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July 2018

**FORM ADV PART 2A
BROCHURE**

This brochure provides information about the qualifications and business practices of Apella Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 860.785.2260 or visit our website at www.apellacapital.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 Apella Capital, LLC, is also available on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Apella Capital, LLC, is 171106.

Apella Capital, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

SUMMARY OF MATERIAL CHANGES

This item will discuss only specific material changes to the Apella Capital, LLC Brochure that were included in the annual update of 03/28/2018 and represent changes to the brochure from the annual update of 03/06/2017.

Apella has established additional offices located in various states to broaden the availability of the firm's services.

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Advisory Business

Form ADV Part 2A, Item 4

A. Description of Advisory Firm

Apella is an investment adviser registered with the Securities and Exchange Commission ("SEC") under the Investment Adviser Act of 1940 (the "Advisers Act"). The firm is located in Glastonbury, Connecticut and was established in 2013. The firm was founded by and is currently owned and operated under the control of David E. Connelly Jr., and Patrick A. Sweeny.

B. Types of Advisory Services

Investment Advisory Services

Apella offers investment advisory services to clients through the efforts of the firm's investment adviser representatives ("IARs or Financial Advisors"). Apella IARs may invest a portion or all of your assets in accordance with one of the model portfolios established by Apella's affiliate, Symmetry Partners, LLC. ("Symmetry"). The firm's IARs assist Apella's clients in determining which of the model portfolios is appropriate for each client. IARs of Apella may also customize portfolios to meet the client's unique needs and situations, including without limitations, tax sensitivity and allocation criteria. In certain circumstances, IARs have joined Apella from a prior firm and transitioned their existing clients to Apella. Some of these clients may remain in their current portfolio, ("legacy portfolio"), and is managed accordingly. These Apella IARs are typically located in various states in remote offices, ("branch offices"). Apella's services may include the following: reviewing the client's investment portfolio at the commencement of its relationship with Apella; assessing the client's investment needs and objectives; investment policy planning and suitability; developing an asset allocation strategy designed to meet client objectives; ongoing monitoring of the performance of the accounts; reviewing accounts to ensure adherence to policy guidelines and rebalancing asset allocations when Apella, in its discretion, deems such re-balancing appropriate for the client; answering client inquiries; updating client information; and interviewing the client at least annually to determine if there has been a change in the client's financial situation. The client should notify Apella promptly if the financial situation, goals, objectives or needs change. Further, Apella IARs may refer qualified plan clients to Symmetry for investment management services under the rubric of Symmetry's Retirement Program. When this occurs, Apella IARs provide services as a co-advisor to the plan. For additional information on Symmetry, please refer to Symmetry's ADV Part 2A. The IARs of Apella are dually registered as IARs of Symmetry. Apella permits clients to maintain certain securities in their advisory account(s) that are not recommended by Apella. For these securities, IARs of Apella may provide advisory services, such as, but not limited to, general guidance on how those assets fit into the client's overall financial objectives.

Financial Planning

Apella also provides advice in the form of a financial plan. An advisory client of Apella may receive these services as part of the bundled services offered under the established advisory fee. Alternatively, clients who are seeking financial planning services only, may receive these services on a standalone basis for a flat fee. The flat fee is negotiable depending on the services provided and is typically a onetime fee unless the client requests the services the following year. The fee is refunded to the client if the client chooses to engage Apella for investment advisory services. Financial Planning clients that come through the Knoxville, Tennessee, ("TN") office may pay an ongoing

financial planning fee for the services provided. All financial planning clients may receive a written financial plan, providing the client with a detailed financial plan designed to achieve the stated financial goals and objectives. Implementation of financial plan recommendations is entirely at the client's discretion.

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

Personal: Family records, budgeting, personal liability, estate and financial goals, and college planning.

Tax and Cash flow: Income tax and spending analysis and planning for past, current and future years.

Retirement: Analysis of current strategies and investment plans to help the client achieve his or her retirement goals, including social security planning.

Investments: Analysis of investment alternatives and their effect on the portfolio.

Apella may refer qualified plan clients to Symmetry for investment management services under the rubric of Symmetry's Retirement Program. An overview of the Symmetry's Retirement Program is as follows. Symmetry is an investment manager as defined in sections 402(c)(3) and (3)(38) of the Employment Retirement Income Security Act of 1974 ("ERISA"). Symmetry works with a select group of third party administrators referred to as Symmetry's QP Partners. Symmetry offers its investment management services to 401(k) and qualified plans through the Symmetry Retirement Program. Symmetry services include, but are not limited to, reviewing investment options, recommending a portfolio structure, and recommending appropriate changes in portfolio holdings.

A full description of the Symmetry Retirement Program will be provided to plan sponsor/client by the Apella IARs. Other Apella IARs services may include, but are not limited to, assist in assessing and gathering information to determine the suitability of Symmetry's services for the plan, assist in enrollment meetings, provide investment education to participants, be reasonable available to plan sponsor for questions and requests, and contacting the plan sponsor at least annually to see if there has been a change in the plan's financial situation.

Investment Management Services

Apella IARs manage the assets in your account and may invest a portion or all of your assets in accordance with one of the model portfolios of Symmetry. An overview of the Symmetry model portfolio offerings available to you through Apella is provided below. IARs may also customize portfolios to address the client's stated investment objective, including but not limited to, tax sensitivity, allocation criteria, and liquidity requirements. In some cases, when a client account is transitioned to Apella through one of Apella's branch offices the client may remain in their legacy portfolio and is managed accordingly. As a result of these two scenarios, Apella may use other funds and/or other investments vehicles from those mentioned in this section based on the client's unique circumstances. With that stated, the primary investment vehicles utilized by Apella are mutual funds or exchange traded funds. These various vehicles are identified in Item 8C. of this brochure. Further, multiple accounts may be invested as if they were a single portfolio.

