



Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of Contango. If you have any questions about the contents of this brochure, please contact us at 801-844-8684 or lincoln.taylor@zionsbancorp.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.

Additional information about Contango also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 131308.

Item 2 Material Changes

In June of 2011, Contango hired a new Chief Operating Officer, Julie Castle. She comes to Contango with over 29 years in the industry. She has a diverse range of experiences in banking and wealth management and has held many leadership roles in her career. Ms. Castle holds the Certified Financial Planner (CFP®) designation and holds various securities licenses as required by the industry.

In September of 2011, Contango discontinued its Family Office service. With that change, Milton Balbuena, head of the Family Office, left Contango to pursue other opportunities.

In November of 2011, Contango made a decision to discontinue its ability to offer futures and other commodities of this nature in our investments. Since Contango has not offered these types of investments for several years, we have terminated our registration with the National Futures Authority as a Commodity Trading Advisor and a Commodity Pool Operator. Contango continues its registration with the Securities and Exchange Commission as an investment adviser.

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Item 4 Advisory Business

Contango Capital Advisors, Inc. is a SEC-registered investment adviser with its principal place of business located in San Francisco, California. Contango Capital Advisors, Inc. began conducting business in 2004.

The principal shareholder of Contango (i.e., those individuals and/or entities controlling 25% or more of this company) is Welman Holdings, Inc., an affiliated holding company which in turn is owned by publicly held Zions Bancorporation (Nasdaq: ZION).

Contango offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS")

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

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

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

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

- Exchange-listed securities
- Securities traded over-the-counter
- Securities issued in foreign jurisdictions
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper

- Certificates of deposit
- Municipal securities
- Variable life insurance
- Fixed and Variable annuities
- Mutual fund shares
- United States government and agency securities
- Options contracts on securities
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Venture capital funds, leveraged buy-out funds, timberlands, asset-backed structured securities, hedge funds and other pooled investment vehicles.

We may also provide Investment Supervisory Services to a client through annuity products held by the client. Under these circumstances, our investment options may be limited to those available through the annuity's sponsor.

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

TRUESIGHT STRATEGIES PROGRAM

Contango also offers investment management services as the sponsor of the *TrueSight Strategies Program*, a wrap fee program. The TrueSight Strategies Program (hereinafter the "TrueSight Program" or the "Program") offers access to model asset allocation portfolios, including, depending on the client's needs and circumstances, proprietary portfolios managed directly by Contango, and the Russell Model Strategies, created and directly managed by the Russell Investment Management Company, an unaffiliated investment adviser.

A wrap-fee program is an investment management program that provides the client with advisory and brokerage execution services for an inclusive fee. The client is not charged separate fees for these respective components of the total service, though there may be additional costs for fees and expenses charged by mutual funds and exchange traded funds (ETFs) or exchange traded notes (ETNs) to their shareholders, exchange fees, transfer taxes or certain administrative fees for wire transfers or certificate issues. Transactions in TrueSight Program accounts are effected 'net,' i.e., without a separate commission charge to the client, and a portion of the wrap fee is generally considered as being in lieu of commissions. In

evaluating the TrueSight Program, clients should consider therefore that, depending upon the level of the wrap fee charged, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and if Contango were to negotiate commissions and seek best price and execution of transactions for the client's account.

TrueSight Program accounts are constructed primarily of mutual funds. Mutual funds selected for portfolios are selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. The Russell Investment Management Company was selected based on an evaluation of that firm's investment processes, asset allocation strategies and the characteristics of its model portfolios, including performance, risk characteristics and management style.

Each model portfolio is designed to meet a particular investment goal. Program client accounts are managed on a discretionary or nondiscretionary basis on a platform provided through EnvestNet Asset Management, Inc., a registered investment adviser not affiliated with Contango (hereinafter "EnvestNet"). Account management is guided by the stated objectives of the client (e.g., growth, moderate growth, balanced, or conservative balanced).

For more information regarding the Program, including the fee schedule and other important considerations, clients should refer to the disclosure document (Appendix I) for the Program.

Through personal discussions with us, we will evaluate the client's financial circumstances, including return objective, risk tolerance, time horizon, income needs and tax parameters. Contango then works with the client to determine which model portfolio is most suitable to the client's circumstances. Once the appropriate portfolio has been determined, Contango develops a client's personal investment policy statement (IPS) and the portfolio will be managed based on the portfolio's goal. Clients may place reasonable restrictions on the types of investments to be held in the portfolio. Such restrictions are incorporated into the client's IPS. Clients retain individual ownership of all securities in their portfolio(s).

