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## Part 2A of Form ADV The Brochure

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This brochure provides information about the qualifications and business practices of Linde, Hansen & Co., LLC ("LindeHansen"). If you have any questions about the contents of this brochure, please contact us at 973-593-8300. 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 LindeHansen is also available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Material Changes

In 2010 the United States Securities and Exchange Commission (the “SEC”) required significant changes to the content and format of Part 2 of Form ADV. This brochure, which reflects those changes, is materially different from brochures used by Linde, Hansen & Co., LLC (“LindeHansen”) in prior years.

Since LindeHansen’s last filing of Form ADV Part 2, the Advisor’s business activities have not changed materially.

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## Advisory Business

LindeHansen provides investment management services to individuals, institutions (trusts, estates, pension and profit sharing plans) and other legal entities. LindeHansen generally invests client assets in domestic equities.

LindeHansen investment management services are generally available to clients in three ways:

- By investing in a LindeHansen separately managed account;
- By investing in the Linde Hansen Contrarian Value Fund, a registered investment company to which LindeHansen contractually serves as Investment Advisor;
- By investing through a Unified Managed Account (UMA) program to which LindeHansen provides our model portfolio and any updates to the UMA provider.

LindeHansen was founded in 2009 and is owned by Edward K. von der Linde and Howard E. Hansen.

As of ~~March 11~~February 28, 201~~8~~9, LindeHansen managed approximately \$65,454,942 ~~71,117,264~~ on a discretionary basis.

## Fees and Compensation

### Separately Managed Accounts

LindeHansen charges most of its clients an annual investment management fee based on the following schedule:

<u>Assets under management</u>	<u>Annual Fee</u>
First \$5 Million	1.00%
On the next \$5 Million	0.80%
On the next \$5 Million	0.70%
On market value greater than \$15 million	0.60%

LindeHansen has waived or negotiated lower fees for certain clients, such as charitable organizations or employees' family members. LindeHansen does not impose a minimum account size but does generally impose a minimum annual fee of \$10,000 per annum on separately managed accounts.

LindeHansen charges fees quarterly in arrears based on the account value at the end of the prior quarter. If a client initiates an account in the middle of a billing period, LindeHansen will invoice the client for an amount that is pro-rated based on the number of days that the account was managed.

Most clients authorize LindeHansen to deduct fees automatically from their brokerage accounts, but clients may request that LindeHansen send quarterly invoices to be paid by check.

If a client terminates the investment management agreement with LindeHansen in the middle of a billing period, LindeHansen will invoice the client for an amount that is pro-rated based on the number of days that the account was managed.

In addition to LindeHansen's investment management fees, clients bear trading costs and custodial fees. To the extent that clients' accounts are invested in mutual funds, these funds pay a separate layer of management, trading, and administrative expenses.

#### As Investment Advisor to the Linde Hansen Contrarian Value Fund

Pursuant to an advisory agreement between Northern Lights Fund Trust II and Linde, Hansen & Co., LLC, Linde Hansen is entitled to receive an annual advisory fee as a percentage of average net assets of the Fund of 1.00%.

Pursuant to an operating expense limitation agreement between Linde, Hansen & Co., LLC and the Fund, Linde Hansen has agreed to waive its fees and/or absorb expenses of the Fund to ensure that Total Annual Fund Operating Expenses (excluding interest and tax expenses) for the Fund do not exceed 1.40% and 1.15%, of the Fund's average net assets, for Class A and Class I shares, respectively, through March 31, 2018<sup>9</sup>, subject thereafter to annual re-approval of the agreement by the Trust's Board of Trustees (the "Board of Trustees"). This operating expense limitation agreement can be terminated only by, or with the consent of, the Board of Trustees. Linde Hansen is permitted to seek reimbursement from the Fund, subject to limitations, for fees it waived and Fund expenses it paid. Linde Hansen is permitted to seek reimbursement from the Fund for the prior three fiscal years, as long as the reimbursement does not cause the Fund's operating expenses to exceed the expense cap.

There may be additional fees associated with investing in the Linde Hansen Contrarian Value Fund. Please refer to the Fund's Prospectus for full details.

