. In these programs, LCA is paid by the Sponsor and receives a portion of the wrap fee collected by the Sponsor. In other programs, the Client has a contract with both the Sponsor and the discretionary adviser. In these programs, LCA generally uses its standard investment advisory agreement, and Clients usually

pay the standard LCA investment advisory fee schedule (the fee schedule used for LCA's traditional portfolios), although fees and account minimums may, under certain circumstances, be negotiable. In broker-dealer sponsored wrap programs, as reflected in the Client's contract with the Sponsor, the Client's account may be charged either an asset-based fee or transaction-based fees (i.e., commissions).

In evaluating wrap fee arrangements, a Client should consider a number of factors. Wrap fee arrangements may not themselves be suitable for any given Client. Suitability depends on a number of factors, including applicable wrap fee, account size, anticipated account trading activity, the Client's financial needs, circumstances and objectives, and the value of the various services provided. In some instances, these services may be obtained at a lower aggregate cost if purchased separately. Although LCA is typically responsible for directing trades to brokers or dealers that it believes are capable of providing best price and execution, trades for asset-based wrap fee accounts that cover trades executed by a broker-dealer Sponsor or a broker-dealer affiliate of the Sponsor are generally executed by the Sponsor or its affiliate, so that the Client is not charged commissions on the trades, as would be the case if the trades were directed to other broker-dealers for execution. Even where another broker-dealer quotes a more favorable price than that quoted by the Sponsor in a given trade, that lower price, along with the added commission, may on balance be less favorable to the Client than the Sponsor's higher quoted price. Sponsors providing execution services under a wrap fee are responsible for providing best price and execution for Client trades.

Also, for asset-based wrap fees, which cover trades executed by a broker-dealer Sponsor, Clients may be charged both commissions on trades executed by other broker-dealers and "mark-ups" and "mark-downs" on trades effected by the Sponsor or another dealer as principal, as well as odd-lot differentials, transfer taxes, handling charges, exchange fees, offering concessions, and related fees for purchases of unit investment trusts, mutual funds, and other public offerings of securities, and other charges imposed by law with regard to transactions in Client accounts. Because the Sponsors receive no commission from trades effected on an agency basis, Sponsors may have an incentive to effect trades as principal to obtain "mark-ups" and "mark-downs." Asset-based fees may be considered by the Internal Revenue Service as an investment expense, rather than a transaction charge, which may result in less favorable tax treatment for certain investors. (Clients should consult with their professional tax advisors concerning the effect of this tax treatment based on their individual circumstances.) Client accounts participating in broker-sponsored programs are generally broker-directed accounts. In broker-directed accounts, a client may direct that LCA use a particular broker-dealer, usually the broker sponsoring its particular program, to execute transactions for the Client's account under such terms and arrangements as the Client may negotiate with the particular broker-dealer. Please see Item 12 below for further information regarding directed brokerage accounts.

LCA offers its value-oriented discretionary investment advisory services under several wrap-style programs described in more detail below.

Triad Advisors, Inc., Third -Party Fee Based Accounts

Sponsor's Fee: Asset- based fee paid quarterly and in advance

Minimum Account Size: \$100,000

LCA has a sub-advisory agreement with Triad Advisors, Inc.



Trade-PMR, Inc.

Sponsor's Fee: Asset- based fee paid quarterly and in advance

Minimum Account Size: \$100,000

LCA has a sub-advisory agreement with Trade-PMR, Inc.

Williams Financial Group, WFG Advisors, LP

Sponsor's Fee: Asset- based fee paid quarterly and in advance

Minimum Account Size: \$100,000

LCA has a sub-advisory agreement with WFG Advisors, LP

### **INVESTMENT ADVICE THROUGH CONSULTATIONS**

Periodically, LCA is engaged to consult with a client on a specific investment or financial planning situation. Clients may choose to be billed hourly or by a negotiated flat rate. Fees may be reduced by sales charges, advisory fees, or commissions at the discretion of LCA.

#### **Hourly Consulting Fees**

Certified Financial Planner (principal)	\$675.00
Certified Financial Planner (non-principal)	\$175.00
Para-Planners	\$65.00
Clerical Assistance	\$30.00

Hourly or ongoing consulting, fees will be billed and payable monthly. For negotiated flat rate arrangements, the fee is determined by the complexity of the client's situation and is, therefore, negotiated prior to the signing of the contract. A 50% deposit of the estimated fee is due at the time of contract signing with the remaining 50% due upon the client receipt of the analysis and recommendations provided by LCA. The Client has five (5) business days to rescind the contract during which time the client will be entitled to a full refund of fees paid. Contracts will be valid for one year from date of signing, and a new contract must be signed on the anniversary date to continue the advisor consultation.