In order to help ensure that Contango's initial determination of an appropriate portfolio continues to be suitable and that the client's account continues to be managed in a manner suitable to the client's financial circumstances, Contango will maintain client suitability information in the client's file. Clients should notify Contango immediately of any change in the client's financial situation and investment objectives and/or in the event the client wishes to impose or modify existing investment restrictions.

Contango will monitor Investment Management Accounts at least quarterly and rebalance these accounts as needed. If Contango believes that a particular investment is performing inadequately, or if Contango believes that a different investment is more suitable for the

portfolio's goal, then Contango will determine a different investment and reinvest the client's assets in accordance with the discretionary authority granted.

Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company.

STRATEGIC ADVISORY SERVICES

We also offer investment management to clients on a non-discretionary basis through our Strategic Advisory Services. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we assist in the development of a client's personal investment policy and create a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We will monitor the client's account and make investment recommendations as appropriate. However, we will not implement any trade in the client's Strategic Advisory Services account without first obtaining the client's consent. Account supervision is guided by the client's stated objectives (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. In addition to monitoring the account and making recommendations regarding investment of the client's assets as appropriate, we will also discuss the client's investment ideas and accept client instructions for specific transactions and implement those transactions in the client's Strategic Advisory Account on the client's behalf.

Based on the client's individual circumstances and needs, we may also perform searches of various unaffiliated registered investment advisers to identify registered investment advisers whose portfolio management style may be appropriate for a portion of the client's account. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected registered investment adviser. Clients should refer to the selected registered investment adviser's Firm Brochure or other disclosure document for a full description of the services offered. We are available to meet with clients on a regular basis, or as determined by the client, to review the account.

We monitor the performance of the client's account, including any selected third party investment adviser(s), if any, and will make recommendations regarding the client's account. If we determine that a particular selected registered investment adviser(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's financial circumstances, we may suggest that the client contract with a different registered investment adviser and/or program sponsor. Under this scenario, our firm assists the client in selecting a new registered investment adviser and/or program. However, any move to a new registered investment adviser and/or program is solely at the discretion of the client.

INSTITUTIONAL LIQUIDITY MANAGEMENT

Contango also offers individually customized money market and short term fixed income asset management services for corporations, individuals and for municipal and governmental institutions in several states. Short term investments made in Institutional Liquidity Management (ILM) accounts may include:

- Short term corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Money market mutual fund shares
- United States government agency securities.

We provide these services on a discretionary and non-discretionary basis with investment advisory services based on the needs of the client and stated objectives/guidelines of the account. We manage accounts in accordance with local statutes and regulations governing the investment of public funds.

RELATIONSHIP MANAGEMENT SERVICES

Advisory clients may also engage Contango to serve as the client's account liaison with applicable custodians and provide typical administrative services with respect to certain of the client's assets. Relationship Management Services may be sought, for example, by clients with legacy securities holdings and other assets intended to be retained for a significant period of time. Typical services may include communicating with custodians and facilitating client requested account contributions/distributions, titling, beneficiary designation requests, trades, exchanges, orders, special requests, and account journaling.

If requested, client investments may also be reviewed or monitored by Contango on a periodic or as needed basis. In addition, if requested, Contango may meet with the client on a periodic basis to review performance, allocation of assets, tax liability issues, and to update the client's profile to reflect changes in client circumstances. Relationship Management Services may be provided as a stand alone service or in conjunction with separate investment management services.

FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and projected future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, a variety of questions, information and analysis are considered that may impact or be impacted

by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

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

- **Personal:** We review family records, budgeting, personal liability, estate information and financial goals.
- **Education:** We review various options for funding a child's education including, education IRAs, financial aid, state savings and 529 plans, grants and general assistance through development of an education plan.
- **Tax & Cash Flow:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current and future tax liability. We do not provide tax advice.
- **Investments:** We analyze investment alternatives and their potential effect on the client's portfolio.
- **Insurance:** We review existing policies to ensure proper coverage for life, health, disability, long-term care and personal liability.
- **Retirement:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **Death & Disability:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **Estate:** We assist the client in assessing and developing long-term strategies and tactics, including as appropriate, the use of living trusts, wills, powers of attorney, and asset protection plans. We assist in estate tax planning, long term care, and health insurance planning.

