

# Agile Investments Brochure

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This Brochure provides information about the qualifications and business practices of Agile Investments. If you have any questions about the contents of this Brochure, please contact us at [info@agileinvesting.com](mailto:info@agileinvesting.com) or 615-385-4909. 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 Agile Investments also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

Agile Investment's Brochure has been reviewed and updated with no material changes since the last annual update of our Brochure on March 15, 2014.

Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Currently, our Brochure may be requested by contacting J.D. Steinhilber at [jd@agileinvesting.com](mailto:jd@agileinvesting.com). Our Brochure is also available on our web site [agileinvesting.com](http://agileinvesting.com).

Additional information about Agile Investments is available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Agile Investments who are registered, or are required to be registered, as investment adviser representatives of Agile Investments.

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## Item 4 – Advisory Business

Agile Investments manages diversified portfolios for clients. Agile Investments specializes in using exchange traded funds (ETFs) to construct portfolios. ETFs can provide an attractive combination of low-costs, transparency, diversification, and tax-efficiency.

Agile Investments manages client portfolios on an individualized basis in accordance with the investment objectives stated by the client. Client portfolios vary based upon a variety of factors, including the client's investment objectives, risk tolerance, time horizon, net worth, income, tax situation and other factors. Agile Investments manages client portfolios on both a *discretionary* and *nondiscretionary* basis. *Discretionary* management means that Agile Investments decides which investment securities to buy and sell on behalf of the client. Clients may impose restrictions on investing in certain securities or types of securities.

All investment securities are the sole property of the client and are held at an independent custodial institution. Agile Investments uses Fidelity Investments as the principal custodian for client accounts. Agile Investments does not hold client funds or securities.

Agile Investments has been in business since October 2004. Since its inception, Agile Investments has been 100% owned by J.D. Steinhilber, who is President and Chief Investment Officer. As of December 31, 2014, Agile Investments managed approximately \$95 million in client assets. Agile Investments provides investment advice to a limited number of clients through consulting relationships under negotiated fee arrangements.

## Item 5 – Fees and Compensation

For its advisory and portfolio management services, Agile Investments charges clients a management fee based on a percentage of the assets under management. Subject to a minimum fee of \$750 per quarter, Agile Investments charges an annual fee of 0.40% on assets up to \$1 million. For assets above \$1 million, Agile Investments charges 0.40% on the first \$1 million, and 0.25% on assets in excess of \$1 million.

In certain limited instances, fees are negotiable. Agile Investments may, in its sole discretion, allow accounts to be combined for fee calculation purposes.

Agile Investments' management fees are payable in advance on a quarterly basis and are due within 15 days after the start of each calendar quarter. Fees are based on the market value of all assets in the client's account at the close of the last business day of the preceding quarter. For a new account, the initial fee will be due on the date the

account is accepted by Agile Investments and will be based on the opening market value of the assets in the account on that date. The period which this payment covers and for which the fee will be pro-rated will run from the date the account is accepted through the last day of the then current calendar quarter.

Agile Investments' advisory contract may be terminated upon written notice by either the client or Agile Investments, and the client shall be entitled to a pro-rated refund of fees charged based upon the amount of time the services were provided during the quarter in which the contract is terminated.

Agile Investments provides the client a notice of the fee statement including the amount of the fee, the value of the account upon which the fee is calculated, and the calculation of the fee. Clients typically grant Agile Investments authorization to instruct the custodian to deduct fees directly from their brokerage account(s). Clients may select an alternative billing arrangement, such as payment by check.

In addition to the management fees charged by Agile Investments, clients pay for brokerage expenses and certain other custodial fees, such as wire transfer fees, charged by the custodian. Exchange traded funds and mutual funds also charge internal management fees, which are disclosed in a fund's prospectus. Agile Investments does not receive any portion of the fees charged by custodians or fund companies.

Item 12 further describes the factors that Agile Investments considers in selecting or recommending custodians to clients and determining the reasonableness of their compensation (e.g., commissions).

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

Agile Investments does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

Agile Investments provides portfolio management services to individuals, high net worth individuals, foundations, and other institutions.

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

Agile Investments takes an active, rather than a passive, approach to portfolio management. Agile Investments' portfolio management strategy has the flexibility to adjust exposure to particular investments and to overall market risk. Agile Investments uses a number of different methods, including fundamental and technical analysis, in selecting investment securities and structuring client portfolios. Agile Investments' tactical investment strategy carries certain risks as compared to a more passive approach to portfolio management. Agile Investments may choose to reduce or increase portfolio risk at inopportune times. Agile Investments overweights certain assets and underweights other assets, relative to a more passive investment approach. These decisions may lead to underperformance relative to a passive benchmark.