#### Unified Managed Accounts – (UMA's)

LindeHansen sends our model portfolio and any updates to a UMA provider in exchange for a fee, which is based upon assets invested in the strategy. The UMA provider may then utilize the model to invest their UMA client accounts. The updated model is provided after trades have been performed for all other LindeHansen client accounts and the Linde Hansen Contrarian Value Fund. We do not provide additional services to UMA accounts. The UMA provider is responsible for all trading and client interaction. UMA assets under management are not considered Linde Hansen assets under management.

Currently, LindeHansen provides a model portfolio to Placemark Investments, Inc.

### **Performance Based Fees and Side-by-Side Management**

LindeHansen does not charge any performance fees. Some investment advisers experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures. However, these conflicts of interest are not applicable to LindeHansen.

## **Types of Clients**

LindeHansen provides investment management services to individuals, institutions (trusts, estates, pension and profit sharing plans) and other legal entities.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

LindeHansen's Managing Member & Portfolio Manager, Edward K. von der Linde, and Managing Member & Portfolio Manager, Howard E. Hansen, work together to conduct fundamental analysis on all securities recommended for client accounts. This analysis varies depending on the security in question. The analysis generally includes a review of:

- The prospect for improving profitability and/or cash flow;
- The issuer's management;
- The issuer's assets and liabilities, as well as any material changes from historical norms;
- Prospects for the issuer's industry, as well as the issuer's competitive position within that industry; and
- Any other factors considered relevant.

LindeHansen's investment personnel will hold ad hoc meetings as necessary, and will meet formally at least weekly to discuss any applicable topics, such as investment ideas, economic developments, current events, investment strategies, and Client holdings. LindeHansen will maintain research files in connection with most investment recommendations. However, research files will generally not be prepared for investment grade debt, treasury securities, money market funds, spin-offs of other companies, and similar Securities.

LindeHansen has developed risk management systems that allow investment personnel to monitor security concentration, sector exposure, and Client-imposed investment restrictions. Investment personnel review such reports as necessary and during their weekly meetings. Edward K. von der Linde and Howard E. Hansen have ultimate responsibility for all investment decisions.

LindeHansen primarily invests for relatively long time horizons, generally for a year or more. However, market developments could cause LindeHansen to sell securities more quickly.

Depending on a client's investment objectives, LindeHansen might engage in short selling or option writing. The use of short selling and option writing poses additional risks that are discussed in detail with any clients who are considering the use of these investment vehicles.

All investing involves a risk of loss.

## **Disciplinary Information**

LindeHansen and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

## **Other Financial Industry Activities and Affiliations**

LindeHansen serves as the Investment Advisor to the The Linde Hansen Contrarian Value Fund, distributed by Northern Lights Distributors, LLC, a FINRA member Broker/Dealer. LindeHansen is not affiliated with Northern Lights Distributors, LLC.

Dependent upon job function, an employee of LindeHansen may be required to be registered as an Investment Advisor Representative (IAR), or, as a Registered Representative (RR) of a Broker/Dealer.

Currently, LindeHansen has two employees registered as Investment Advisor Representatives and one LindeHansen employee is a Registered Representative with the Fund's Broker/Dealer, Northern Lights Distributors, LLC.

LindeHansen and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

LindeHansen has adopted a written code of ethics that is applicable to all employees. Among other things, the code requires LindeHansen and its employees to act in clients' best interests, abide by all applicable regulations, avoid even the appearance of insider trading, and pre-clear and report on many types of personal securities transactions. LindeHansen's restrictions on personal securities trading apply to employees, as well as employees' family members living in the same household. A copy of LindeHansen's code of ethics is available upon request.

The Chief Compliance Officer ("CCO") monitors employee trading, relative to client trading, to ensure that employees do not engage in improper transactions.

Employee security transactions require preclearance from the CCO. Securities that are being considered for, or currently held within, LindeHansen investment strategies will not be given clearance for employee transactions.

The CCO does not grant preclearance where it would appear that an employee's trading could disadvantage LindeHansen's clients.

Under certain circumstances an employee might invest in a security that is not considered suitable for client accounts because of size, liquidity, or other factors. A change in these factors could result in the security becoming more suitable for clients, but the CCO might not allow the security to be purchased for client accounts in order to avoid even the appearance of employees trading ahead of clients. In LindeHansen's experience, it is rare for an employee's personal trading to limit clients' investment opportunities, but such a situation may arise from time to time.