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

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

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

CONSULTING SERVICES

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

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

BUSINESS ADVISORY SERVICES

We provide advisory services to business owners looking to value and exit their business as part of an overall investment strategy. We advise clients on family business transfers, sales to third parties, sales to employees (ESOPs), restructuring partnership agreements, business successions and investments in start-up and established businesses. We work with clients from the initial stages of assessing transition alternatives through designing tax-efficient pre-sale strategies, implementing transition plans, structuring and negotiating sales and orchestrating closings.

AMOUNT OF MANAGED ASSETS

As of 12/31/2011, we were actively managing \$1,406,465,814 of clients' assets on a discretionary basis plus \$125,988,787 of clients' assets on a non-discretionary basis.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES ("ISS") FEES

The annualized fee for Investment Supervisory Services is charged as a percentage of assets under management, according to the following schedules.

With the exception of cash only, and fixed income portfolios, all ISS accounts are subject to a

minimum annual fee of \$5,000 and a minimum initial investment of \$500,000.

For ISS portfolios other than Cash and Fixed Income:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$500,000	1.50%
On the next \$500,000	1.25%
On the next \$2 million	1.00%
On the next \$2 million	0.75%
On the next \$5 million	0.65%
On amounts over \$10 million	Determined by circumstances

For Fixed Income Only portfolios:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Up to \$1 million	0.50%
\$1,000,001 - \$5 million	0.40%
Over \$5 million	0.30%
Amounts over \$10 million	Determined by circumstances

Fixed income accounts are subject to a minimum annual fee of \$3,000. Minimum investment is \$400,000.

For Cash Only portfolios, Contango will charge an asset based fee of up to 0.25% annually, subject to our discretion. Typically, cash only portfolios are offered on an interim basis only. All cash only accounts are subject to a minimum annual fee of \$3,000.

For accounts managed through an annuity product, our fee is 0.75% annually.

Our fees for all accounts are billed in arrears at the end of each calendar month 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 month. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement.

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

TRUESIGHT STRATEGIES PROGRAM FEES

The annualized fee for TrueSight Strategies Program client accounts will be charged as a percentage of assets under management, according to the following schedules.

For Russell and Proprietary Models:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$500,000	1.50%
On the next \$500,000	1.25%
On the next \$2 million	1.00%
On the next \$2 million	0.75%
On the next \$5 million	0.65%
On amounts over \$10 million	Determined by circumstances

For Fixed Income Portfolios:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$500,000	1.00%
\$500,001 to \$1 million	0.75%
\$1,000,001 to \$3 million	0.60%
\$3,000,001 to \$5 million	0.50%
Above \$5 million	0.40%

Fees are calculated as an annual percentage of assets based on the market value of the account at the end of the quarter. Program Fees are charged on a calendar quarter basis in advance; they are prorated to the end of the quarter upon inception of the account. InvestNet will automatically deduct the Program Fee out of the client's account in accordance with their contract. InvestNet will then deduct their fee for services provided and then forward the remaining fee balance to Contango to cover the costs of services provided. The level of the Program Fee will vary with the amount of assets under management. The fee charged is not negotiable. Clients may receive comparable services from other sources for fees that are lower or higher than those charged by Contango.

TrueSight Program accounts are subject to a minimum annual fee of \$750 with the exception of Life Points models which are subject to an annual fee of \$150. Minimum investment is \$50,000. We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

STRATEGIC ADVISORY SERVICES FEES

The annualized fee for Strategic Advisory Services is charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$500,000	1.50%
On the next \$500,000	1.25%
On the next \$2 million	1.00%
On the next \$2 million	0.75%
On the next \$5 million	0.65%
On amounts over \$10 million	Determined by circumstances

Strategic Advisory Services fees are billed in arrears at the end of each calendar month 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 month. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement.

Accounts are subject to a minimum annual fee of \$7,500.00. Minimum investment is \$500,000. We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Strategic Advisory Services clients receiving a referral to a third party manager should note that, in an effort to maintain objectivity when making third party manager referrals, Contango does not limit its recommendations to managers that pay a referral fee to the firm (though, as disclosed above, we do have some legacy relationships structured in this way). As a result, fees paid to Contango by Strategic Advisory Services clients will generally be in addition to the fees paid to third party managers for their services. This layering of fees will have the effect of lowering the client's overall portfolio return.

INSTITUTIONAL LIQUIDITY MANAGEMENT FEES

The annualized fee for Institutional Liquidity Management (ILM) Services is charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Up to \$10 million	0.150%
Up to \$20 million	0.125%
Up to \$40 million	0.100%
Up to \$100 million	0.080%
On amounts over \$100 million	Negotiated

A minimum annual fee of \$3,000 is required for Institutional Liquidity Management Services.

