

Version Date: 10/31/2019

### **Cascadia Advisory Services, LLC**

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This brochure provides information about the qualifications and business practices of Cascadia Advisory Services, LLC (“CAS”). If you have any questions about the contents of this brochure, please contact us at (503) 620-5236 or by email at: info@cascadiawm.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 Cascadia Advisory Services, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration does not imply a certain level of skill or training

**Item 2: Material Changes**

Below are material changes since the last annual update on March 26, 2019.

**Item 5, A – Portfolio Management Fees** was updated to reflect new maximum annual fees. A clarification was made on how deposits to, and withdrawals from, accounts that are billed in advanced are handled.

**Item 5, A – Selection of Other Advisers Fees** was updated to include a new relationship with AssetMark. The fee structure of The Pacific Financial Group is also explained.

**Item 14, A – Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)** adds a description of our relationship with third-party asset program provider AssetMark and support they might provide CAS and its representatives.

**Item 17 – Voting Client Securities (Proxy Voting)** clarifies proxy voting options when using AssetMark.

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**Item 4: Advisory Business****A. Description of the Advisory Firm**

Cascadia Advisory Services, LLC (hereinafter "CAS") is a Limited Liability Company organized in the State of Oregon. The firm was formed in September 2017, and the principal owners are Greg Bowen, Douglas Perry and Robert Biancardi.

**B. Types of Advisory Services*****Portfolio Management Services***

CAS offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. CAS creates an Investment Policy Statement for each client, which outlines the client's current situation and then constructs a plan to aid in the selection of a portfolio that matches each client's specific situation. Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

CAS evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. CAS will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

CAS seeks to provide investment decisions that are made in accordance with the fiduciary duties owed to its accounts and without consideration of CAS's economic, investment, or other financial interests. To meet its fiduciary obligations, CAS attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, CAS's policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is CAS's policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

CAS has discretion to choose third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, CAS will always ensure those other advisers are properly licensed or registered as an investment adviser. CAS conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings, and review of the third-party adviser's performance and investment strategy. When CAS allocates investments to a third-party, these investments may be allocated either through the third-party adviser's fund or through a separately managed account managed by such third-party adviser on behalf of CAS's client. CAS may also allocate among one or more private equity funds or private equity fund advisers. CAS will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning; retirement planning; legacy planning; life insurance; tax concerns; college planning; and debt/credit planning. The majority of financial planning activities are included in the asset management process. Stand alone financial planning for a fee is also available .

***Services Limited to Specific Types of Investments***

CAS generally limits its investment advice to stocks, mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, hedge funds, private equity funds, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds, commodities, non-U.S. securities, venture capital funds and private placements. CAS may use other securities as well to help diversify a portfolio when applicable.

**C. Client Tailored Services and Client Imposed Restrictions**

CAS will tailor a program for each individual client. This will include an interview session to get to know the client's specific needs and requirements as well as a plan that will be executed by CAS on behalf of the client. CAS may use model allocations

together with a specific set of recommendations for each client based on their personal restrictions, needs, and targets. Clients may impose reasonable restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent CAS from properly servicing the client account, or if the restrictions would require CAS to deviate from its standard suite of services, CAS reserves the right to decline the investment relationship.

#### D. Wrap Fee Programs

CAS participates in wrap fee programs, which are investment programs where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. CAS sponsors and manages the investments in the wrap fee program. Fees paid under the wrap fee program will be given to CAS as a management fee.

#### E. Assets Under Management

CAS has the following assets under management:

Discretionary Amounts	Non-discretionary Amounts	Date Calculated
\$407,207,246	\$0	Mar 2019

### Item 5: Fees and Compensation

#### A. Fee Schedule

##### *Portfolio Management Fees*

Total Assets Under Management	Maximum Annual Fees
\$ 0 to \$ 250,000	1.95 %
\$ 250,001 to \$ 500,000	1.85 %
\$ 500,001 to \$ 1,000,000	1.75 %
\$ 1,000,001 to \$ 2,000,000	1.65 %
\$ 2,000,001 and up	1.55 %

CAS may bill in advance or in arrears. For accounts billed in advance, CAS uses the account balance on the last business day of the month prior to billing for the market value of the assets upon which the advisory fee is based. If the account is closed prior to the end of the period for which it has been billed, the client will receive a pro-rata refund. Accounts with deposits or withdrawals of \$1,000 or greater will also receive a pro-rata fee or credit in the following month's bill.