IARs of Apella, in the Lenox, Massachusetts and Knoxville, TN offices, may offer investment management services through the Teachers Insurance and Annuity Association of America, ("TIAA"), TIAA-CREF Life Insurance Company ("TC Life"). TIAA and TC Life are collectively referred to herein ("TIAA-CREF") platform. TIAA-CREFF provides recordkeeping, and other related services to

employer sponsored retirement plans and issue, or offer, retirement annuity contracts, individual retirement annuity contracts, personnel annuity contracts, and mutual funds. Apella has clients that are participants in employee sponsored retirement plans who utilize TIAA-CREF's services and who are owner and policy holders of TIAA-CREF annuity contracts. Through the platform, Apella can provide advice and manage client(s)' accounts maintained by TIAA-CREF utilizing TIAA-CREF mutual funds.

Symmetry currently creates portfolios utilizing open-end mutual funds created and managed by Dimensional Fund Advisors ("DFA"), Vanguard and AQR Capital Management ("AQR"). These portfolios are called Symmetry Structured and Symmetry Bond Portfolios. Symmetry creates portfolios utilizing exchange traded funds ("ETFs"), labeled the PrecisionCore ETF Portfolios. These portfolios are currently comprised of exchange traded funds issued by Vanguard, iShares and SPDR. Symmetry portfolios typically consist of three to fifteen mutual funds or ETFs, and a small allocation to money market funds. Symmetry selects for the model portfolios the funds and ETFs that it believes are most suitable and consistent with Symmetry's investment philosophy. Symmetry has also created a portfolio called AltAxis. Symmetry's AltAxis portfolio is strategically allocated, broadly diversified, portfolio of mutual funds that implements various alternative investment strategies. Symmetry is not obligated to use any specific fund in the creation of the portfolios. Symmetry is not affiliated with the sponsor or adviser of any fund.

Symmetry Structured Portfolios

The Symmetry Structured Portfolios are a suite of tax-managed and non-tax-managed asset allocation portfolios currently comprised exclusively of open-end mutual funds advised by Dimensional Fund Advisors, Vanguard and AQR Capital Management. The Symmetry Structured Portfolios are currently comprised of an equity and fixed income allocation.

The equity portion of each Symmetry Structured Portfolio provides exposure across global equity asset classes to provide a high level of diversification, including an allocation to the United States, international developed markets and emerging markets. Symmetry directs the target allocation to each of these geographic areas as well as the underlying asset classes within each region. Generally, the portfolios overweight US, value, small, higher profitability, higher momentum and REIT stocks relative to their market capitalization. The value, small, quality and momentum overweights are based on academic research that suggests that these asset classes and factors outperform growth, large-cap, low quality and low momentum counterparts, respectively, over time. REITs are overweighted to act as a diversifier within the portfolio. Symmetry updates the allocations from time to time based on strategic long-term considerations. Clients are rebalanced periodically to maintain their desired equity to fixed income allocation and put all positions back to or near the current target for their portfolio.

The goal of each portfolio's fixed income position is to mitigate the risk taken in the equity positions, while prudently capturing market-based fixed income returns. Therefore, the bond positions vary across model allocations, with models featuring high ratios of fixed income taking relatively little duration or credit risk relative to a mainstream fixed income benchmark such as the Barclays Aggregate Bond Index and models with more equity taking more market-like fixed income risk (more akin to the Barclays Global Aggregate Bond Index).

The Symmetry Structured Portfolios are designed overall to be efficient-markets based, broadly diversified, and low-cost and tax efficient.

Symmetry PrecisionCore ETF Portfolios

The Symmetry PrecisionCore ETF Portfolios are a suite of tax-managed and non-tax-managed asset allocation model portfolios currently comprised exclusively of ETFs in the Vanguard, iShares and SPDR ETF families. The PrecisionCore ETF portfolios are comprised of an equity and fixed income allocation and within the tax-managed and non-tax-managed vary both in their allocation between equity and fixed income and the relative risk profile of the fixed income positions. As the risk rating of the models increases, the fixed income assumes a higher risk posture.

The equity portion of each PrecisionCore ETF Portfolio provides exposure across global equity asset classes to provide a high level of diversification. The PrecisionCore model portfolios are designed specifically to remain in line with the global market weights to the United States, international developed markets and emerging markets, while employing tilts toward various factors in each of these arenas. Targeted factor exposures may include: value, size, momentum, quality and minimum volatility. Symmetry periodically updates the model allocation to keep it in line with the current relative capitalization of US, international developed and emerging markets. Clients are rebalanced periodically to maintain their desired equity to fixed income allocation and put all positions back to or near the current target for their model portfolio. The fixed income portions of the model portfolios take a market based approach to bonds that seeks to incorporate well-diversified exposure to US and ex-US bond markets. The risk posture of the fixed income increases with the overall risk rating of the model such that portfolios in lower risk ratings take less duration and credit risk than those in higher risk ratings. The PrecisionCore ETF Portfolios are designed overall to be passive, broadly diversified, low-cost, tax efficient core models that can be used in conjunction with outside assets or as standalone portfolios.

Symmetry AltAxis

The AltAxis Portfolio is a portfolio of several mutual funds designed to diversify traditional equity and fixed income holdings. The portfolio's underlying funds attempt to access a wide array of alternative premiums captured by long-short investment strategies across multiple asset classes. The portfolio is not designed to be 100% of a client's investable assets, in aggregate. Typical investors in this portfolio are seeking a strategy that diversifies traditional equity and fixed income portfolios. Alternative strategies have unique risks that may not be reflected in standard deviation alone. In addition, the funds in this model may make extensive use of derivatives in order to achieve very specific exposures and apply leverage to the strategy.

Symmetry Bond

The Symmetry Bond Portfolios are two standalone fixed income asset allocation portfolios, one tax-managed, one non-tax-managed. The Portfolios are comprised of open-end mutual funds from Dimensional Fund Advisors and Vanguard. The portfolio is designed as a standalone fixed income product that takes some fixed income risks. The tax-managed version of the portfolio features an allocation to national, short-term, high-quality municipal bonds in addition to other holdings. The non-tax-managed version holds a short-term bond fund in addition to other holdings.