### **AMOUNT OF MANAGED ASSETS**

As of 3/26/2012, we were actively managing \$394,430,117.68 in client assets on a discretionary basis plus \$ 17,478,217.31 in client assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES ("ISS")** **MODEL PORTFOLIO MANAGEMENT FEES**

The annualized fee for Model Portfolio Management Services is charged as a percentage of assets under management, based on the following schedules:

**For LCA's Traditional, Global, and Contemporary Portfolios Series:**

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
\$0 - \$249,999:	60 basis points
\$250,000 - \$599,999:	55 basis points
\$600,000 - \$999,999:	50 basis points
\$1,000,000 - \$4,999,999:	45 basis points
\$5,000,000 - \$9,999,999:	40 basis points
\$10,000,000- Over:	Negotiable

**For LCA's Defensive Portfolio Series**

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
\$50,000 Minimum	40 basis points

**For W Capital Advisors Tactical Economic Portfolio Series**

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
\$100,000 - \$4,999,999:	80 basis points
\$5,000,000 - \$9,999,999:	75 basis points
\$10,000,000 and Over:	65 basis points

The schedules displayed here represent LCA's portion of the advisory fee. The total advisory fee charged is the sum of LCA's fee plus the Solicitor's portion as agreed upon and represented in the Solicitor's Agreement. This information is disclosed to the client in the Solicitor's Disclosure Statement and Fee Sharing Agreement as part of the Investment Management Agreement.

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with client authorization given in the Client Services Agreement.

A minimum of \$100,000 of assets under management is required for LCA's Traditional Portfolios, the Mutual Fund version of the Contemporary Portfolio Series, and the Tactical Economic Portfolio Series. Traditional accounts with less than \$100,000 will be automatically

allocated to a Global Portfolio. The Contemporary Portfolio using the Structured Note, which is for accredited investors only, requires a minimum of \$250,000. This account size may be negotiable under certain circumstances. LCA may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

***Limited Negotiability of Advisory Fees:*** The advisory fee can be discounted for the accounts of solicitors, employees, and family members affiliated with LCA. At the sole discretion of management, fees may be negotiated. LCA may negotiate sub-advisor agreements with some of its broker/dealers or registered investment advisors. Fees are debited directly from the client account and the clients are notified of the fee and the manner of computation at the time of the account charge. In some cases, our agreements with broker/dealers allow these broker/dealers to debit the entire fee from the client account and forward LCA's portion of the fee directly to us. These agreements may also allow the broker/dealer to charge fees to the client that are higher or lower than the portion generally agreed upon in the standard Solicitor's agreement. Any additional fees charged by the broker/dealer are disclosed to the client at the time of account opening by the broker/dealer or investment adviser.

We may group certain related client accounts for the purposes of achieving the required minimum account size and determining the annualized fee.

## **RETIREMENT PLAN INVESTMENT MANAGEMENT SERVICES**

Our fees for Retirement Plan Investment Management Services are based on a percentage of assets under advisement, according to the following schedule:

<b><u>Assets Under Management</u></b>	<b><u>Annual Fee</u></b>
\$0 to \$1.25 million	.4%
\$1.25m to \$6.25 million	.35%
\$6.25m to \$25 million	.3%
\$25m to \$250 million	.25%
\$250m to \$1 billion	.2%
\$1 billion and Over	.1%

Plan sponsors are invoiced in advance at the beginning of each calendar quarter.

Account minimums also apply to LCA's model portfolio products as described above. Fees for investment management services are computed based on the total market value of assets in a client account as of the close of business on the last business day of each calendar quarter. Fees for new accounts are computed based on the total market value of assets initially deposited into the account. 401(k) accounts are charged an investment advisory fee either in advance or in arrears as specified in the Investment Management Agreement. Fees are either deducted from client accounts or paid by the client as indicated in the client agreement. Either party, without any penalty payment, may terminate advisory agreements at any time. In the event of

termination, the fee will be prorated and collected for the period served or refunded if paid in advance.

LCA has the discretion to change any or all of its fee schedules. In individual cases, LCA has the option to negotiate fees that are lower than the standard fee shown or to waive fees. Comparable services for lower fees may be available from other sources.