Fees for Institutional Liquidity Management Services are negotiable based on factors such as client type, referring source, asset class, pre-existing relationships, portfolio complexity and account size, requirements or other special circumstances. Minimum investment is \$2,000,000.

Fees on ILM accounts are calculated monthly and charged to accounts monthly in arrears, based on the average (time-weighted) daily balance of the assets under management as of the last day of the month.

RELATIONSHIP MANAGEMENT SERVICES FEES

Our annual fee for relationship management services is 0.12% of total client assets under consultation. This fee may be negotiable at our discretion depending on client circumstances. Our fees are billed in arrears at the end of each calendar month 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 month. Fees will be debited from the account in accordance with the client authorization in the Client Services Agreement. There is no minimum fee or investment required.

FINANCIAL PLANNING FEES

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

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically up to \$5,000, depending on the specific arrangement reached with the client.

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

Financial Planning Fee Offset: Contango reserves the discretion to reduce or waive its financial planning fee if a financial planning client chooses to engage us for our Portfolio Management Services through ISS, the TrueSight Program or otherwise.

CONSULTING SERVICES FEES

Contango's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to

entering into a contract with any client.

BUSINESS ADVISORY SERVICES FEES

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

Our business advisory fees are calculated and charged on a fixed fee basis, with a retainer due upon signing the contract and the remainder due upon completion of the project, depending on the specific arrangement reached with the client.

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

Business Advisory Fee Offset: Contango reserves the discretion to reduce or waive its business advisory fee if a financial planning client chooses to engage us for our Portfolio Management Services through ISS, the TrueSight Program or otherwise.

GENERAL INFORMATION

Limited Negotiability of Advisory Fees: Although Contango has established the aforementioned fee schedules, we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, fees are generally charged in arrears for services provided. Upon termination of any account, any unpaid, earned fees will be due and payable. In calculating a client's fee, we will pro rate the charge according to the number of days services were provided during the billing period.

Mutual Fund Fees: All fees paid to Contango for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would

not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

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

Additional Fees and Expenses: For non-wrap fee program clients, in addition to our advisory fees, clients may also be 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.

Valuation and Pricing: For securities where ready valuation information is not available (including but not limited to hedge funds, private placements, illiquid securities and some derivatives) pricing will be undertaken through good faith cooperation between Contango Operations and the manager of the specific security to fairly approximate the security's current value.

Contango has also engaged third-party pricing agents to price illiquid and hard-to-value securities holdings. This firm was engaged to determine the value, on an ad hoc basis, for Contango's three CLO positions in Canal Point I & II and Whitebark Pine I and various other holdings.

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

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

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of

fees in excess of \$1,200 more than six months in advance of services rendered.

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

Contango does not currently charge performance-based fees to any client.

Item 7 Types of Clients

Contango provides advisory services to the following types of clients:

- Individuals, including high net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Trusts, estates and charitable organizations
- Corporations or other businesses not listed above, and
- State or municipal government entities

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

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

METHODS OF ANALYSIS

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

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

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

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

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

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

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

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

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

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

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

business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

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

INVESTMENT STRATEGIES

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

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

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

A risk in 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.

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

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing

does not materialize. Moreover, under those circumstances, we are left with few options:

- having a long-term investment in a security that was designed to be a short-term purchase, or
- the potential of having to take a loss.

In addition, because this strategy involves more frequent trading than does a longer-term strategy, there will be a resultant increase in brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short sales. We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Short selling results in some unique risks:

1. *Losses can be infinite.* A short sale loses when the stock price rises, and a stock is not limited (at least, theoretically) in how high it can go. For example, if you short 100 shares at \$50 each, hoping to make a profit but the shares increase to \$75 per share, you'd lose \$2,500. On the other hand, the price of a stock cannot fall below \$0, which limits your potential upside.
2. *Short squeezes can wring out profits.* As stock prices increase, short seller losses also increase as sellers rush to buy the stock to cover their positions. This increase in demand, in turn, further drives the prices up.
3. *Timing.* Even if we are correct in determining that the price of a stock will decline, we run the risk of incorrectly determining when the decline will take place, i.e., being right too soon. Although a company is overvalued, it could conceivably take some time for the price to come down; during which you are vulnerable to interest, margin calls, etc.
4. *Inflation.* History has shown that over the long term, most stocks appreciate. Even if a company barely improves over time, inflation should drive its share price up somewhat. In fact, short selling may not be appropriate in times of inflation for that very reason, as prices may adjust upwards regardless of the value of the stock.