For accounts billed in arrears, CAS uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for the purpose of determining the market value of the assets upon which the advisory fee is based.

These fees are generally negotiable and the final fee schedule is identified in the Investment Advisory Agreement. Please note that Flat Dollar Amount and Flat Annual Percentage options are also available in the Investment Advisory Agreement, but those amounts will never exceed the Max Annual Fees on a percentage basis of the assets being managed. Clients may terminate the agreement without penalty for a full refund of CAS's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 5 days' written notice.

Advisory fees are withdrawn directly from the client's accounts with client's written authorization or may be invoiced to the client and paid by check or credit card. Clients may select the method by which they are billed.

##### *Platform Fee*

To cover the cost of compliance oversight of new account documentation, investment due diligence, and trade review, among other costs, CAS charges clients a 0.06% annual platform fee. This fee is deducted either monthly or quarterly depending upon the frequency of billing and other charges to the account. Please see the Investment Advisory Agreement for the final fee schedule.

### Selection of Other Advisers Fees

For some clients CAS may engage the services of a Third-party Asset Management Program (“TAMP”). These programs typically provide asset allocation, security selection, and custody services. Clients introduced to a TAMP through CAS will sign a CAS Advisory Agreement as well as an agreement with the TAMP. The TAMP will provide billing and reporting services and will charge the client both CAS’s fee and the fees it charges for management, custody, and trading. CAS does not share management fees. CAS management fees and third-party management fees will be charged separately. Depending on the TAMP, billing may be in advance or in arrears and may be monthly or quarterly. The fee and billing schedule will be included in the TAMP agreement and will not exceed any limit imposed by any regulatory agency. Each TAMP’s program fees are disclosed in their ADV Part 2A (which CAS will deliver to clients it recommends for a TAMP relationship) and in the TAMP’s advisory agreement with the client.

Currently CAS has agreements with the following TAMPs:

- AssetMark – provider of asset allocation and investment management services.
- The Pacific Financial Group (“TPFG”) – provider of management services for in-service 401k and other retirement plans.
- SEI Private Trust Company (“SEI”) – provider of asset allocation, investment management, and custody services.

CAS also uses TD Ameritrade’s UMAX (“UMAX”) program which provides clients with a unified managed account solution, giving access to various third-party and in-house management strategies in a single custodial account. The program utilizes sub-advisors who provide access to the various management strategies and provide trading services on the account among other functions. Envestnet, SMARtX Advisory, and Adhesion are sub-advisors CAS is currently using on the UMAX program. Below is an example of the fee structure for clients in the UMAX program:

Fee type	CAS Portfolio Management Fee	Trading Fees	CAS Platform Fee	Sub-advisor Platform Fee	Management Strategy Fee	Underlying Security Fees
Primary purpose	Compensate the advisor for providing portfolio management and ancillary services	Pay costs of trading securities in the account	Cover CAS compliance and other expenses	Pay the sub-advisor for providing consolidated trading and other services	Compensate management strategy providers for security buy and sell signals	Some securities (ETFs, mutual funds, etc.) have internal expenses which compensate the sponsor for creating and distributing the security
Who collects the fee	CAS, which pays the fee to the advisor of the account	TD Ameritrade	CAS	UMAX sub-advisor (Envestnet, SMARtX, or Adhesion)	Management strategy provider	Sponsor of the security
How the fee is determined	Negotiated fee is disclosed on the CAS Investment Advisory UMAX Agreement – typically a percentage of assets managed	<b>Transaction-based pricing (“TPB”):</b> client pays TD Ameritrade’s charge for each transaction <b>Asset-based pricing (“ABP”):</b> TD Ameritrade charges one annual fee to cover all trades in the account as a percentage of the account balance	Fee is 0.06% of assets managed	Fee is 0.10% of assets managed	Determined by the strategy provider – charged as a percentage of assets in the strategy	Determined by the sponsor of the security – charged as a percentage of the assets in the security