Fees paid to LCA for advisory services are in addition to any fees the client will pay to any mutual funds. Such fees, including advisory fees and 12b-1 fees, are described in the prospectuses for the underlying mutual funds.

### **INVESTMENT ADVICE THROUGH CONSULTATION FEES**

LCA's consultation fees are based on the nature of the services provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

LCA's consultation fees are described in detail in the corresponding section in Item 4 above.

### **GENERAL INFORMATION**

***Termination of the Advisory Relationship:*** If a client terminates an advisory contract within five (5) business days of signing, the client is entitled to a full refund. The Investment Management Agreement (IMA) will otherwise remain in force until terminated by either party. The client may terminate the agreement at any time by giving written notice to the Advisor. No penalty or termination fee will be charged. LCA may terminate the agreement at any time by giving written notice to the client. In all cases, the client will be responsible for all fees that may accrue through the termination date of the contract, and LCA will return all accrued fees where applicable.

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 pro rate the reimbursement based on the number of days remaining in the billing period.

***Mutual Fund Fees:*** All fees paid to LCA 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 a 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 to assist the client in determining which mutual fund or funds are most appropriate for each client's financial condition and objectives. 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 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, 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 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 provided separately. We will review with clients any separate program fees potentially charged to clients.

***Additional Fees and Expenses:*** In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

***Grandfathering of Minimum Account Requirements:*** Pre-existing advisory clients are subject to LCA's minimum account requirements and advisory fees that are 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:*** LCA 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 the regulations under the Internal Revenue Code of 1986 (the "Code"), respectively.

More specifically, Lindner Capital Advisors, Inc., is a 3(21) ERISA fiduciary. As such, to the extent that our firm is named as any kind of fiduciary in an investment management agreement with a plan sponsor, in most cases, we are a 3(21) tasked with "recommending", "assisting", "helping", or "advising" the sponsor, as the sponsor itself goes about making selection, monitoring, replacement decisions. A 3(21) fiduciary makes nondiscretionary recommendations. Lindner Capital Advisors, Inc., is thus subject to specific duties and obligations under ERISA and the Internal Revenue Code, which include, among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, LCA may only charge fees for investment advice on products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice on products for which our firm and/or our related persons receive commissions or 12b-1 fees, but, only when such fees are used to offset LCA's advisory 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 \$1200 more than six months in advance of services being rendered.

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

LCA does not charge performance-based fees.

## **Item 7 Types of Clients**

LCA 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

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

### **METHODS OF ANALYSIS**

We use the following analysis methods to formulate our investment advice and/or managing client assets:

LCA has the ability to analyze individual securities and recommend the purchase or sale of individual issues. From time to time, securities may be transferred into a client's account from another firm. In such cases, LCA relies upon information provided by the client and/or their investment advisor representative to determine whether to hold or sell such securities. LCA evaluates institutional mutual fund managers using the due diligence criteria established by the Center for Fiduciary Studies at the Katz Graduate School, University of Pittsburgh. Managers are selected based upon their performance relative to their peer group, their performance relative to assumed risk, the inception date of the product, their correlation relative to their peer group, the assets they have under management, the consistency between their holdings and their investment style, the expense ratios or fees charged, and the stability of the organization.

Various computer software programs, as well as Internet resources, are used by LCA to generate hypothetical portfolios based on asset class correlations. An analysis of mutual funds and index funds on a risk-adjusted basis is also available when using these programs.

***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 individual company ) to determine if the company is under priced (indicating it may be a good time to buy) or over priced (indicating it may be time to sell).

Fundamental analysis, however, 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 when evaluating the stock.

***Cyclical Analysis.*** In this technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

***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 then predict changes to that data.

The risk in using quantitative analysis is that the models used may be based on assumptions that prove to be 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 a mutual fund and/or ETF analysis is that, as for all securities investments, past performance does not guarantee future results. A manager who has been successful in the past 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, thus 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, a circumstance that could make the holding(s) less suitable for the client's portfolio.

***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 certain 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) when 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.

A risk for a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

***Risk of Loss.*** Securities investments are not guaranteed, and you may lose money on your investments. We ask that you work with us to let us understand your tolerance for risk.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Our firm and our management personnel have no reportable disciplinary events to disclose.

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

Paul Lorentzen, the Chief Financial Officer of Lindner Capital Advisors, Inc., is employed by the accounting firm of Michael C. Allen and Company Certified Public Accountants, PLLC ("Allen and Co."), where he is an individually licensed and practicing Certified Public Accountant providing accounting services for separate and typical compensation.