## Brokerage Practices

LindeHansen generally recommends that clients arrange for their assets to be held with TD Ameritrade. LindeHansen has managed client assets held at TD Ameritrade in the past and found them to offer good services at competitive prices. However, clients are free to choose their custodian as LindeHansen intends to work with numerous custodians. LindeHansen receives certain products and services from TD Ameritrade free of charge or at discounted rates. These products and services include:

- The receipt of duplicate client confirmations, statements, and other account information;
- Direct advisory fee debiting capabilities;
- Access to an electronic network for order entry, including the simultaneous entry of trades on behalf of multiple client accounts;
- A portfolio management system and software that supports LindeHansen's research processes.

LindeHansen does not believe that clients whose accounts are held by TD Ameritrade bear any additional costs in connection with LindeHansen's receipt of the products and services. Furthermore, TD Ameritrade's provision of these products and services is not contingent upon LindeHansen formally committing any specific amount of business to TD Ameritrade. However, LindeHansen would not receive these products and services if client accounts were not held in custody and traded at TD Ameritrade. LindeHansen's receipt of these products and services creates a conflict of interest in connection with LindeHansen's recommendation of TD Ameritrade. Also, some of the products and services listed above may benefit clients whose accounts are held by other custodians, which could create a conflict of interest between the clients at TD Ameritrade, who are indirectly paying for the products and services, and the clients at other custodians who may benefit from the products and services.

### The Selection of Trading Counterparties

In most cases, client securities executions are made through the custodial broker of the client's account to avoid "trade away" fees. In cases where an execution cannot be made through the custodian, Linde Hansen will execute trades for our clients through an alternative broker-dealer. In this situation, or when a client has given us broker discretion, there is no restriction on the brokers we may select to execute client transactions. Our general guiding principle is to trade through other broker-dealers who offer the best overall execution under the particular circumstances. With respect to execution, we consider a number of factors, including if the broker has custody of client assets, the actual handling of the order, the ability of the broker-dealer to settle the trade promptly and accurately, the financial standing of the broker-dealer, the ability of the broker-dealer to position stock to facilitate execution, our past experience with similar trades, and other factors which may be unique to a particular order. Based on these judgmental factors, we may trade through broker-dealers that charge fees that are higher than the lowest available fees.



The availability and pricing of bonds varies more widely, so prior to placing a bond trade, LindeHansen solicits bids from several dealers and then executes the trade with the dealer that offers sufficient liquidity and the most favorable pricing.

Clients may specifically request that their accounts only be traded through a particular broker/dealer. LindeHansen trades these accounts through the firm chosen by the client, which limits LindeHansen's ability to seek best execution. Trading restrictions may result in materially higher trading costs and reduced returns. Clients with directed brokerage arrangements will generally not be able to purchase initial public offerings (IPOs) if the designated broker/dealer is not part of the distribution syndicate.

#### Best Execution Reviews

On at least an annual basis LindeHansen's Chief Compliance Officer and other senior executives evaluate the pricing and services offered by TD Ameritrade and other trading counterparties with those offered by other reputable firms. LindeHansen has sought to make a good-faith determination that TD Ameritrade and other chosen trading counterparties provide clients with good services at competitive prices. However, clients should be aware that this determination could have been influenced by LindeHansen's receipt of products and services from TD Ameritrade. Historically, LindeHansen has concluded that TD Ameritrade is as good as, or better than, the other firms that have been considered. LindeHansen would notify its clients if it were to determine that another firm offered better pricing and services than TD Ameritrade.

#### Aggregated Trades

LindeHansen typically aggregates client trades in an effort to treat all clients fairly. Clients participating in a bunched order receive the same average price and incur trading costs that are the same as would be paid if they were trading individually. Employees that are investing within a LindeHansen investment strategy may be included side-by-side in bunched client trades. If an order is partially filled, clients and/or employees invested within the model portfolio will have their orders filled on a pro rata basis. LindeHansen will seek to complete any unfilled orders on the next trading day.