Fee type	CAS Portfolio Management Fee	Trading Fees	CAS Platform Fee	Sub-advisor Platform Fee	Management Strategy Fee	Underlying Security Fees
Other considerations	This fee primarily compensates the advisor for translating the client investment policy statement into a specific investment strategy	TD Ameritrade charges a minimum annual fee of \$100 for ABP accounts – there is no minimum or maximum fee for TBP accounts	This fee is bundled with the Sub-advisor Platform Fee and the Management Strategy Fee	This fee is bundled with the CAS Platform Fee and the Management Strategy Fee	This fee is bundled with the CAS Platform Fee and the Sub-advisor Platform Fee	Some securities have no internal expenses (stocks and bonds are examples)

Please note that the Trading Fees, CAS Platform Fee, Sub-advisor Platform Fee, Management Strategy Fee, and Underlying Security Fees are in addition to the CAS Portfolio Management Fee, therefore, the total fees paid by the client may exceed the Maximum Annual Fees indicated in the section labeled Portfolio Management Fees. Alongside third-party management strategies, CAS and some of its advisors may create management strategies that are available to clients through a sub-advisor on the UMAX platform (“CAS strategies”). These strategies can be trading algorithms developed by CAS or its advisors, may be the result of research paid for by CAS or its advisors, or may result from a combination of original research and third-party data. CAS and its advisors may receive all, or a portion of, the Management Strategy Fee paid by clients for assets allocated to a CAS strategy. There is a conflict of interest when an advisor selects a CAS strategy as opposed to other management strategies available through the sub-advisor because CAS will receive additional compensation as a result of the selection. CAS and representatives of CAS will always act in the best interests of clients.

Clients using the services of TPGF will invest in mutual funds sponsored by TPGF which charge a 12b-1 service fee. This fee exists to compensate registered representatives of a broker/dealer for ongoing servicing of accounts. CAS is not a broker/dealer and our policy is to not invest advisory accounts in funds that charge a 12b-1 fee. However, in this case we have made an exception because whether the client has established a relationship with TPGF through a broker/dealer or through an independent RIA (like CAS), the client pays the same total fee of 1.50% and both a broker/dealer and an independent RIA receive the same total compensation of 0.75%. The independent RIA is not receiving additional compensation as a result of the 12b-1 fee and the client is not paying more in total fees as a result of the 12b-1 fee.

### ***Financial Planning Fees***

#### **Fixed Fees**

The maximum fixed rate for creating client financial plans is up to \$20,000, though this fee is negotiable.

#### **Hourly Fees**

The maximum hourly fee for these services is up to \$500, though this fee is negotiable.

Clients may terminate the agreement without penalty, for full refund of CAS’s fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

### **B. Payment of Fees**

#### ***Payment of Portfolio Management Fees***

Portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly or quarterly basis. Clients may have fees withdrawn from an account other than the one being managed or may pay fees by check. The advisory agreement will state whether fees are paid in arrears or in advance.

#### ***Payment of Selection of Other Advisers Fees***

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific TAMP selected. This information will be included in the advisory agreement.



***Payment of Financial Planning Fees***

Financial planning fees are paid via check.

Fixed financial planning fees are paid 100% in advance, but never more than six months in advance.

The financial planning agreement will state whether hourly financial planning fees are paid in advance or in arrears upon completion.

**C. Client Responsibility for Third Party Fees**

Clients are responsible for the payment of all third-party fees (i.e., custodian fees, TAMP fees, commissions, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by CAS. Please see Item 12 of this brochure regarding broker-dealer/custodian fees.

For clients who participate in the wrap fee program, CAS will wrap third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.) into the fee it charges the Client. CAS will charge clients one fee, and pay all transaction fees using the fee collected from the client.

**D. Prepayment of Fees**

CAS collects certain fees in advance and certain fees in arrears, as indicated above. Refunds for fees paid in advance will be returned to the client via check or return deposit back into the client's account.

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

**E. Outside Compensation for the Sale of Securities of Investment Products to Clients**

Certain of the Firm's Supervised Persons are independent insurance agents, Registered Representatives of Cetera Advisors LLC, a broker/dealer, and may be dually registered as Investment Advisor Representatives with Cetera Advisors LLC and CAS. A conflict of interest exists to the extent that CAS, from time to time, recommends that clients utilize insurance products and/or the brokerage services of Cetera Advisors LLC where one of its Supervised Persons is entitled to receive a portion of the commission or other additional compensation. CAS and representatives of CAS will always act in the best interests of clients. Clients are in no way required to purchase any product or service through any representative of CAS in their outside capacities.