Allen and Co. typically recommends LCA to accounting clients in need of advisory services. Conversely, LCA typically recommends Allen and Co. to advisory clients in need of accounting services. Accounting services provided by Allen and Co. are separate and distinct from our advisory services and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No LCA client is obligated to use Allen and Co. for any accounting services, and conversely, no accounting client is obligated to use the advisory services provided by us. Allen and Co.'s accounting services do not include the authority to sign checks or otherwise disburse funds on the behalf of any of our advisory clients.

Allen and Co. typically reports the audited financials for LCA. Because of Mr. Lorentzen's recent association with Allen and Co., LCA has secured a separate Certified Public Accounting firm to report its audited financials.

Mr. Lorentzen spends the majority of his time on his accounting practice.

Clients should be aware that the receipt of additional compensation by LCA 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. LCA endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we thus 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;
- LCA management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to that client's needs and circumstances;
- we require that our employees seek prior approval from LCA of any outside employment activity, so that we may ensure that any potential or actual conflicts of interests regarding 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 LCA; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for all investment advice provided to clients.

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

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

LCA and its personnel owe a duty of loyalty, fairness, and good faith toward 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 that Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transaction reports as well as initial and annual securities holding reports that must be submitted by the firm's/LCA'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.

LCA's Code of Ethics further includes the firm's policy of 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 an email sent to [sales@lcaus.com](mailto:sales@lcaus.com), or by calling us at 770-977-7779. Our Code of Ethics is designed to assure that the personal securities transactions, activities, and interests of our employees will not interfere with (i) our making decisions in the best interest of

advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest in 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 a 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 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.

From time to time, Robert Lindner may offer personally held shares of LCA to accredited investors that may or may not be clients of LCA. However, such related persons' purchase or sale of these securities or investment products is only for their own accounts and is done through their own broker-dealer. These purchases and sales may be different than those being executed for clients' accounts. Any person to which Mr. Lindner makes this offer is provided with the appropriate disclosure document to be signed by the potential investor as purchaser and Mr. Lindner as the seller. This disclosure informs the potential investor that Mr. Lindner is not acting as an investment adviser or fiduciary in the proposed offer and that Mr. Lindner is acting in a personal capacity. The fact that there is no independent value for LCA stock is also disclosed in the potential offer.

We may also aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price, and transaction costs will be shared equally and on a pro-rata basis. In those instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata with each account paying the average price. Our employee accounts will be included in that same pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure that our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.

5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice who has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered, except in those situations where our firm is granted discretionary authority.
9. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
10. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
11. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
12. Any individual who violates any of the above restrictions may be subject to termination.

## **Item 12 Brokerage Practices**

LCA does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

LCA does not select which broker –dealers' client trades are placed for execution. However, LCA does work with only a selected group of custodians/broker-dealers from which its clients can choose. Based on the client's selection, all trades for that accounts are then placed through their selected custodian/broker- dealer. The clients receive bundled services from their custodians/broker- dealers that price all custodial, client service, and trade costs into charges for actual trades placed. LCA periodically reviews these charges versus other options that clients can have and believes clients are achieving overall the best execution.

LCA requires that clients provide us with written authority to determine which broker-dealer to use and the commission costs that will be charged to our clients for these transactions. Clients must include any limitations on that discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

As a matter of policy and practice, LCA does not generally block client trades, and therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to those advisers who block client trades.

LCA may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. LCA is independently owned and operated and not affiliated with Schwab.

Schwab provides LCA with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's client assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For all our client accounts maintained in its custody, Schwab generally does not charge separately for custody services, but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to our firm other products and services that benefit LCA but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing, and other market data;
- iv. facilitate payment of our fees from client accounts; and
- v. assist with back-office functions, recordkeeping and client reporting.

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

- i. compliance, legal, and business consulting;
- ii. publications and conferences on practice management and business succession; and

- iii. access to employee benefit providers, human capital consultants, and insurance providers.

Schwab may make available, arrange, and/or pay third-party vendors for certain types of services rendered to LCA. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party that is providing these services to our firm. Schwab Institutional may also provide other benefits, such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend or require that a client custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider a potential conflict of interest and not solely on the nature, cost, or quality of custody and brokerage services provided by Schwab.

