



ENVOY
ADVISORY

Investment Advisor Brochure

FORM ADV Uniform Application for Investment Advisor Registration
Part 2A: Investment Advisor Brochure
CRD# 157461
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This brochure provides information about the qualifications and business practices of Envoy Advisory, Inc. and its supervised personnel. If you have any questions about the contents of this brochure, please contact us at the phone number listed below. 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. Please note, where this brochure may use the terms “registered investment adviser” and/or “registered”, registration itself does not imply a certain level of skill or training. Additional information about the firm and its representatives is also available on the SEC’s website at www.adviserinfo.sec.gov.

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Item 2: Material changes

This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.adviserinfo.sec.gov. Our last filing was dated March 1, 2018. Since our last annual filing, the following material changes have been made:

Item 5 Fees:

For individual qualified (IRA) or non-qualified accounts, our maximum annual investment advisory fee as a percentage of assets under management is 1.35%. The specific advisory fees are set forth in Client’s Agreement with Firm.

Envoy may negotiate a lower advisory fee or have the right to waive the minimum fee. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fee payments may be negotiated.

Item 10 Other Financial Industry Activities and Affiliations:

Envoy Advisory is a subsidiary of TMX Enterprises, Inc. (“TMX”). In addition, Envoy TPA and Recordkeeping, Inc. (Third Party Administration and Recordkeeping services), and Envoy Financial, Inc. (marketing and communications) are other subsidiaries providing separate and distinct services to Plan Sponsors, Plan participants, IRAs and individuals. No financial industry company can avoid all conflicts of interest, but we strive to clearly disclose our business services, relationships and fees in a transparent fashion.

Envoy TPA and Recordkeeping, Inc. is an affiliated company which provides Plan accounting and administration, trade processing, mutual fund shareholder, and record-keeping services to Plan Sponsors and participants, and clients for additional fees which are set forth in separate agreements.

Envoy Financial is an affiliated company that focuses on client education, but this entity does not earn any separate compensation or fees.

Christian Retirement Ministries, LLC (“CRM”) is a non-affiliated entity. CRM’s primary purpose is to perform management functions for Envoy Advisory and its affiliated entities. This includes but is not limited to payroll, 401(k) management, and human resources.

Live with Meaning - Live with Meaning is a stand-alone 501c3 non-profit entity. Bruce Bruinsma serves as Chairman of the Board and CEO of this non-profit. The primary activity of Live With Meaning is the presentation and direction of The Retirement Reformation. Bruce Bruinsma is the primary spokesman for the Retirement Reformation.

Item 14: Client Referrals and other Compensation

Compensation for Client Referrals

Envoy may, from time to time, enter into agreements with individuals and organizations that refer clients to Envoy. All such agreements will be in writing and comply with the

requirements of Rule 206(4)-3 of the Advisers Act. If a client is introduced to Envoy by a solicitor, Envoy may pay that solicitor a fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. While the specific terms of each agreement may differ, generally, the compensation will be based upon Envoy's engagement of new clients and the retention of those clients and is calculated using a varying percentage of the fees paid to Envoy by such clients. Any such fee shall be paid solely from Envoy's investment management fee, and shall not result in any additional charges to the client.

Each prospective client who is referred to Envoy under such an arrangement will receive a copy of Envoy's ADV Part 2 and a separate written disclosure document disclosing the nature of the relationship between the third-party solicitor and Envoy and the amount of compensation that will be paid by Envoy to the third party. The solicitor is required to obtain the client's signature acknowledging receipt of Envoy's ADV Part 2 and the solicitor's written disclosure statement.

Item 15: Custody

Custody is defined as any legal or actual ability by Envoy Advisory to access client funds or securities.