Symmetry Evolution Portfolio

Offered only within the Symmetry Retirement program, the Evolution Portfolios are target date versions of the Structured Portfolios that feature an automatic rebalance of the equity to fixed allocation in the client's account. Starting out as a 100/0 non-tax-managed Structured Portfolio, the Evolution Models will ratchet down the equity allocation in five-year increments until reaching the final stage, at which the model features a 30/70 equity to fixed income mix. The Portfolios are designed to accommodate clients as they age, and/or get closer to withdrawing their assets and therefore wish to gradually reduce their equity risk exposure over time.

IndexElect

IndexElect is a list of asset class funds recommended by Symmetry Partners as suitable complements to Symmetry Structured Portfolios. The list of funds has been compiled to provide plan sponsors of qualified plans with access to broad asset classes; in some cases, they represent asset classes that are either not available or are underweighted within the Symmetry Structured Portfolios.

Custom Model Strategies

IARs of Apella may create a custom model strategy by combining the holdings comprising one or more of the above-mentioned model portfolios to create a new portfolio and asset allocation.

C. Individual Tailored Services and Reasonable Restrictions

Apella's IARs assist clients in determining which of Symmetry's model portfolios is most appropriate for each client's particular needs. IARs of Apella may also customize portfolios to meet the unique needs and situations of its clients. All clients may place reasonable restrictions on their accounts. However, Apella may decline a restriction request upon notice to the client if the request is fundamentally inconsistent with Apella's investment philosophy, is counter to the client's stated investment objectives, or would prevent the firm from properly servicing client accounts.

D. Wrap Fee Programs

Apella is not a sponsor of or a portfolio manager to a wrap fee program.

E. Assets Under Management

Apella's current assets under management total for discretionary accounts is \$604,000,000 as of 12/31/2017.

Fees and Compensation

Form ADV Part 2A, Item 5

A. Fees

The client's fee is deducted from the client account. The client is also charged a custodian fee and may incur transaction costs such as, but not limited to, wire fees, commissions and termination fees. In addition, the client also pays fees and expenses related to the client's investments in mutual funds and ETFs. A description of these fees and expenses can be found in each fund's prospectus.

Apella will charge an annual fee based on the client's assets under management. Apella's standard tiered fee schedule (which may be negotiable) is as follows:

| <u>Range Start</u> | <u>Range End</u> | <u>Percentage</u> |
|--------------------|------------------|-------------------|
| \$0 | \$1,000,000 | 1.00% |
| \$1,000,001 | & Above | 0.50% |

The client may be charged a flat fee for financial planning services, which is negotiable depending on the services provided. Generally, the fee ranges from \$200.00 to \$3,500.00. The fee is refunded to the client if the client chooses to engage Apella for investment advisory services.

Financial planning clients that come to Apella through the Knoxville, TN office may be charged an ongoing financial planning fee of \$300.00 per hour. There is no refund if the client chooses to engage Apella for investment advisory services.

Further, fees may vary from the above standard fee schedule depending on the timeframe the client was introduced to Apella or which branch office is servicing the client. In all cases, fees are disclosed to the client.

Retirement

Symmetry's investment management services under the Symmetry Retirement Program will charge an annual fee based on client's assets under management. The progressive fee schedule is as follows. Symmetry's fees are negotiable.

| <u>Range Start</u> | <u>Range End</u> | <u>Percentage</u> |
|--------------------|------------------|-------------------|
| \$0 | \$1,000,000 | 0.35% |
| \$1,000,001 | \$3,000,000 | 0.32% |
| \$3,000,001 | over | 0.30% |

For additional information on fees regarding the Symmetry Retirement Program, please refer to Symmetry's ADV Part 2A located at www.symmetrypartners.com.

Apella IARs charge an annual fee. The fee is negotiable, but will not be over the maximum fee allowed, which is 0.65%.

B. Fees Calculation and Process

Fees are generally billed quarterly in arrears, based on the quarter-end values of a client's account on the last trading day of the quarter. The first quarter's fee will be based on the client's initial assets

under management and pro-rated from the date the assets are traded in the account. Should an account be terminated the fee will be calculated based on the ending value of the previous day market value. Per the advisory contract, the client directs the firm to direct the custodian to deduct fees from the account.

Apella's fees may be amended at its discretion.

Apella on a best efforts basis reviews client documentation to determine if accounts are related. If so, these related accounts may be combined in order to meet fee break points and reduce the advisory fee charged. For purposes of this section, clients are related that have identical mailing addresses. Further, the client or the client's advisor may request certain accounts be combined in order to meet the fee break points and reduce the advisory fee charged. We reserve the right to waive the advisory fee for certain accounts, such as but not limited to, employee accounts. The standard fee schedules and minimum account sizes indicated for the investment management services are negotiable and as a result, clients with similar assets may have differing fee schedules and pay different fees. Clients who negotiate a flat fee schedule may or may not pay a higher fee than those who pay under a tiered schedule, depending on asset levels. Clients will be charged a fee on all assets (securities, cash and cash equivalents), in the account unless otherwise agreed upon between parties.

Apella may designate specific account(s) to deduct advisory fees.

C. Custodian Fees and Other Expenses

TCA by E*TRADE ("TCA")

TCA will charge the lesser of 0.20% or \$500.00 per annum on accounts \$100,000 and greater. TCA will charge 0.24% on accounts less than \$100,000.

All ETF and equity trades are directed through TCA to Bank of New York for trade execution.

Please see TCA's fees listed below:

| <u>Fee Type</u> | <u>Rate</u> |
|------------------------------------|--------------------|
| Termination Fee | \$100.00/Account |
| Check Distribution Fee | \$12.50/Occurrence |
| Wired Funds Fee | \$15.00/Wire |
| Returned Check Fee | \$25.00/Occurrence |
| Cancelled Check Fee | \$12.50/Occurrence |
| Transfer Out/Asset Re-registration | \$25.00/Asset |
| Overnight Express | \$15.00/Occurrence |
| SoloK Maintenance Fee | \$200.00/Year |
| 5500 EZ Filing (if needed) | \$125.00/Filing |
| SoloK Loan Fee | \$100.00/Loan |

Trading

Equities traded on foreign exchange \$250.00 per trade + \$.02 per share.

| | |
|-------------------------|-------------------|
| Mutual Funds | No trading costs |
| Government Issued Bonds | \$50.00 per trade |
| Corporate Bonds | \$50.00 per trade |
| Mortgage Bonds | \$50.00 per trade |

Advanced Distribution Fee \$35.00/Occurrence

TCA's fees are subject to change without notice.