LCA has an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. These platform services include, among others, brokerage, custodial, administrative support, record keeping and related services intended to support intermediaries like LCA in conducting business and serving the best interests of our clients, but which may also benefit us/LCA.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, and commissions are charged for individual equity and debt securities transactions). Fidelity enables LCA to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Fidelity's commission rates are generally considered to be discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity may be higher or lower than those charged by other custodians and broker-dealers. As part of the arrangement with LCA, Fidelity also makes available to our firm, at no additional charge to us, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by LCA (within specified parameters). These research and brokerage services presently include such services as software and technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, and facilitate payment of LCA's fees from its client accounts, and assist with back-office functions, recordkeeping and clients reporting.

Many of these services generally are used to service all or a substantial number of LCA's accounts. The custodians also make available to LCA other services intended to help LCA manage and further develop its business enterprise. These services may include consulting, publications, and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the custodians may make available, arrange, and/or pay for these services rendered to LCA by third parties. The custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to LCA. While as a fiduciary, LCA endeavors to act in its clients' best interests, LCA's recommendation that clients maintain their assets in accounts at various custodians may be based in part on the benefit to LCA or the availability of some of the foregoing products and services and not solely on the nature, Cost, or quality of custody and brokerage services provided by the custodian, which may create a

potential conflict of interest. As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of LCA's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than a commission from another qualified broker-dealer might charge to effect the same transaction, where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but instead whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while LCA will seek competitive rates to benefit all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all our clients, a brokerage commission paid by a specific client may be used to pay for research not used in managing that specific client's account. LCA and Fidelity are not affiliated, and no broker-dealer affiliated with us is involved in the relationship between LCA and Fidelity.

LCA participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., member SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers services to independent investment advisers that include custody of securities, trade execution, clearance, and settlement of transactions. LCA receives some benefits from TD Ameritrade through our participation in this program.

LCA participates in TD Ameritrade's Institutional customer program, and we may recommend TD Ameritrade to our clients for custody and brokerage services. There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although we do receive economic benefits through our participation in the program. These benefits are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount):

- access to duplicate client statements and confirmations; research- related products and tools; consulting services ;
- access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocates the appropriate shares to client accounts);
- the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information;
- access to mutual funds with no transaction fees and to certain Institutional money managers; and
- discounts on compliance, marketing, research, technology, and practice management products, or services provided to LCA by third- party vendors.

TD Ameritrade may also pay for business consulting and professional services received by LCA-related persons and may also pay or reimburse expenses, including travel, lodging, meals and entertainment expenses for LCA personnel to attend conferences or meetings related to the program or to TD Ameritrade's adviser custody and brokerage services generally.

Some of the products and services made available by TD Ameritrade through the program may benefit LCA, but may not benefit our client accounts. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available to LC by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by LCA (or our personnel) through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by LCA or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our recommendation of TD Ameritrade for custody and brokerage services.

LCA also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisers participating in the program. TD Ameritrade provides these Additional Services to our firm in its sole discretion and at its own expense, and LCA does not pay any fees to TD Ameritrade for the Additional Services. LCA and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of these Additional Services.

LCA's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with LCA, at its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain these Additional Services from TD Ameritrade, we may have an incentive to recommend to our clients that the assets under management by us be held in custody with TD Ameritrade and to place transactions for these client accounts with TD Ameritrade. LCA's receipt of Additional Services does not diminish our duty to act in the best interest of our clients, including seeking best execution of trades for client accounts.

Robert Lindner serves on the TD Ameritrade Institutional Advisor Panel ("Panel"). This Panel consists of approximately thirty-six independent investment advisors that advise TD Ameritrade Institutional ("TDA Institutional") on issues relevant to the independent advisor community. The Panel meets in person on average three to four times per year and conducts periodic conference calls on an as needed basis. Investment advisors are appointed to serve on the Panel for two- year terms by TDA Institutional Senior Management. An investment advisor may serve longer than two years if appointed to additional terms by TDA Institutional Senior Management. At times, Panel members are provided confidential information about TDA Institutional initiatives. Panel members are all required to sign confidentiality agreements. TD Ameritrade, Inc. ("TD Ameritrade") does not compensate Panel members. However, TD Ameritrade pays or reimburses the Registrant for travel, lodging and meal expenses the Registrant incurs in attending Panel meetings. The benefits received by Registrant or its personnel by serving on the Panel do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be

aware, however, that the receipt of economic benefits by the Registrant or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Registrant's recommendation of TD Ameritrade for custody and brokerage services.