Although we do not take physical possession of client assets, Envoy Advisory is deemed to have imputed constructive custody due to our common ownership with Envoy TPA & Recordkeeping, Inc. Imputed constructive custody occurs when a related person has custody of client funds or securities. As defined in Rule 206(4)-2(d)(7), a Related Person is defined as "any person, directly or indirectly, controlling or controlled by you, and any person that is under common control with you." Envoy TPA & Recordkeeping, Inc. is a "related person" to Envoy Advisory because Envoy TPA & Recordkeeping, Inc. and Envoy Advisory have common employees under common control. This is despite the fact that Envoy TPA & Recordkeeping, Inc. is not the physical Custodian for Envoy Advisory clients but is the record-keeper for the investment vehicle offered to Envoy Advisory clients. Clients of Envoy Advisory will engage an independent Custodian to act as the independent qualified Custodian for their Plan.

Envoy Advisory is deemed to have Custody because our individual IRA clients are invested in an omnibus account in the name of Envoy TPA and Recordkeeping, Inc. The Custodian for this account is Matrix Trust Company and the recordkeeping is done through Envoy TPA & Recordkeeping.

Because of firm is subject to the Custody rule, Envoy Advisory is required to hire an independent outside auditor to make a surprise audit each year of the accounts on which we have been deemed to have custody.

For all accounts, Envoy Advisory has the authority to have fees deducted directly from client accounts. Envoy Advisory has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that Client's name. Clients or an independent representative of the client will direct, in writing,

the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds are maintained. Finally, account statements are delivered directly from the qualified custodian quarterly. You should carefully review those statements and are urged to compare the statements against reports received from the recordkeeper. When you have questions about your account statements, you may contact Envoy Advisory, the recordkeeper, or the qualified Custodian preparing the statement.

Clients should contact us directly if they believe that there may be an error in their statement. In addition to the periodic statements that clients receive directly from their custodians, we also send account statements to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our CCO Bruce Bruinsma at 888.879.1376 or BBRUINSMA@ENVOYFINANCIAL.COM.

We encourage you to read this document in its entirety.

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Item 4: Advisory Business

Description of Firm

Established in late 2010, Envoy Advisory, Inc., (“Envoy Advisory” or “Envoy”) provides investment advisory services predominately to plan sponsors of 403(b) retirement plans and their participants (“Plan Sponsors” and “Participants”). In addition, Envoy offers investment advisory services to individuals (collectively “clients”). The firm is wholly owned by TMX Enterprises, Inc., a holding company owned by firm CEO and CCO, Bruce Bruinsma. As of October 31, 2018, the firm managed approximately \$280,059,654.20 in non-discretionary assets.

Types of Advisory Services Offered

Our primary advisory business is focused on providing investment recommendations to Plan Sponsors and Participants based on the results of the plan’s Investment Policy Statement (“IPS”) which determines the appropriate risk-reward trade-off. Envoy Advisory seeks to recommend a suitable and well-diversified investment menu of mutual funds, ETFs, and third-party actively managed or indexed portfolio options, which are designed to be suitable for retirement accounts. We feel it is critical to work closely with Plan Sponsors to develop their respective IPS and select investment options for their retirement plan menu. Our focus is on transparency and acting in the best interest of our clients.

We work closely with our affiliated and third-party service providers, such as the TPA/Recordkeeper, and Custodians to provide Plan Sponsors and their Participants with a platform to manage their respective retirement plan assets and investment options. FIS Relius provides comprehensive services for retirement plan clients to allow participants to easily access and manage their retirement accounts and investments on an easy to understand Internet platform (the “Envoy Platform”). The Envoy Platform allows Plan participants to make self-directed investment decisions amongst the Plan investment options described below.

In general, we provide two primary types of investment recommendations: our Basic Core Fund List of individual mutual funds and ETFs; and our Managed Model Programs (as defined below). For clients who want additional assistance in allocating their portfolio, our Managed Model Programs include our Basic Managed Model Program; and the Professionally Managed Model Programs typically offered through third party asset managers.