Charles Schwab, ("Schwab")

Asset Based Pricing Schedule

| | |
|-------------------------------|-------|
| Assets from \$0 to \$250,000 | 0.15% |
| From \$250,001 to \$500,000 | 0.12% |
| From \$500,001 to \$1,000,000 | 0.10% |
| From \$1,000,001 and over | 0.08% |

Transaction Based Pricing Schedule

| | |
|--------------------|---|
| Equities LIVE*: | 1-999: \$0.08/share; (\$20 min) 1001-4999: \$0.07/share 5001-14999: \$0.06/share 15000 - +: \$0.04/share |
| Equities ELEC*: | (enrolled in eDelivery) \$6.95 per trade <\$1MM (not enrolled in eDelivery): \$12.95 +\$0.015/share above 1,000 \$1MM+ (not enrolled in eDelivery): \$6.95 per trade |
| Options LIVE: | \$38.95 + \$1.40 per contract |
| Options ELEC: | \$6.95 + \$0.70 per contract |
| Bonds LIVE: | \$1.20 per bond (\$10 min, \$275 max) |
| Bonds ELEC: | \$1.00 per bond (\$10 min, \$250 max) |
| Mutual Funds LIVE: | 0.10% principal (\$20 min, \$74.95 max) |
| Mutual Funds ELEC: | 0.10% principal (\$20 min, \$49.95 max) |

*LIVE = Phone order.

*ELEC = Schwab Institutional Website.

Schwab has a \$50.00 charge for all accounts that complete a full transfer to another institution.

Charles Schwab's fee schedule is subject to change without notice.

Please be advised that should an account terminate with Charles Schwab, final quarter fees may not be able to be assessed.

Clients that utilize Apella services through the Knoxville, TN office receive the following custodial pricing from the Charles Schwab TAMP Program.

Asset-Based Pricing Tiered Fee Schedule

| | |
|-------------------------------|-------|
| From \$0 to \$250,000 | 0.10% |
| From \$250,001 to \$500,000 | 0.08% |
| From \$500,001 to \$1,000,000 | 0.06% |
| From \$1,000,001 and over | 0.02% |

\$100.00 Minimum Per Account Fee

Charles Schwab's fee schedule is subject to change without notice.

TD Ameritrade, ("TD")

For asset based pricing, TD Ameritrade will charge the lesser of 0.14% or \$300 per annum on accounts. There are no transactions or trading charges for mutual funds. There are additional charges for various services including, but not limited to, equity trading, terminations fees and mailroom requests. All of which are available upon request.

TD transaction based pricing is also available for clients. This pricing is available through your Apella IAR or the custodian.

TD Ameritrade's prices are subject to change without notice.

Please be advised that should an account terminate with TD Ameritrade, final quarter fees may not be able to be assessed.

It should be noted that there are a limited number of clients who have their assets held by Fidelity and TIAA-CREF. Fidelity is not an option for new clients and TIAA CREF is limited to clients that are participants in employee sponsored retirement plans who utilize TIAA-CREF's services. Fees are disclosed to clients by Apella IRAs and through the custodians own disclosure documents.

D. Fees in Advance

Apella also has clients whose fees are deducted in advance. The clients will be charged a partial fee for the first quarter calculated in arrears. The first quarter fee will be based on the client's initial assets under management and pro-rated from the date the assets are traded in the account. The first full quarter is calculated in advance based on the quarter-end values of a client's account on the last trading day of the previous quarter. Accounts closed mid-quarter will receive a pro-rated rebate.

E. Compensation

Apella does not receive any transaction-based compensation for the sale of securities or investment products, asset based sales charges, or service fees from the sales of mutual funds.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

Apella does not assess performance-based fees. Apella does not engage in side-by-side management.

Types of Clients

Form ADV Part 2A, Item 7

A. Types of Clients

Apella provides services to individuals, trusts, corporations, charitable organizations, pensions, profit sharing plans, and state and government entities.

B. Conditions for Managing Accounts

General Information on Portfolios

There is typically a cash position in each portfolio. The cash positions will be invested in a money market fund, which will vary depending on the custodian.

Changes to portfolio holdings which comprise the portfolios may have tax consequences. If you sell assets in a taxable account, you may have to pay tax on any gain. While Apella seeks to mitigate tax exposure when possible, clients may incur a taxable event in connection with Apella's management of their portfolios.

Further, multiple accounts may be invested as if they were a single portfolio.

Mutual Fund Portfolios

Clients' investments may not match exactly the target allocations for the applicable model portfolio due to a variety of implementation factors, including but not limited to: the custodian or trading platform's own trading algorithm, any changes in price that from the time the positions are calculated to the time they are actually traded. In some cases for certain custodians, positions with small allocations may be eliminated altogether. Apella may determine not to implement for a client changes made to the applicable model portfolio due to client-specific factors, such as the desire to avoid realizing capital gains or otherwise.

The holdings comprising the model portfolios and the allocations to those holdings have changed over time and may change in the future.

Please be advised that a Mutual Fund Portfolio which utilizes Vanguard mutual funds would subject investors to the fund's frequent trading limitations.

ETF Portfolios

Clients' investments may not match exactly the target allocations for the applicable model portfolio due to a variety of implementation factors, including but not limited to: the custodian or trading platform's own trading algorithm, any changes in price from the time the positions are calculated to the time they are actually traded and the fact that ETFs can only be purchased in whole shares. In some cases for certain custodians, positions with small allocations may be eliminated altogether from time to time. Apella may also determine not to implement for a client changes made to the applicable model portfolio due to client-specific factors, such as the desire to avoid realizing capital gains or otherwise.