### **Item 13 Review of Accounts**

#### **INVESTMENT SUPERVISORY SERVICES("ISS")MODEL PORTFOLIO MANAGEMENT SERVICE REVIEWS:**

While the underlying securities within Model Portfolio Management Services accounts are continually monitored, these/all accounts are reviewed at least quarterly. Accounts are reviewed in the context of investment objectives and guidelines for each model portfolio as well as any investment restrictions provided by the client. More frequent reviews may be triggered by material changes in variables, such as the client's individual circumstances, or market, political or economic environments.

These accounts are reviewed by any member of Lindner Capital Advisors, Inc.'s Investment Committee or its designee.

**REPORTS:** In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports' summarizing account performance, balances and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and if the client wishes to impose investment restrictions or modify existing restrictions.

#### **RETIREMENT PLAN INVESTMENT MANAGEMENT SERVICES REVIEWS:**

LCA will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. LCA will also review the investment options of the plan according to agreed- upon time intervals established in the IPS. Such reviews will generally occur quarterly. These accounts are reviewed by any member of Lindner Capital Advisors, Inc.'s Investment Committee or its designee.

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

#### **CONSULTING SERVICES**

**REVIEWS:** While reviews may occur at different stages depending on the nature and terms of the specific engagement, and 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:** Consulting Services' clients will not typically receive reports due to the nature of the service.



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

### **CLIENT REFERRALS**

LCA has entered into agreements with registered investment advisors, independent broker-dealers, and insurance providers to solicit clients who are searching for an investment advisor. For clients who retain LCA for investment advisory services, LCA agrees to compensate the Solicitor. The amount of compensation is disclosed on the Solicitor Disclosure Statement provided to the client when the account is opened.

LCA directly compensates solicitors and indirectly compensates solicitor's representatives on a fee-sharing basis. The terms of this arrangement are disclosed to prospective clients by means of a solicitor's disclosure document provided at the time of solicitation. There is generally no fee differential charged to the client for this compensation structure with the solicitor; however, there will be a fee differential for the client for certain of our sub-advisor agreements. All fees are fully disclosed to the client.

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay that referral fee, we require the Solicitor to provide the prospective client with a copy of the document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- The Solicitor's name and relationship with our firm;
- The fact that the Solicitor is being paid a referral fee;
- The amount of that fee; and
- whether the fee paid to us by the client will increase above our normal fees to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

It is LCA'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 any 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 is advised of the fee amount to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send the client a statement showing all transactions within the account during the reporting period.

Because the custodian 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 details. Clients should contact us directly if they believe there is an error in their statement.

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

Our firm does not have actual or constructive custody of client accounts.

### **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 client permission.

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

- Determine the security to buy or sell; and/or
- Determine the amount of that 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 again providing us with written instructions.

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

All client securities are held with the respective custodian: Fidelity Investments, Charles Schwab, National Financial Services, or TD Ameritrade. These custodians are responsible for ensuring all proxy material is forwarded to the client. LCA does not serve as custodian for any client securities, and as such does not receive proxies for securities held in client accounts. LCA does not vote or give advice on how to vote proxies for securities held in client accounts.

### **Item 18 Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. LCA has no additional financial circumstances to report.

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

LCA's CEO, Robert Lindner, has extended a loan to LCA, the proceeds of which are used to fund part of LCA's operating expenses. The terms of the loan have been approved by LCA's Board of Directors and include the stipulation that no interest is payable by LCA, that the loan has no specific term and that the CEO, Mr. Lindner, may call all or a part of that loan at any time. Mr. Lindner has informed LCA that he has no current intent to call the entire loan. Were Mr. Lindner to call part of the loan or the entire loan at a time when LCA lacked sufficient revenue to meet its operating expenses without the loan proceeds, LCA would immediately seek other potential sources of financing and provide clients with any required further disclosures related to such financing or lack thereof. LCA owns, pays for and is the beneficiary of a life insurance policy on the life of Mr. Lindner in an amount greater than any obligation under the loan agreement.

Other officers, directors, and/or management personnel of the firm may make loans to the company under the same stipulations in his/her own discretion.

**Part 2B of Form ADV: *Brochure Supplement***



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03/29/2012

This brochure supplement provides information about Robert J. Lindner, Paul C. Lorentzen, Scott Wetherington, and Anjali Kamath that supplements the LCA brochure. You should have received a copy of that brochure. Please contact LCA directly if you did not receive LCA's brochure or if you have any questions about the contents of this supplement.