The LindeHansen Contrarian Value strategy is inherently low turnover. Changes to core positions are expected to be made infrequently. Accordingly, LindeHansen will enact a trade rotation program whereby the Fund and Separately Managed Accounts alternate by core position changes. Managed Accounts subject to directed brokerage arrangements will trade after both the Fund and non-directed Managed Accounts. The UMA portfolio will always trade last as changes to the model will not be submitted to the UMA provider until all directly traded vehicles are done.

#### Client Referrals

LindeHansen does not compensate TD Ameritrade or any other custodian or broker/dealer for referring client accounts.

### **Review of Accounts**

Accounts under LindeHansen's management are monitored continuously on an ad hoc basis by Edward K. von der Linde and Howard E. Hansen and will be formally reviewed at least quarterly.

Edward K. von der Linde and Howard E. Hansen have ultimate responsibility for all investment decisions.

The Chief Compliance Officer (“CCO”) will review a sample of LindeHansen’s accounts under management at least quarterly to ensure compliance with Clients’ investment objectives and any investment restrictions. The CCO will document the date of the review, the accounts reviewed, and any irregularities or other identified issues. The CCO will work with investment personnel to determine whether any issues warrant changes to the Company’s policies or procedures.

Clients receive account statements directly from their chosen custodian on at least a quarterly basis. LindeHansen may supplement these custodial statements with reports provided during client meetings or as requested.

## **Client Referrals and Other Compensation**

Other than the previously described products and services that LindeHansen receives from TD Ameritrade, LindeHansen does not receive any other economic benefits from non-clients in connection with the provision of investment advice to clients.

## **Custody**

All clients’ accounts are held in custody by unaffiliated broker/dealers or banks. Account custodians send statements directly to the account owners on at least a quarterly basis. Clients should carefully review these statements, and should compare these statements to any account information provided by LindeHansen.

## **Investment Discretion**

LindeHansen has investment discretion over all clients’ accounts. Clients grant LindeHansen trading discretion through the execution of a limited power of attorney included in LindeHansen’s advisory contract in addition to applicable account opening documents provided by a third party custodian.

Clients can place reasonable restrictions on LindeHansen’s investment discretion. For example, some clients have asked LindeHansen not to buy securities issued by companies in certain industries, or not to sell certain securities where the client has a particularly low tax basis.

## **Voting Client Securities**

Proxies must be voted with diligence, care, and the interests of clients held paramount. LindeHansen will vote each proxy in accordance with its fiduciary duty to its clients and will generally seek to vote proxies in a way that maximizes the value of Clients’ assets.

In accordance with these objectives and Rule 206(4)-6 of the Investment Advisers Act, LindeHansen has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that LindeHansen receives will be treated in accordance with these policies and procedures.

LindeHansen considers the reputation, experience, and competence of a company's management and board of directors when it evaluates a prospective investment. In general, LindeHansen votes in favor of routine corporate matters, such as the approval of an auditor or a change of a legal entity's name. LindeHansen also generally votes in favor of compensation practices and other measures that are in-line with industry norms, that allow companies to attract and retain key employees and directors, that reward long-term performance, and that align the interests of management and shareholders.

#### Conflicts of interest

LindeHansen has not identified any material conflicts of interest in connection with past proxy votes. Such a conflict could arise if, for example, a client was a senior executive with a publicly traded company and other clients held securities issued by that company. If LindeHansen identifies a material conflict of interest the Firm's Proxy Voting Committee (the "Committee"), which is comprised of the Managing Members (MM) and the Chief Compliance Officer (CCO), will convene. The MM will describe the proxy vote under consideration and identify the perceived conflict of interest. The MM will also propose the course of action that he believes is in LindeHansen's clients' best interests. The MM will tell the Committee why he believes that this course of action is most appropriate. After taking a reasonable amount of time to consider the MM's proposal, each of the Committee members will make a recommendation regarding the proxy vote. The CCO will record each member's recommendation, and the MM will then vote the proxy according the recommendations of a majority of the Committee's members.

A copy of LindeHansen's proxy voting policies and procedures, as well as specific information about how LindeHansen has voted in the past, is available upon written request. Upon written request, clients can also take responsibility for voting their own proxies, or can give LindeHansen instructions about how to vote their respective shares.

### **Financial Information**

LindeHansen has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.