The holdings comprising the model portfolios and the allocations to those holdings have changed over time and may change in the future.

Operational Requests

Clients are introduced to Apella services through Apella IARs, who are located at various offices in different states. Unless otherwise noted in this document herein, trading, back office and operational requests are directed to the Apella Glastonbury, Connecticut, ("CT") office. From there, Apella uses the services of Symmetry's trading and back office operations to service the client. As such, Apella has adopted the following operational protocols which may affect the processing of a client's account and requests.

Some requests, including but not limited to, distributions and liquidations, will ordinarily be processed on the same day if received by Symmetry, in good order, by 12 noon EST. All requests received after 12 noon EST will be handled on a best efforts basis.

Please note that Apella will use best efforts to invest deposits and process model change requests within 5 business days of receipt. Distributions from accounts may take up to 10 business days from receipt of request due to settlement dates, administrative duties and other involved institutions' various timelines. Please note that distributions or transfers related to the closing of an account may take up to 30 business days.

Upon termination of an account, the custodian and/or firm to which the client is transferring their account to may not be able to hold the funds in which the client is currently invested in.

Trade Error Policy and Process

Apella's policy and process is to reconcile all trading activity. Apella seeks to identify and resolve trade errors in a reasonable timeframe; document each trade error with appropriate supervisory approval; and maintain a trade error file. Apella does not engage in any soft dollar arrangements to correct trades, and does not correct trades by selling to or purchasing securities from other clients' accounts. In the event that Apella makes an error that has a financial impact on a client's account, Apella will generally return a client's account to the position it would have held had no error occurred. Apella will evaluate each situation independently, and as such, in certain situations may use other methods to make the clients whole. A corrective action may result in financial or other restitution to a client's account, or inadvertent gains being reversed out of account. Any corrective action may result in a corresponding loss to the party at fault (Apella, custodian, or advisor). Other measures to correct an error may be facilitated through a fee credit or a deposit to a client's account, which may result in a taxable gain. Apella's corrective action to a client's account is expected to be limited to direct monetary losses and will not include any amounts that Apella deems to be speculative or uncertain. Apella does not derive any economic benefit from correcting a trade error. The trade policies and procedures of the custodian may also be a factor in the correction of a trade error.

A. Method of Analysis and Investment Strategies

Apella IARs will assist each client in identifying the client's financial objective through the use of approved documentation and third-party software. IARs will recommend asset class and allocation strategies, which will likely include model portfolios made available to Apella through Symmetry. Multiple accounts may be invested as if they were in a single portfolio. The strategy behind the model portfolios is based on the following method of analysis, which Apella has adopted through its arrangement with Symmetry.

The methods of analysis and investment strategies are based on academic research into optimal investing, with an emphasis on Modern Portfolio Theory. The analysis methods may include: use of MPT metrics such as return, standard deviation, Sharpe Ratio, etc.; as well as regression analysis to determine risk factor exposure, holdings-based analysis of fund choices and, in certain cases, Monte Carlo simulation to consider probability of outcomes. Please see definitions of these terms below. The investment strategies consist of equity and fixed income components (or one or the other) or alternative asset classes and are comprised of open-end mutual funds and exchange traded funds. The equity strategies are factor-based, broadly diversified across global markets and do not engage in market timing or stock picking outside of what is entailed in the factor orientation of the portfolios. The firm does overweight or underweight at the asset class level in an effort to capture factor premiums that academic research has shown have historically been available. The fixed income strategies generally either attempt to take market-like bond risks or are shorter term in nature and primarily investment grade, depending upon the strategy.

Modern Portfolio Theory: Put forth by academics such as Nobel-Prize Winner Harry Markowitz, Modern Portfolio Theory is a method that seeks to invest assets so as to maximize the amount of return offered by the investment per unit of risk taken.

MPT Metrics: Modern Portfolio Theory metrics such as return, standard deviation, and Sharpe Ratio.

Return: A measure of the amount the investment has earned as a percentage of the amount that was invested.

Standard Deviation: A measure of volatility or the dispersion of returns that the investment has experienced. A high standard deviation indicates a wide dispersion, which is considered to indicate a higher risk than an investment with a low standard deviation.

Sharpe Ratio: A measure that combines return and standard deviation in an attempt to show the client the amount of return the investment offered for the level of risk that was taken. Specifically, Sharpe ratio measures the return of the investment over and above the return that could have been obtained in a relatively risk free investment instrument (such as Treasury Bills), divided by the standard deviation of that additional return.

Regression Analysis: A statistical measure that attempts to determine whether there is a relationship between two or more variables. Regression analysis is often used to determine whether the behavior of one investment asset is dependent upon the behavior of one or more other assets. For example, whether the performance of a certain mutual fund is dependent upon the performance of the stock market in general.

Holdings-Based Analysis: An analysis of fund holdings that allocates underlying securities to various segments based on chosen characteristics and measures how different the weight of the fund's allocation to that segment is from the benchmark's weight to that segment.

Monte Carlo Simulation: A software tool that runs multiple trials of the same analysis, with changes in inputs for each trial, so that the analyst can get a sense of the probability of various outcomes given numerous possible inputs.

As with any investment strategy, there is a possibility of loss. No current or prospective client should assume that future performance of any specific investment strategy or product made reference to directly or indirectly in this material will be profitable.

B. Risk of Loss Involved for Investment Strategy

The primary risk inherent in using Modern Portfolio Theory metrics is that these measures are necessarily based on historical returns. If a fundamental shift in relationships among the various asset classes or other inputs should occur, historical data will not represent what can be expected going forward. Additionally, MPT metrics require reliable data, and will be compromised by any inaccuracies in the input information. Regression analysis and Monte Carlo simulations both use the same historical data as is used in the calculation of MPT metrics and are therefore vulnerable to the same risks. Apella does not believe in making predictions about future returns and therefore generally does not use "forward-looking" forecasts as inputs for its analyses.