Investing in securities involves risk of loss that clients should be prepared to bear. Investing in exchange-traded funds, which are the securities principally used by Agile Investments, involves certain risk that are particular to such securities. These risks include tracking error, bid/ask trading spreads, and counterparty risk. Tracking error arises when an index-linked exchange traded fund fails to deliver its objective of matching the performance of an index, net of fund expenses. Bid/ask trading spreads represent an additional cost of using an exchange traded fund, beyond the fund's internal expense ratio. The larger the trading spread, which is the difference between the bid and ask (or offer) price of an exchange traded fund, the larger the cost to an investor in that ETF. Counterparty risk is not an issue for the vast majority of securities Agile Investments uses in client portfolios. For the most part, when you buy an ETF, it's like buying a traditional mutual fund. You own a direct stake in the stocks or bonds that make up the fund. However, certain exchange traded products, such as exchange traded notes, or exchange traded funds that use derivative securities, such as futures contracts or swaps, to achieve their targeted exposures, give rise to counterparty risk. Counterparty risk means that one of the institutions involved in the creation or management of the security can fail to perform or become insolvent, which creates a risk of loss that is distinct from the performance of the securities markets.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Agile Investments or the integrity of Agile Investments' management. Agile Investments has no information applicable to this Item.

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

Agile Investments has no information applicable to this Item.

## **Item 11 – Code of Ethics**

Agile Investments 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, restrictions on the acceptance of significant gifts, and personal securities trading procedures, among other things. All supervised persons at Agile Investments must acknowledge the terms of the Code of Ethics annually, or as amended.

Agile Investments anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Agile Investments has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Agile Investments, its affiliates and/or clients, directly or indirectly, have a position of interest. Agile Investments' employees and persons associated with Agile Investments are required to follow Agile Investments' Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Agile Investments and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Agile Investments' clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Agile Investments 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. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Agile Investments and its clients.

Clients or prospective clients may request a copy of Agile Investment's Code of Ethics.

Agile Investments' policy is that the firm will not effect any principal or agency cross securities transactions for client accounts. Agile Investments will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated

broker-dealer, buys from or sells any security to any advisory client. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. Agile Investments is not dually registered as a broker-dealer and does not have an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

For the vast majority of client accounts managed by Agile Investments, Fidelity Investments provides custody and brokerage services. At the request of the client and the discretion of Agile Investments, a custodian other than Fidelity Investments may be used. Clients who select alternative custodial arrangements may pay higher commissions and not receive the same quality of execution or service. Agile Investments' recommendation of Fidelity Investments is based upon its reputation, commission schedules, and customer service. Agile Investments has not and does not intend to establish any relationship with any broker whereby Agile Investments would receive compensation or benefits in return for directing client transactions to a broker.

## **Item 13 – Review of Accounts**

J.D. Steinhilber, President and Chief Investment Officer of Agile Investments, reviews all managed accounts at least monthly. These reviews consist of an evaluation of the client's investments and portfolio performance in light of the client's objectives and market conditions. Factors that may trigger additional account reviews include significant changes in market conditions and changes in the client's stated objectives. Agile Investments relies on the independent custodian, which is Fidelity Investments in most cases, to provide information to clients concerning portfolio composition and performance.

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

Agile Investments does not compensate any person for client referrals.



## **Item 15 – Custody**

Clients receive confirmations, statements and tax documents from the custodian that holds and maintains client's investment assets. Such information is also available through secure websites maintained by the custodian. Agile Investments urges clients to carefully review the information provided by custodians.

## **Item 16 – Investment Discretion**

Agile Investments often receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Agile Investments observes any applicable investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Agile Investments in writing.

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

Agile Investments typically exercises proxy voting authority as part of its management of client securities. Agile Investments generally purchases exchange-traded funds and mutual funds, rather than individual securities, for its clients. As such, the critical proxy voting responsibility that directly affects the governance of corporations lies with the advisors of fund companies. Agile Investments' policy is to review all proxies and will vote on behalf of its client(s) with their best interests in mind unless it determines that the issue being voted upon is either immaterial or the cost of devoting time to voting the proxy exceeds the expected benefit to the client.

## **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Agile Investments' financial condition. Agile Investments has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **Item 19 – Requirements for State-Registered Advisers**

J.D. Steinhilber is President and Chief Investment Officer of Agile Investments. Mr. Steinhilber received a B.S. in Finance and Accounting in 1992 from the University of Virginia. From 1992 to 2000, Mr. Steinhilber worked in the corporate finance department of J.C. Bradford & Co., a regional securities firm. When J.C. Bradford & Co. was sold in 2000, Mr. Steinhilber was a partner and senior vice president. Mr. Steinhilber then worked in corporate finance for Robert W. Baird for a year before founding Agile Investments in 2001.

Alicia Steinhilber is Treasurer of Agile Investments. Ms. Steinhilber is married to J.D. Steinhilber. Ms. Steinhilber received a B.S. in Finance and Marketing in 1992 from the University of Virginia. From 1992 to 1999, Ms. Steinhilber worked in the corporate finance department of J.C. Bradford & Co., a regional securities firm.