For our “Basic Core Fund List,” we consult with the Plan Sponsor to develop or expand a list of fund options to meet their plans’ needs, and any initial or additional choices beyond the Core Fund List, are approved by the Plan Sponsor. Plan Participants then make self-directed investment decisions in their accounts and can transfer freely among eligible investment options (subject to any restrictions) through the Envoy Platform. Upon request, an Envoy representative is available to review participants’ accounts periodically to help educate participants with information about available investment choices that best achieve their retirement plan goals. With pre-approval of the client through the IPS, Envoy may assist Plan clients to rebalance accounts, replace Plan assets with like Plan assets or replace third party manager models.

For our managed portfolio programs, we typically have two types of optional, additional advisory service recommendations for those Plan clients who wish to offer Participants and other clients managed models or portfolios instead of selecting their own individual funds: Basic Managed Models (consisting of investments selected by Envoy) and Professionally Managed Models.

Finally, we offer similar services for individuals who desire to have their respective IRA accounts or individual non-qualified accounts managed similarly to their retirement plan offered through their employer.

The Custodian for the IRA accounts is Matrix Trust. The IRA account holder makes self-directed investment decisions in their accounts. Clients are able to select similar investments consistent with their retirement plan.

The same holds true for individuals with non-qualified (taxable) accounts. Charles Schwab acts as the Custodian for all non-qualified accounts advised by Envoy. For these individual accounts, individuals will establish an account with Schwab and execute Schwab application/agreement in their own name. Envoy will assist clients with their investment education but the client makes self-directed investment decisions in their account.

Basic Managed Model Programs

We develop target-date models to provide clients with the desired allocation/glide path and fund selection. We have a target-date model comprised of funds on our Basic Core Fund List- the Total Universe Target-Date Portfolio; and our Faith-Based Target-Date Portfolio using faith-based mutual funds. Essentially, these Basic Managed Models assists Plan Participants and clients to periodically re-allocate their retirement plan portfolios as they near retirement age. There are additional fees for selecting the Basic Managed Models as set forth below.

Professionally Managed Model Programs

In addition to the Basic Core Fund List and Basic Managed Models, Participants and clients may elect to have some, or all their retirement assets managed in one or more Professionally Managed Models. A Participant or client can choose amongst one or more Professionally Managed Portfolio(s) or Programs. Of course, Participants or clients retain all authority to start or stop a Professionally Managed Model Portfolio or Program at any time or change to a different Professionally Managed Model or Program. Envoy Advisory recommends Asset Managers, Mutual Funds or ETF's based on their asset allocation management experience, cost, performance and dedication to their respective disciplines.

We have Risk-Based Models based on risk such as conservative or moderate, etc. The Risk-Based Plus Models are target-based models with a risk-based overlay. Essentially, these are portfolios with a retirement age glide path and incorporate a Participant's or client's risk profile.

Each client's Investment Advisory Agreement/IPS pre-authorizes Envoy to assist Participants or clients to rebalance accounts, replace investments with like investments or replace third party manager models. There are additional fees for selecting the Professionally Managed Models.

Item 5: Fees and Compensation

Advisory fees are negotiable, and arrangements with any client may differ. Envoy may in its sole discretion reduce or waive management fees for friends and family members, or to compete in acquiring prospective customer's business. Envoy may amend its standard fee schedule at any time but must obtain written approval to increase fees charged to current clients. Advisory fees are typically collected by Envoy TPA and Recordkeeping which then remits payment to Envoy Advisory, unless otherwise agreed. Plan clients may choose to pay advisory and/or other fees directly.

Basic Level Advisory Fees

The maximum annual Basic Level Advisory Fee ("Basic Level Fee") for clients is 0.65% and is identified on client's Investment Advisory Agreement. Fees are calculated and charged monthly based on the value of Plan assets as of the close of business on the last business day of each calendar month. The Basic Level Fee is billed in advance for the next calendar month and is collected within 15 days after the month end. The first billing period shall not occur until after the end of the first calendar month in which there are assets in the Plan. This means plan accounts will not be billed on a pro-rata basis for any assets that are invested in the program prior to the end of the first calendar month. Correspondingly, in the event Participants or clients wish to withdraw assets from the account or elect to terminate this Agreement within a calendar month, the investment management will continue through the end of the month that Envoy was notified of the termination.