***1. This is a Conflict of Interest***

Supervised persons may accept compensation for the sale of securities and investment products, including asset-based sales charges or service fees from the sale of mutual funds to CAS's clients. This presents a conflict of interest and gives the supervised person an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of investment products for which the supervised persons receives compensation, CAS will document the conflict of interest in the client file and inform the client of the conflict of interest.

***2. Clients Have the Option to Purchase Recommended Products from Other Brokers***

Clients always have the option to purchase CAS recommended products through other brokers or agents that are not affiliated with CAS.

***3. Commissions are not CAS's primary source of compensation for advisory services***

Commissions are not CAS's primary source of compensation for advisory services.

***4. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

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

CAS does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

**Item 7: Types of Clients**

CAS generally provides advisory services to the following types of clients:

- Individuals
- High-Net-Worth Individuals
- Pension and Profit-Sharing Plans
- Charitable Organizations
- Corporations or Business Entities

CAS does not require a specific minimum account size to establish a relationship with the firm. However, some types of accounts do have minimum account size requirements.

**Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss****A. Methods of Analysis and Investment Strategies*****Methods of Analysis***

CAS's methods of analysis include Charting analysis, Cyclical analysis, Fundamental analysis, Modern portfolio theory, Quantitative analysis and Technical analysis. One or more of these methods may be used, depending on the investment strategy or security being examined.

**Charting analysis** involves the use of patterns in performance charts. CAS uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Modern portfolio theory** is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale. Some factors that may be considered are the value of assets, the cost of capital, historical projections of sales, and so on.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

***Investment Strategies***

CAS uses long term trading, short term trading and options trading (including covered options, uncovered options, or spreading strategies).

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

**B. Material Risks Involved*****Methods of Analysis***

**Charting analysis** strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns. One risk of this strategy is that it uses expected measures of risk and return, but the actual results may vary significantly from the expectations.

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

### ***Investment Strategies***

CAS's use of options trading generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Options transactions** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value, as well as the possibility of leveraged loss of trading capital due to the leveraged nature of stock options.

**Selection of Other Advisers:** Although CAS will seek to select only money managers who will invest clients' assets with the highest level of integrity, CAS's selection process cannot ensure that money managers will perform as desired and CAS will have no control over the day-to-day operations of any of its selected money managers. CAS would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Short-term trading** risks include liquidity, economic stability, and inflation, in addition to the long-term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds** investing carries the risk of capital loss. All mutual funds have costs that lower investment returns. The funds can invest in many different types of securities, though they are primarily invested in bonds (fixed income) and stocks (equity).

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best-known type of fixed income security. In general, the fixed income market is volatile and fixed income securities are exposed to interest rate risk. As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities. Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs)** are investment funds traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss. Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment in the future. Annuities are contracts issued by a life insurance company and are designed to meet future income requirements or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Hedge funds** often engage in leveraging and other speculative investment practices that may increase the risk of loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; May involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

**Private equity** funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Venture capital** funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

**Commodities** are tangible assets used to manufacture and produce goods or services. Commodity prices are affected by different risk factors, such as disease, storage capacity, supply, demand, delivery constraints and weather. Because of those risk factors, even a well-diversified investment in commodities can be uncertain.

**Options** are contracts to purchase or sell a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

**Non-U.S. securities** present certain risks such as currency fluctuation, political and economic change, social unrest, changes in government regulation, differences in accounting and the lesser degree of accurate public information available.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

#### **Item 9: Disciplinary Information**

##### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

##### **B. Administrative Proceedings**

There are no administrative proceedings to report.

##### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

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

Certain of the Firm’s Supervised Persons are Registered Representatives of Cetera Advisors LLC, a broker/dealer. A conflict of interest exists to the extent that CAS, from time to time, recommends that clients utilize the brokerage services of Cetera Advisors LLC where one of its Supervised Persons is entitled to receive a portion of the commission or other additional compensation. CAS and representatives of CAS will always act in the best interests of clients. Clients are in no way required to purchase any product or service through any representative of CAS in their outside capacities.