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

The two types of options are calls and puts:

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

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

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

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

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

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

Item 9 Disciplinary Information

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.

Neither our firm nor our management personnel have any reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

As set forth in Item 4 of this Brochure, we are a wholly owned subsidiary of Zions Bancorporation, a publicly traded, commercial bank that offers a broad spectrum of banking

products and financial services to consumers, small businesses and commercial clients through regional affiliates. As a subsidiary of Zions Bancorporation, our firm is under common ownership and control with several financial institutions, including the following with which we have a material business relationship (referred to collectively as the "Related Companies"):

- Zions Direct, Inc., a FINRA member broker-dealer;
- Amegy Investments, Inc., a firm that is dually registered as a broker-dealer and investment adviser;
- Western National Trust Company, a specially chartered bank for trust services registered in all 50 states;
- Several affiliated banks including, Amegy Bank of Texas, California Bank & Trust, The Commerce Bank of Oregon, The Commerce Bank of Washington, National Bank of Arizona, Nevada State Bank, Vectra Bank of Colorado, and Zions First National Bank (Affiliate Banks).

Where appropriate, Contango and our employees may recommend the various investment and investment-related services of the Related Companies to our advisory clients. The Related Companies and their employees may also recommend the advisory services of our firm to their clients. The services provided by the Related Companies are separate and distinct from our advisory services, and are provided for separate and additional compensation. Contango has a referral program with the Affiliate Banks, whereby Contango will pay up to 50% of Contango's annual fee revenue for the life of the account ("Referral Fee") that an account is established as a result of referrals made by affiliate bank employees. The Affiliate Banks, at their discretion, may or may not choose to pass on a portion of the referral fee to the referring individual banker. No Contango client is obligated to use the services of any of the Related Companies.

As required, any affiliated investment advisers and broker dealers are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

Management personnel and other employees of Contango may also be separately licensed as registered representatives of Zions Direct, Inc. ("Zions Direct"), an affiliated broker-dealer. In fact, Contango and Zions Direct have entered into a Dual Employee Agreement whereby all producing registered representatives on the retail customer side of Zions Direct are dually registered Investment Adviser Representatives of Contango. Further, Contango and Zions Direct have entered into a Revenue Sharing Agreement in which Contango will transfer a portion of the advisory fee revenues to Zions Direct net of operational and administrative expenses. As a result of their dual registrations, management personnel and other employees of Contango, in their separate capacities as registered representatives of Zions Direct, can effect securities transactions for which they will receive separate, yet customary compensation.

Investment Adviser Representatives of Contango may also be dually employed by the Affiliate

Banks in order to provide investment services to clients of the bank.

Western National Trust Company, a subsidiary of Zions First National Bank, which is a subsidiary of Zions Bancorporation and affiliate of Contango, may provide trust services to certain clients including some of our Family Office Services clients.

Private Equity Fund:

Contango also serves as the managing member to the Contango Private Equity Fund, LLC ("the Fund"), a limited liability company formed for investment purposes. Unlike other types of private funds, such as hedge funds, private equity funds receive unfunded capital commitments from investors during one or more initial fundraising stages, after which the funds are generally closed to new investors. As such, the Fund is closed and no client of Contango is ever solicited to invest in the Fund.

Contango does not serve as investment manager to the Fund and does not receive investment advisory compensation from the Fund. Related persons of our firm may spend as much as 5% of their time on these related activities.

Additional information regarding the Fund is available on Schedule D of Form ADV, Part 1 at Item 7.B. Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.

Conflicts of Interest:

Clients should be aware that the receipt of additional compensation by Contango 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. Contango endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

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

interest continue to be properly addressed by our firm; and

- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

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

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

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

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

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to lincoln.taylor@zionsbancorp.com, or by calling us at 801-844-8684.

Contango or individuals associated with our firm may buy securities for the firm or for themselves from our advisory clients; or sell securities owned by the firm or the individual(s) to our advisory clients. We will ensure, however, that such transactions are conducted in compliance with all the provisions under Section 206(3) of the Advisers Act governing principal transactions to advisory clients.

Contango may, at times, effect an agency cross transaction for an advisory client, provided that the transaction is consistent with our firm's fiduciary duty to the client and that all requirements outlined in Sec. 206(3)-2 of the Investment Advisers Act of 1940 are met.

An agency cross transaction is a transaction where our firm acts as an investment adviser in relation to a transaction in which any person controlled by or under common control with our

firm, acts as broker for both the advisory client and for another person on the other side of the transaction.