Additional information about Robert J. Lindner and Paul C. Lorentzen, is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

## **Education and Business Standards:**

Generally, LCA requires those who provide investment advice to have a college degree or equivalent business experience, the sufficiency of which is evaluated by LCA on an individual basis. It is the policy of LCA to encourage associated persons and corporate employees to pass the Investment Adviser Law Examination (Series 65); unless exempt by SEC standards. Employees also participate in continuing education programs offered by the firm.

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## **Professional Certifications**

Employees have earned certifications and credentials that are required to be explained in further detail:

### **CERTIFIED FINANCIAL PLANNER<sup>TM</sup>**

CERTIFIED FINANCIAL PLANNER<sup>TM</sup>, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

1. Education- Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determine is necessary for the competent and professional delivery of financial planning services and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
2. Examination- Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
3. Experience- Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
4. Ethics- Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

1. Continuing Education- Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
2. Ethics- Renew an agreement to be bound by the Standards of Professional Conduct. The

Standards prominently require that the CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of the CFP® certification.

### **Accredited Investment Fiduciary (AIF)®**

AIF® designees are licensed by the Center for Fiduciary Studies, a part of the fi360 company. AIF certification requirements include:

1. Successful completion of the 90 minute, closed-book, 60 question AIF exam, indicating at least 75% correct answers;
2. Successful completion of six hours of continuing professional education, four hours of which are fi360 Training continuing education;
3. Sign and agree to abide by a code of ethics.

### **Chartered Life Underwriter (CLU)®**

CLU® is a professional designation for individuals who wish to specialize in life insurance and estate planning. Individuals must complete five core courses and three elective courses, and successfully pass all eight two-hour, 100-question examinations in order to receive the designation

The CLU® professional must have a minimum of three years of experience in life or health insurance sales, and is expected to abide by a code of ethics.

### **Accredited Asset Management Specialist(SM) or AAMS®**

The College for Financial Planning® awards the ACCREDITED ASSET MANAGEMENT SPECIALIST<sup>SM</sup> AND AAMS® designation to students who:

1. successfully complete the program;
2. pass the final examination; and
3. comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual's candidacy. If an individual wishes to apply for authorization to use the Marks in the future,

he or she may be required to fulfill the initial designation requirements in place at the time of passing the exam.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the AAMS® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AAMS® designation by:

1. completing 16 hours of continuing education;
2. reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and
3. paying a renewal fee.

### **Chartered Financial Consultant (ChFC)®**

To receive the ChFC® designation, an individual must successfully complete all courses in a selected program, meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures.

1. Experience- Three years of full-time business experience is required for all Huebner School designations. The three-year period must be within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience. Part-time qualifying business experience is credited toward the three-year requirement on an hourly basis, with 2,000 hours representing the equivalent of one year full-time experience. The following activities meet the required business experience qualifications included in the ChFC® certification process:
  - Insurance and health care
  - Field underwriting and management, including sales and service activities, supervision and management of persons involved in sales or services, or staff support of persons in these activities.
  - Company management and operations in positions involving substantial responsibility.
  - Financial services and employee benefits
  - Client service and related management, including direct contact with clients, supervision and management of persons involved directly in the process of providing financial services or employee benefits, or staff support of persons in these activities.
  - Financial institution management and operations in positions involving substantial responsibility.
  - Other: University or college teaching of subjects related to the Huebner School curriculum on a full-time basis at an accredited institution of higher education; Government regulatory service in a responsible administrative, supervisory, or operational capacity; Activities directly or indirectly related to the protection, accumulation, conservation, or distribution of the economic value of human life; these

include the work of actuaries, attorneys, CPAs, investment advisers, real estate investment advisers, stockbrokers, trust officers, or persons in other similar occupations.

2. Continuing Education- The following individuals are required to earn 30 hours of CE credit every two years:
  - Licensed insurance agent/broker/consultant
  - Licensed security representative/registered investment advisor
  - Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public
3. All ChFC® professionals must abide by a code of ethics.