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

Neither CAS nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

##### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interest**

Certain of the Firm’s Supervised Persons are Registered Representatives of Cetera Advisors LLC, a broker/dealer, and may be dually registered as Investment Advisor Representatives with Cetera Advisors LLC and CAS. To provide a broader level of financial products and services to clients, many of the Firm’s Supervised Persons are also licensed as insurance agents. A conflict of interest exists to the extent that CAS, from time to time, recommends that clients utilize the brokerage services of Cetera Advisors LLC or to offer insurance products where one of its Supervised Persons is entitled to receive a portion of the commission or other additional compensation. CAS and representatives of CAS will always act in the best interests of clients. Clients are in no way required to purchase any product or service through any representative of CAS in their outside capacities.

**D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

CAS has discretion to choose third-party investment advisers to manage all or a portion of the client's assets. Clients will pay CAS its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between CAS and each third-party advisor. CAS will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. CAS will ensure that all recommended advisers are licensed or notice filed in the states in which CAS is recommending them to clients. Please see Item 5. A. "Selection of Other Advisers Fees" for a description of some of the third-party investment advisers uses in client portfolios.

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

CAS has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. CAS's Code of Ethics is available free upon request to any client or prospective client.

**B. Recommendations Involving Material Financial Interests**

CAS does not recommend that clients buy or sell any security in which a related person to CAS or CAS has a material financial interest.

**C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of CAS may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of CAS to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. CAS will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

**D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of CAS may buy or sell securities for themselves at or around the same time as clients or participate in block transactions alongside clients. This may provide an opportunity for representatives of CAS to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, CAS will never engage in trading that operates to the client's disadvantage if representatives of CAS buy or sell securities at or around the same time as clients. CAS employees will either transact clients' transactions before their own or will transact alongside clients' transactions in block or bunch trades.

**Item 12: Brokerage Practices****A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on CAS's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and CAS may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in CAS's research efforts. CAS will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

CAS will recommend clients to use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC.

### *1. Research and Other Soft-Dollar Benefits*

CAS receives research, products, and other services from custodians, broker-dealers, and third-party managers. CAS may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and CAS does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. CAS benefits by not having to produce or pay for the research, products or services, and CAS will have an incentive to recommend a custodian, broker-dealer, or third-party manager based on receiving research or services. Clients should be aware that CAS's acceptance of soft dollar benefits may result in higher commissions charged to the client.

### *2. Brokerage for Client Referrals*

CAS receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### *3. Clients Directing Which Broker/Dealer/Custodian to Use*

CAS will recommend clients to use a specific broker-dealer (TD Ameritrade) to execute transactions. However, other broker-dealers may be selected. For example, many TAMPs have their own broker-dealer relationship.

## **B. Aggregating (Block) Trading for Multiple Client Accounts**

If CAS buys or sells the same securities on behalf of more than one client, then it may (but would be under no obligation to) aggregate or bunch such securities in a single transaction for multiple clients in order to seek more favorable prices, lower brokerage commissions, or more efficient execution. In such case, CAS would place an aggregate order with the broker on behalf of all such clients in order to ensure fairness for all clients; provided, however, that trades would be reviewed periodically to ensure that accounts are not systematically disadvantaged by this policy. CAS would determine the appropriate number of shares and select the appropriate brokers consistent with its duty to seek best execution, except for those accounts with specific brokerage direction (if any).

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

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for CAS's advisory services provided on an ongoing basis are reviewed regularly by the IARs and at least annually by Michael Jeanfreau, Chief Compliance Officer, or his designees, with regard to clients' respective investment policies and risk tolerance levels.

A random sampling of financial plans are reviewed at least annually by Michael Jeanfreau, Chief Compliance Officer. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, CAS's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of CAS's advisory services provided on an ongoing basis will receive a report at least quarterly detailing the client's account, including assets held, asset value, and fees charged. This written report will come from the custodian.

Each financial planning client will receive the financial plan upon completion, though this may be delivered electronically or by access to an online resource which contains the plan.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

CAS may accept compensation for client referrals, but does not have any such arrangements in place at this time. CAS will fully disclose to clients the details of any referral relationships.

CAS participates in the institutional advisor program (the “Program”) offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. CAS receives some benefits from TD Ameritrade through its participation in the Program.