Diversification is intended to reduce volatility by spreading your investment dollars into various asset classes to add balance to your portfolio. Using this methodology, however, does not guarantee a profit or protection from loss in a declining market. Symmetry usually uses passive or "enhanced passive" type funds to implement its strategies. Passively managed portfolios are designed to closely track their respective benchmark index rather than seek outperformance. As a result, the portfolio may hold securities regardless of the current or projected performance of a specific security or a particular industry or market sector. Maintaining investments in securities regardless of market conditions or the performance of individual securities could cause the portfolio to lose value.

In addition, the client should be aware of the following general rules when investing. Higher potential return generally involves greater risk, short term volatility is not uncommon when investing in various types of funds including, but not limited to: emerging markets, small and mid-cap funds. International investing involves special risks such as currency fluctuation, lower liquidity, political and economic uncertainties, and differences in accounting standards. Risks of foreign investing are generally intensified for investments in emerging markets. Risks for emerging markets include risks relating to the relatively smaller size and lower liquidity of these markets, high inflation rates and adverse political developments. Risks for investing in international equity include foreign currency risk, as well as, fluctuation due to economic or political actions of foreign governments and/or less regulated or liquid markets. Risks for smaller companies include business risks, significant stock price fluctuation and illiquidity. Investing in real estate entails certain risks, including changes in: the economy, supply and demand, laws, tenant turnover, interest rates (including periods of high interest rates), availability of mortgage funds, operating expenses and cost of insurance. Some real estate investments offer limited liquidity options. Investing in higher-yielding, lower-rated bonds has a greater risk of price fluctuation and loss of principal or income than U.S. government securities, such as U.S. Treasury bonds and bills.

Loss of Value

There can be no assurance that a specific investment will achieve its investment objectives and past

performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and government, economic or monetary policies.

Market Risk

Client portfolios will perform as well or as poorly as the markets cause their portfolios to perform. The price of a security, bond or mutual fund may rise or drop in reaction to tangible and intangible events and conditions caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events. Sometimes this may be positive and sometimes it may be negative.

Interest Rate Risk

Fixed income securities and funds that invest in bonds and other fixed income securities may rise or fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes.

Credit Risk

Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality and rating of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

Foreign Exchange Risk

Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation and other economic and political conditions. If the currency in which a security is denominated appreciates against the U.S. dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

As with any investment strategy, there is a possibility of loss. No current or prospective client should assume that future performance of any specific investment strategy or product made reference to directly or indirectly in this material will be profitable.

C. Risks of Specific Securities Utilized

Apella primarily recommends both open ended mutual funds and exchange traded funds. The following are risks involved with these investments. As stated in Item 4, when a client is transitioned to Apella, through one its branch offices the client may remain in their legacy portfolio and is managed accordingly. As such, Apella may use other investment vehicles. The risks associated with

these vehicles are also listed below.

Exchange Traded Funds

ETFs do not sell individual shares directly to investors and only issue their shares in large blocks. Exchange traded funds are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. ETF shares are bought and sold at market price (which may be higher or lower than NAV) and are not individually redeemable from the fund. Brokerage commissions will reduce returns. An investor should consider investment objectives, risks, charges and expenses before investing. A description of these risks can be found in each ETF's prospectus.

Mutual Funds

Past performance does not guarantee future results. The investment return and principal value of a mutual fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Investors should consider the investment objectives, risks, and charges and expenses of the investment company carefully before investing. A description of these items can be found in each fund's prospectus.

Futures and Options in Funds and ETFs: Funds may invest in options and futures on securities, indices and interest rates for the purpose of efficient portfolio management. Also, Funds may invest in futures, options or forward foreign exchange contracts to hedge market and currency risks. Transactions in futures carry a high degree of risk. The amount of the initial margin is small relative to the value of the futures contract so that transactions are "leveraged" or "geared". A relatively small market movement will have a proportionately larger impact which may work for or against the investor. The placing of certain orders which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders.

Alternative Mutual Funds

Long/short investment strategies utilize short selling, which involves selling a security not owned in anticipation that the security's price will decline or to offset a similar long position in an attempt to either hedge risk and/or capture a spread in return. Generally, both long and short trades are paired together in an attempt to capture a performance spread, while reducing the systematic exposure to the underlying asset class. This strategy could result in losses if the value of the securities held long decrease and the value of the securities sold short increase or if the spread in performance is other than expected.

Investing in commodities is often through futures trading, where the risk of loss in these contracts can be substantial. You and your advisor should carefully consider whether such trading is suitable depending on your financial situation.

Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates the possibility for greater loss.

Derivatives may be riskier than other types of investments because they may be more sensitive to

changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the original investment. The use of derivatives may not be successful, resulting in the investment losses, and the cost of such strategies may reduce investment returns.

Options

Risk of Option Writers: The writer of a covered call option forgoes the opportunity to benefit from an increase in value of the underlying interest above the option price, but continues to bear the risk of a decline in the value of the underlying interest. Unlike the holder of the underlying interest who has not written a call against it, the covered call writer has (in exchange for the premium) given up the opportunity to profit from an increase in the value of the underlying interest above the exercise price. If the writer is assigned an exercise, the net proceeds realized from the sale of the underlying interest pursuant to the exercise could be substantially below its prevailing market price.

Transactions in options also carry a high degree of risk. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

Equities

Issuer Risk: The risk that the price of a security will decline as a result of negative events surrounding the issuer's reputation, demand and management. Any issuer of securities, such as stocks or bonds, may perform poorly, causing the value of those issued securities to decline, including complete loss of value. Poor performance may be caused by any number of factors, such as but not limited to poor management decisions, competitive pressures, a decrease in demand for the issuer's product, change in technology, expiration of patent protections, disruptions in supply, labor problems or shortages, corporate restructurings, fraudulent disclosures, credit deterioration of the issuer or other factors. Issuers may, in times of distress or at their own discretion, decide to reduce or eliminate dividends, which may also cause their stock prices to decline.