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**Robert J. Lindner, Chief Executive Officer, CFP®, ChFC®, AAMS®, CLU®, AIF®, CEO**

**Email: [rlindner@lindnercapital.com](mailto:rlindner@lindnercapital.com)**

Year of Birth: 1951

Educational Background:

- Mercer University, BA, Business Management; 1975
- American College; Masters, Financial Planning; 1970

Business Experience:

- Lindner Capital Advisors, Inc.; CEO; from 12/1996-Present
- Lindner Capital Management; President and Chief Marketing Officer; from 07/1996-Present
- The Lindner Group, Inc.; President; from 03-1983-Present
- LC Holdings; President; from 05/2001 to 12/2006

Disciplinary Information:

Robert J. Lindner has no reportable disciplinary history.

Other Business Activities:

- President and Chief Marketing Officer of Lindner Capital Management
- President of The Lindner Group, Inc.
- Advisory Board Member of TD Ameritrade Institutional
- Executive Board member of Atlanta Humane Society



All of Mr. Lindner's outside business activities and affiliations are appropriately disclosed to LCA's Chief Compliance Officer in accordance with LCA's Code of Ethics.

Additional Compensation:

None.

Supervision:

Mr. Lindner's compliance-related activities are supervised by Ms. Anjali Kamath, Chief Compliance Officer. She reviews Mr. Lindner's investment advisory work through frequent office interactions. She also reviews Mr. Lindner's activities to ensure he acts in accordance with LCA's Code of Ethics.

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**Scott Wetherington, Senior Portfolio Manager, CFA Level III Candidate**

**Email: [swetherington@lcaus.com](mailto:swetherington@lcaus.com)**

Year of Birth: 1966

Educational Background:

- James Madison University, BBA, Finance; 1989

Business Experience:

- W Capital Advisors, LLC; CEO; 12/2011-Present
- Lindner Capital Advisors, Inc.; Senior Portfolio Manager; 02/2009-Present
- ING Investment Management; Portfolio Manager; 07/2003-10/2008

Disciplinary Information:

Mr. Wetherington has no reportable disciplinary history.

Other Business Activities:

Mr. Wetherington is partial owner and an investment adviser representative of W Capital Advisors, LLC, an investment adviser registered in the State of Georgia.

Additional Compensation:

Mr. Wetherington may receive a fee from LCA based on his sub-advisor relationship with the firm.

Supervision:

Mr. Wetherington's activities are supervised by Robert Lindner, Chief Executive Officer. He reviews Mr. Wetherington's investment advisory work through frequent office interactions. Mr. Wetherington's activities are also reviewed to ensure he acts in accordance with LCA's Code of Ethics.

**Paul C. Lorentzen, Chief Financial Officer, CFP®, CPA**

**Email: plorentzen@lcaus.com**

Year of Birth: 1961

Educational Background:

- C.W. Post, Masters Degree in Taxation, 1992
- St. Johns University, Bachelors, 1983
- Suffolk County Community College, Associates Degree, 1981

Business Experience:

- Lindner Capital Advisors, Inc.; Chief Financial Officer; 12/1996-Present
- Michael C. Allen and Associates, Certified Public Accountants, PLLC; Principal Accountant; 01/2011- Present

Disciplinary Information:

Paul Lorentzen has no reportable disciplinary history.

Other Business Activities:

Mr. Lorentzen's primary business is that of a Certified Public Accountant for Michael C. Allen and Associates located in the State of New York. Mr. Lorentzen is physically present in LCA's office once a month and is available remotely at other times.

Additional Compensation:

None.

Supervision:

Mr. Lorentzen's activities are supervised by Robert Lindner, Chief Executive Officer. He reviews Mr. Lorentzen's investment advisory work through frequent office interactions. Mr. Lorentzen's activities are also reviewed to ensure he acts in accordance with LCA's Code of Ethics.

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**Anjali Kamath, Chief Compliance Officer**

**Email: akamath@lcaus.com**

Year of Birth: 1978

Educational Background:

- Samford University Cumberland School of Law, Juris Doctoris (J.D.), 2004
- LaGrange College, BA, Psychology, 2001

Business Experience:

- Lindner Capital Advisors, Inc.; Chief Compliance Officer and General Legal Counsel; 11/2007-Present
- Wasyluka Law, LLC.; Associate Attorney; 05/2007-11/2007
- Wooten Law Firm; Associate Attorney; 09/2006-04/2007
- Morrow and Nix, Attorneys at Law; Associate Attorney; 04/2006-08/2006

Disciplinary Information:

Anjali Kamath has no reportable disciplinary history.

Other Business Activities:

None

Additional Compensation:

None.

Supervision:

Ms. Kamath's activities are supervised by Robert Lindner, Chief Executive Officer. He reviews Ms. Kamath's work through frequent office interactions.