

**Item 1 – Cover Page**

Monticello Investment Services, Inc.

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Joplin, MO 64804

888-526-2001

12/31/2013

This Brochure provides information about the qualifications and business practices of Monticello Investment Services, Inc. [“ADVISER”]. If you have any questions about the contents of this Brochure, please contact us at 888-526-2001. 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.

Monticello Investment Services, Inc. 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 Monticello Investment Services, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 12/31/2013 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

Additional information about Monticello Investment Services, Inc. is also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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#### **Item 4 – Advisory Business**

Monticello Investment Services, Inc. (MISI) is an SEC registered investment advisory firm. MISI was established in 2006. The firm is owned equally between Mr. Shaun Young, President, and Mr. Jeffrey Stinnett. MISI is headquartered in Joplin, MO.

MISI may provide investment advisory services to clients either on a discretionary or non-discretionary basis. This comprises approximately 95% of MISI advisory billings. MISI also furnishes financial planning services and these comprise the remaining 5% of MISI billings.

Clients of MISI may have the option to tailor their investments to their specific needs and objectives. Clients may invest in equity and debt securities, US government securities, warrants, corporate debt instruments, investment company securities, among other investment types. The majority of MISI clients will utilize the advisory services of third party money managers made available through MISI. Clients should read, evaluate and discuss the different methods of management available through third party money managers with their MISI investment advisor representative to determine suitability.

MISI requires that all investment advisor representatives pass an industry exam, Series 65 or Series 66, in order to affiliate with the firm. In certain cases, a state authority may exempt an advisor from the exam requirement and the firm may, at its discretion, waive the exam requirement for advisors in that state. MISI performs background checks on its advisors prior to affiliation and requires the advisor to have investment-related experience.

Officers of MISI are also officers of MidAmerica Financial Services, Inc., a FINRA-member broker/dealer (MFSI). Investment advisor representatives of MISI may also be registered representatives of MFSI and as such may receive commission for effecting securities transactions in an MFSI account. In certain instances, investment advisor representatives of MISI may also purchase or sell securities for their own benefit and these same securities may have been recommended to a client of MISI.

Financial planning clients will be provided with a written report by their investment advisor representative. In some cases, clients may be charged a separate fee for a written financial plan and will be notified prior that a fee will be charged.

Confirmations of securities transactions will be sent by the account custodian directly to the client. The custodian and/or third party money manager will also provide statements to the client no less than quarterly which will summarize account activity, to include: transactions; dividends; funds deposited, transferred or withdrawn; receipt or delivery of securities; and any applicable charges.

Clients with discretionary accounts allow MISI the authority to determine, without obtaining specific client consent prior to the transaction, (1) securities to be bought or sold, and (2) amount of

the securities to be bought or sold. Clients with discretionary accounts may still choose the broker/dealer where transactions may take place.

As of December 31, 2013, MISI had approximately \$47,633,467 of assets under management.

### **Item 5 – Fees and Compensation**

MISI will charge the client's account held by the custodian a percentage of the assets under management, including cash balances. The annual fee is charged quarterly in arrears.

Investment advisory fees are based upon the following schedule but may be negotiated at the investment advisor representatives' sole discretion, not to exceed 1.50%:

Assets up to \$500,000 .....	1.50%
Assets between \$500,001-\$1,000,000 .....	1.25%
Asset between \$1,000,001-\$1,500,000 .....	1.00%
Assets over \$1,500,001 .....	0.75%

Client fees are deducted directly from the client's account. Assets managed by a third party manager will have the fees deducted as disclosed in their Form ADV, Part 2 brochure.

Current custodians servicing MISI clients are: TD Ameritrade, and Schwab. These custodians may charge other account fees such as transaction costs, custodial fees, etc. A list of fees may be made available to you by request.

Certain MISI advisors may also be registered representatives of MFSI. MISI advisors do not earn commissions while performing advisory services, but may earn a commission while providing products available through MFSI.

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

MISI does not charge clients a performance-based fee.

### **Item 7 – Types of Clients**

MISI offers advisory services on a percentage of assets under management, on an hourly basis, or for a fixed financial planning fee.

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

MISI does not utilize proprietary methods of analysis, such as quantitative strategies, etc. MISI relies on the strategies of the underlying money manager, in the case of third parties, or outside research firms as made available through the custodian of assets.

### **Item 9 – Disciplinary Information**

MISI has no disciplinary issues with any regulatory authority.

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

Some principal executive officers of MISI are also officers of MidAmerica Financial Services, Inc., a FINRA-member broker/dealer (MFSI). Investment advisor representatives of MISI may also be registered representatives of MFSI and as such may receive commission for effecting securities transactions in an MFSI account. In certain instances, investment advisor representatives of MISI may also purchase or sell securities for their own benefit and these same securities may have been recommended to a client of MISI.

### **Item 11 – Code of Ethics**

MISI has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at MISI must acknowledge the terms of the Code of Ethics annually, or as amended.

MISI clients or prospective clients may request a copy of the firm's Code of Ethics by contacting 888-526-2001.

## **Item 12 – Brokerage Practices**

MISI currently utilizes the brokerage services of TD Ameritrade and Schwab. Clients have the option to choose either of these broker/dealers as custodian. MISI uses the premises of MFSI for office space, technology support, furniture and equipment. MISI does not have any other “soft dollar” arrangements.

MISI advisors may have accounts invested in the markets. In the event that an advisor is invested in any security that is also recommended to the client, this fact will be made known to the client in advance. Client orders will precede any transactions placed for proprietary accounts.

## **Item 13 – Review of Accounts**

Designated supervisors of the firm will review client portfolios quarterly, randomly or as needed. Accounts are reviewed for suitability based upon the client’s investment objectives and risk tolerance.

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

Where applicable under specific jurisdictions, MISI may utilize a Solicitor Agreement to pay for client referrals.

## **Item 15 – Custody**

MISI does not maintain custody of client funds. Clients will receive statements directly from the custodian of account.

## **Item 16 – Investment Discretion**

In order for MISI investment advisor representatives to perform discretionary advisory services, the client must sign a Client Advisory Agreement allowing discretion. This discretion is limited to the securities to be bought or sold, and the amount of each transaction. This discretion in no way allows MISI or its representatives to access client account funds, perform transfers or make

changes to the title or address of record on the account. A client's letter of instruction is required to perform any other activity in the account.

Clients that choose to invest with a third party money manager may also be providing a limited power of attorney for investing purposes to these managers utilizing their specific account agreements. MISI representatives do not hold discretion over third party managed accounts.

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

As a matter of firm policy and practice, MISI does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. MISI may provide advice to clients regarding the clients' voting of proxies.

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

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