#### ***TD Ameritrade***

CAS will recommend TD Ameritrade to most clients for custody and brokerage services. There is no direct link between CAS’s participation in the Program and the investment advice it gives to its clients, although CAS receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving CAS participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have CAS’s fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CAS by third party vendors. TD Ameritrade may also pay for business consulting and professional services received by CAS’s related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit CAS but may not benefit its client accounts. These products or services may assist CAS in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help CAS manage and further develop its business enterprise. The benefits received by CAS or its personnel through participation in the Program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, CAS endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by CAS or its related persons in and of itself creates a conflict of interest and may indirectly influence the CAS’s choice of TD Ameritrade for custody and brokerage services.

#### ***AssetMark***

With respect to the AssetMark Platform, some CAS representatives may, subject to negotiation with AssetMark, receive certain allowances, reimbursements or services from AssetMark in connection with representative’s investment advisory services to its clients, as described below and in further detail in the Appendix 1 of the AssetMark Platform Disclosure Brochure.

Under AssetMark’s Business Development Allowance program, Representative may receive a quarterly business development allowance for reimbursement of qualified marketing/practice development expenses incurred by the representative. These amounts vary depending on the value of the assets on the AssetMark Platform held by Clients of CAS.

**Marketing Support for CAS** – CAS may enter into marketing arrangements with AssetMark whereby CAS receives compensation and/or allowances in amounts based either upon a percentage of the value of new or existing account assets of Clients referred to AssetMark by CAS, or a flat dollar amount.

**Direct and Indirect Support for CAS** – AssetMark may sponsor annual conferences for participating Financial Advisory Firms and/or representatives designed to facilitate and promote the success of the Financial Advisory Firm and/or representative and/or AssetMark advisory services.

**Discounted Fees for Financial Advisors** – Representatives may receive discounted pricing from AssetMark for practice management and marketing related tools and services.

**Community Inspiration Award** – AssetMark offers the Community Inspiration Award to honor selected representatives across the US who have inspired others by supporting charitable organizations in their communities. AssetMark will make a cash donation, subject to the published rules governing the program, to the representative’s nominated charity in accordance with guidelines as outlined in the AssetMark Platform Disclosure Brochure.

**B. Compensation to Non – Advisory Personnel for Client Referrals**

CAS may enter into written arrangements with third parties to act as solicitors for CAS’s investment management services. Solicitor relationships will be fully disclosed to each Client to the extent required by applicable law. CAS will ensure each



solicitor is exempt, notice filed, or properly registered in all appropriate jurisdictions. All such referral activities will be conducted in accordance with Rule 206(4)-3 under the Advisers Act, where applicable. CAS has no solicitation relationships at this time.

#### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, CAS will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements from their custodian, and they should carefully review those statements for accuracy.

With regard to the AssetMark Platform, CAS does not provide custodial services to its clients. Client assets are held with banks, financial institutions or registered broker-dealers that are "qualified custodians." Clients will receive statements directly from the qualified custodians at least quarterly. We urge clients to carefully review those statements and compare the custodial records to the reports that we provide them. The information in our reports may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

#### **Item 16: Investment Discretion**

CAS provides discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, CAS generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. In some instances, CAS's discretionary authority in making these determinations may be limited by conditions imposed by a client if deemed reasonable by CAS (in investment guidelines or objectives, or client instructions otherwise provided to CAS).

#### **Item 17: Voting Client Securities (Proxy Voting)**

CAS generally recommends that Clients receive proxies directly from the issuer of the security or the custodian. Clients are encouraged to direct all proxy questions to the issuer of the security. If CAS is authorized to vote on proxies it receives on behalf of its Clients, CAS by policy will vote as recommended by the board governing the security. The rationale being that securities included in a portfolio managed by a CAS Representative were included in large part because of confidence in the related management.

When investing through a TAMP, clients often designate the Manager as their agent to vote proxies on securities in the account. Client acknowledges that as a result of this voting designation they are also designating the Manager as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying ADVISER in writing of the desire to vote future proxies.

#### **Item 18: Financial Information**

##### **A. Balance Sheet**

CAS neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

##### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither CAS nor its management has any financial condition that is likely to reasonably impair CAS's ability to meet contractual commitments to clients.

##### **C. Bankruptcy Petitions in Previous Ten Years**

CAS has not been the subject of a bankruptcy petition in the last ten years.