Idiosyncratic risk: Also known as unsystematic risk, idiosyncratic risk refers to the risk associated with an individual security that, in theory, can be mitigated through effective diversification of an investment portfolio. Idiosyncratic risk has little to no correlation to the market and is therefore considered to be the risk associated with holding an individual security.

Examples of idiosyncratic, or specific risk, range from firm specific events such as a strike by employees to much more broad risks that may affect a given industry. New governmental regulations that may inhibit a company's ability to maintain operations in the same fashion as without the regulation can be both firm and industry specific.

Bonds

Issuer and idiosyncratic risk: Bonds represent a legal claim on a firm while equities represent an interest in the firm's profits, if there are any. As such, bonds are generally considered less risky than equities. However, bonds are still subject to the same issuer and idiosyncratic risks as equities in that an adverse performance at the firm level can impact on the value of the bond, including complete loss of value.

Liquidity risk: Liquidity risk is the risk that thinly traded securities will not be able to be traded at a fair market value when the investor desires to make the trade. Although liquidity risk may be relatively small for large cap, highly traded, securities, it does impact the risk associated with small cap securities. Negative events surrounding smaller cap firms with already thin trading markets can decrease the ability for investors to sell their holdings at a fair market value. If an investor seeks to sell a security that suffers from high levels of liquidity risk it is possible that he will have to accept a price significantly lower than its fair market value.

Default risk: Default risk refers to the risk that a company will be unable to repay its debts and can result in the loss of an investor's entire investment in a firm. Should a company default and go into bankruptcy, equity holders are at the highest risk as they are residual claimants and are the last in line to be repaid, with no requirements on the issuing company to, if at all, repay shareholders their investment. Uncollateralized bond holders also bear a significant likelihood of sustaining significant losses should the company fail as they also have no guaranteed claims on the company's remaining assets. Asset backed bonds are bonds that are backed by a company's assets should default occur. These bonds offer lower rates of return due to the decrease in potential losses should default occur.

Disciplinary Information

Form ADV Part 2A, Item 9

Not Applicable.

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Apella and members of the management personnel are not registered, nor do they have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

Apella and members of the management personnel are not registered, nor do they have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Arrangements with Related Persons

Apella has an arrangement with Symmetry under which Symmetry makes model portfolios available to Apella for use with Apella's clients.

The managers and members of Apella, are also the managers and members of Symmetry. IARs of Apella are also IARs of Symmetry.

Apella and certain Apella IARs, are licensed insurance agents with various insurance companies. In such capacity, Apella and certain Apella IARs may recommend, on a fully disclosed commission basis, the purchase of life, health, and long term care insurance policies. All clients are under no obligation to purchase these policies.

D. Selection of other Advisors or Managers

Apella may recommend or select other investment advisers for clients and pay a portion of the investment advisor fee received by Apella from the client to those advisors for their services.

Apella IARs may refer qualified plan clients to Symmetry for investment management services under the rubric of Symmetry's Retirement Program. The relationship between Symmetry and Apella, the services provided, and fees are fully disclosed to the client. Please also see Items 4B. and 5A. Of this brochure.

Form ADV Part 2A, Item 11

A. Code of Ethics

Apella, through its Code of Ethics, strives to ensure high standards of ethical conduct among its employees. In addition, the Apella Code of Ethics sets forth processes for compliance with applicable federal securities laws with respect to, for example, insider trading and personal securities transactions. The goals of the Apella Code of Ethics are to protect the firm's clients and the firm's reputation by educating employees about their fiduciary duties and the laws governing their conduct. A copy of the Apella Code of Ethics is available upon request by calling 860.785.2260.

B. Material Financial Interest

Neither Apella nor its employees have any material financial interest in the securities it recommends to its clients.

C. Invest in the Same Securities that are Recommended to Clients

Apella's employees are allowed to invest in same securities that are recommended to clients. The securities recommended by Apella are primarily shares of mutual funds and ETFs. They are generally not "reportable securities," and as such the Apella Code of Ethics does not ordinarily limit the ability of Apella's employees to invest in same open-end mutual funds and ETFs that are recommended to clients. All employees of Apella are prohibited from profiting at the expense of clients and competing with clients with respect to transactions in "reportable securities" as defined in Rule 204A-1(e) (10) under the Investment Advisers Act of 1940. Apella employees' personal transactions in reportable securities are reviewed on a quarterly basis to assure compliance with all personal security transaction policies.

D. Buy or Sell Securities for Client's Accounts at or about the same time it Buys the Same Securities for its Own Account.

Apella does not participate in these types of transactions.

Brokerage Practices

Form ADV Part 2A, Item 12

A. Selecting or Recommending Broker-Dealers for Client Transactions

Apella primarily recommends transactions in mutual funds and ETFs. As such, Apella does not recommend broker-dealers for client transactions. Apella would seek best execution of client transactions were it to choose a broker-dealer to execute client transactions. While best execution is difficult to define and challenging to measure, there is some consensus that it does not solely mean the achievement of the best price on a given transaction but the best overall qualitative execution in the particular circumstance. Transactions in mutual fund shares are effected directly between a client's custodian and the mutual fund or its agents. Because such transactions are, pursuant to Rule 22c-1 under the Investment Company Act of 1940, required to be effected at a price based on the net asset value of such shares next computed after the order to purchase or sell such shares is received, and clients do not pay any sales loads in connection with such transactions, a price based on the net asset value of the mutual fund shares next computed after the order to purchase or sell such shares is received will be the most favorable trade execution reasonably available. At present, Apella has relationships with three primary custodians, Charles Schwab, TD Ameritrade, TCA, that are operationally set up to maintain client accounts, and each client selects his or her own custodian. In selecting its custodian, each client will be deemed to have directed Apella to effect any transactions in ETF shares and other individual securities through such broker as the client's custodian may from time to time direct. It should be noted that there are a limited number of clients who have their assets held by Fidelity and TIAA-CREF. Fidelity is not an option for new clients and TIAA CREF is limited to clients that are participants in employee sponsored retirement plans who utilize TIAA-CREF's services

1. Research and Other Soft Dollar Benefits

Apella does not in any way direct clients to a broker dealer or custodian for the exchange of products, research or services.