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

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

It is the expressed policy of our firm that no person employed by us may purchase or sell any security 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.

We may 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 the 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 the 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 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 that 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 recommended transactions made in a financial plan or otherwise through our consulting services.
8. Clients can decline to implement any advice rendered, except in 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.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a related broker-dealer. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 Brokerage Practices

Contango requires clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

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

Contango will endeavor to select those brokers or dealers which will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's ability to provide professional services, competitive commission rates, research and other services which will help Contango in providing investment management services to clients. Currently, Contango anticipates that most client accounts will be custodied with National Financial Services LLC and that trades placed in these client's accounts will be placed through Brokerage Services LLC so long as this continues to be in our client's best interests.

Clients should note that Contango 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. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like Contango in conducting business and in serving the best interests of our clients but that may also benefit us.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity enables Contango 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 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, 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 Contango (within specified parameters).

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 Contango's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than 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 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 Contango will seek competitive rates, to the benefit of 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 of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Contango and Fidelity are not affiliated.

Contango has an arrangement with Western National Trust Company (WNTC), an affiliate of Contango, to provide custody services for non-conforming accounts at a cost not to exceed charges from non-affiliated entities. Custody services include among other things brokerage, custodial, administrative support, record keeping, fees and other related services. WNTC charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). the commissions and transaction fees charged by WNTC will not exceed the commissions and transactions charged

by other custodians and broker-dealers.

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

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

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Contango, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Contango to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a hindsight perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.
- 6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each

client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) Contango's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on Contango's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS")/ TRUESIGHT STRATEGIES PROGRAM / STRATEGIC ADVISORY SERVICES / INSTITUTIONAL LIQUIDITY ACCOUNTS / RELATIONSHIP MANAGEMENT SERVICES

REVIEWS: While the underlying securities within managed (or, in the case of Relationship Management Services, monitored) accounts are continually monitored, these accounts are reviewed at least annually. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by the investment advisory representative assigned to the account.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from the custodian, we provide quarterly reports summarizing account performance, balances and holdings.

We encourage clients to review and compare both statements for accuracy in portfolio. However, in the event there is a discrepancy, the custodial statement will be the official statement of the account holdings.

FINANCIAL PLANNING SERVICES

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

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

CONSULTING SERVICES/BUSINESS ADVISORY SERVICES

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

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

Item 14 Client Referrals and Other Compensation

CLIENT REFERRALS

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. These Solicitors include affiliated firms. (See Item 10 of this Brochure for additional details).

Payment of referral fees for client referrals creates a potential conflict of interest to the extent that such a referral is not unbiased and the solicitor is, at least partially, motivated by financial gain. Therefore, Contango may be referred to a prospective client even though our advisory services may not be the best suited to the prospective client's circumstances or when entering into an advisory relationship with us is not, overall, in the best interest of the client. As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

- All such referral fees are paid in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any applicable state securities law requirements;
- Any such referral fee will be paid solely from our investment management fee, and will not result in any additional charge to the client;
- We will confirm that at the time of the solicitation, the Solicitor provided each prospective client with a copy of our Form ADV Part 2 Brochure, and, as applicable, a copy of the written disclosure statement disclosing the terms of the solicitation arrangement between our firm and the solicitor, including the compensation to be received by the solicitor from us; and
- All referred clients will be carefully screened to ensure that our fees, services, and investment strategies are suitable to their investment needs and objectives.

OTHER COMPENSATION

From time to time and as part of our financial planning process, we may recommend insurance policies and place clients with life insurance companies. While we work with properly licensed

agents, Contango may participate in any revenue or commissions generated for such a transaction. We may or may not choose to pass on a portion of these revenues to our representatives.

Item 15 Custody

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

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to 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 things. Clients should contact us directly if they believe that there may be an error in their statement.

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

Item 16 Investment Discretion

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

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

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

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

Item 17 Voting Client Securities

We vote proxies for all client accounts; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting their investment adviser representative for instructions by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact their investment adviser representative for instructions by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting your investment adviser representative for instructions.

From time to time, Zions Bancorporation (Nasdaq:ZION) may present to their shareholders matters requiring their vote. As this may present a conflict of interest for Contango, we will either abstain from voting proxies on Zions stock or forward the proxy to the client for a vote.

Item 18 Financial Information

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

As an advisory firm that is deemed to have custody of certain client accounts, through bill

paying or otherwise, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Contango has no adverse financial circumstances to report.

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