2. Brokerage for Client Referrals

Apella does not in any way direct clients to a broker-dealer or third party for client referrals.

3. Directed Trades

As noted above, each client directs its own trades with respect to ETFs and other individual securities. As a result, the client may incur higher commissions, greater spreads or less favorable net prices than if the client had chosen a different custodian and thereby directed Apella to execute ETF trades through another broker-dealer. Apella may not be able to obtain best execution for such trades.

B. Trade Aggregation

Although Apella does not aggregate trades for execution, Apella's Glastonbury, CT office primarily utilizes Symmetry's back office operations support, (please item 7B. of this brochure), to transmit instructions with respect to transactions in mutual funds and ETFs to its clients' custodians at various times throughout the day, and instructions with respect to transactions on behalf of multiple clients with the same custodian may be transmitted at the same time. Client transactions in ETFs may be held for part of a trading day until the next regular transmission to their custodians, which may adversely affect the price at which they are effected. A client's custodian may aggregate such orders for execution.

Please note that trades are aggregated with each custodian separately. Depending on the number of shares traded, the custodians may participate in a trade rotation process. The trade rotation process provides objective preference to the custodian by submitting trades for each custodian in sequence starting with a different custodian on each series of block trades. The starting custodian moves down one position on the list at the start of each new trading day. The submission process for each custodian is done in an efficient timely manner. TCA is not part of the trade rotation process.

Please note in the following limited situations, Apella is transmitting instructions without utilizing Symmetry's back office operations.

The Lenox, MA office is submitting trade instructions to TD Ameritrade for those clients who utilize Apella services through that office.

The Apella Glastonbury, CT office transmits trade instructions to Fidelity and TIAA-CREF platform for applicable clients whose assets are held at those custodians.

Review of Accounts

Form ADV Part 2A, Item 13

A. Frequency, and Responsible Parties of Periodic Reviews

Client accounts are monitored on a periodic basis, annually and as needed. Financial plans are reviewed on an annual basis and as needed with the client. Apella investment adviser representatives conduct the reviews.

B. Factors that will trigger a non-periodic review

A non-periodic review of a client's account can be triggered by a change in the client's financial circumstances such as, but not limited to, termination of employment, moving or retirement. A material market event could also trigger a review.

C. Reports

Clients receive either a quarterly or monthly statement from the custodian. Apella may also provide quarterly performance reports of clients' accounts to clients. In addition, Apella has other tools it may use in connection with the review of clients' accounts which may include, without limitation, research notes, white papers, and analysis on related market events.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

A. Individual who is not a Client Provides an Economic Benefit in Connection with Giving Advice to Client

Apella does not receive any economic benefit including, but not limited to, commissions, equipment, research services, sales awards and/or prizes from any non-client in connection with giving advice to clients.

B. Indirect or Direct Compensation to Third Parties for Client Referrals

Indirect Compensation

Apella currently maintains one solicitor arrangement. For this arrangement, Apella adheres to the solicitor's rule pursuant to the Advisors Act Rule 206(4)-3. All material information describing the solicitor's activities and compensation is disclosed to the client in the Solicitor's Disclosure Statement, which is part of the Apella Investment Advisory Agreement.

Direct Compensation

Apella pays a portion of its advisory fee to an affiliate, Symmetry, to assist with functions associated with the management of client accounts. Such tasks may include, but are not limited to, sub-advisory services, back office operations and trading, reporting, and investment research.

Custody

Form ADV Part 2A, Item 15

Apella has custody of clients' assets for the following reasons. For the majority of accounts, custody is limited to the specific circumstance of fees being deducted from clients' accounts. Apella also has custody due to having standing letter of authorizations, ("SLOA"), to move clients' funds from a client's own account a third party. The SLOA is when a client gives an adviser authorization to send funds from the client's own account to an identified third party. For these accounts, Apella reports the assets on the ADV Part 1 but because Apella meets the required conditions the firm does not need for those accounts to undergo a surprise exam by a Certified Public Accounting firm. Apella has custody and is required to undergo the surprise exam for a minimal number of Apella advisory accounts where an Apella employee serves as a trustee. When a client opens an account with Apella, the assets are held with a qualified custodian. Clients will receive monthly or quarterly account statements, depending on the custodian. Clients should review the statements carefully for accuracy of information. In addition, Apella can provide advisers quarterly performance reports of clients' accounts to share with clients. When reviewing this report, clients should note that this report does not take the place of brokerage statements, any fund company statements, or 1099 tax forms. The client is urged to compare this report with the statement received from the custodian covering the same period.

Investment Discretion

Form ADV Part 2A, Item 16

Prospective clients of Apella are asked to sign an investment advisory agreement with the firm outlining the responsibilities of each party. By signing the agreement, the client grants Apella discretionary authority to implement all investment decisions such as, but not limited to, investment selection, asset allocation and rebalancing. The client has an opportunity to place reasonable restrictions on the account. Apella will assist the client in understanding and evaluating the possible impact of these restrictions on the account. Clients appoint Apella as client's agent and attorney-in-fact with respect to trading authorization. Apella manages the asset allocation on a continuous basis and all allocation and investment decisions are reviewed and monitored.

Voting Client Securities

Form ADV Part 2A, Item 17

Proxy Voting Statement

Apella's standard policy regarding discretion to vote proxies is as follows: Unless Apella and client otherwise agree in writing, Apella is precluded from and the client shall be responsible for: (a) directing the manner in which proxies solicited by issuers of securities the client beneficially owns shall be voted; and (b) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other events pertaining to the securities in the account. The client authorizes and directs the custodian to forward to the client all proxies and shareholder communications relating to the assets. Should a client wish to grant Apella discretion to vote proxies, the client must do so in writing, and such voting authority will not be effective until accepted in writing by Apella.

Financial Information

Form ADV Part 2A, Item 18

Apella is required to disclose certain information to clients regarding financial matters of the firm.

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

B. Apella has no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

C. Apella has not been subject of a bankruptcy petition at any time.