For individual qualified (IRA) or non-qualified accounts, our maximum annual investment advisory fee as a percentage of assets under management is 0.90%. The specific advisory fees are set forth in Client's Investment Advisory Agreement. Envoy may negotiate a lower advisory fee or have the right to waive the minimum fee. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fee payments may be negotiated.

Basic Managed Model Advisory Fees

Basic Managed Model Fees are charged in addition to the Basic Level Fee discussed above and applies to the Total Universe Target Date and Faith-Based Target Date Models. For those participants and clients who select a Basic Managed Model Program, the fees will be collected by Envoy TPA and Recordkeeping which then remits payment Envoy Advisory.

For individual qualified (IRA) or non-qualified accounts, our maximum Basic Managed Model portfolio fee as a percentage of assets under management is 0.25%. The specific advisory fees are set forth in Client's Investment Advisory Agreement. Envoy may negotiate a lower advisory fee or have the right to waive the minimum fee. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fee payments may be negotiated.

Professionally Managed Model Advisory Fees

Professionally Managed Model Fees are charged in addition to the Basic Level Fee discussed above and applies to the Risk-Based and Risk-Based Plus Models. For those participants or individual clients (qualified or non-qualified accounts) who select a Professionally Managed Model Program, the fees will be collected by Envoy TPA and Recordkeeping which then remits payment to Envoy Advisory.

For individual qualified (IRA) or non-qualified accounts, our maximum Professionally Managed Model portfolio fee as a percentage of assets under management is 0.45%. The specific advisory fees are set forth in Client's Investment Advisory Agreement. Envoy may negotiate a lower advisory fee or have the right to waive the minimum fee. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fee payments may be negotiated.

Non-Standardized Plan Sponsor Fees:

For new Plan Sponsors who elect to map prior plan investment choices to the new plan investment options, the following fees may apply:

- \$750 (one-time) for a Plan Sponsor directed/selected investment menu;
- \$15 per participant for mapping from prior plan investment choices;

Other non-standard Plan Sponsor fees:

- \$500 for ongoing review of Plan Sponsor directed investment option menus;
- \$200 for an annual plan oversight committee in-person meeting;
- \$250/hour for additional hourly fees for special projects.

All fees paid to Envoy for advisory services are separate and distinct from the fees and expenses charged by affiliated and/or non-affiliated third-party service providers. These separate fees and expenses include, but are not limited to, custodial fees, execution costs, record-keeping fees, and mutual fund fees and expenses. Client assets also may be subject to transaction fees, brokerage fees and commissions, retirement plan administration fees (if applicable), trustee fees, deferred sales charges and redemption fees on mutual funds, 12b-1 fees, sub-transfer agent fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, overnight courier or postage fees, and other fees and taxes on brokerage accounts and securities transactions. For mutual funds and exchange traded funds, a client may be charged internal management fees, distribution fees, redemption fees and other expenses, which are fully described in the applicable fund's prospectus. Fees charged to Plans by Envoy TPA and Recordkeeping are in addition to and are charged separately from advisory fees.

IRA & Non-Qualified Clients – Termination

Advisory clients can terminate their services at any time. Investment management services will continue through the current billing month in which the termination occurred.

Item 6: Performance-Based Fees and Side-by-Side Management

Envoy does not charge performance-based fees (*i.e.*, fees calculated are based on a share of capital gains on or capital appreciation of the client's assets or any portion of the client's assets). Consequently, Envoy does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, Envoy provides its services based upon a percentage of assets under management, or other flat/hourly fees in accordance with SEC Rule 205(a)(1).

Item 7: Types of Clients

Envoy provides investment advisory services to ERISA and non-ERISA Employer Sponsored Retirement Plan. Additionally, Envoy provides services to individuals with qualified and non-qualified account(s). Envoy does not have a minimum initial account value.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Envoy Advisory utilizes basic Modern Portfolio Theory

We typically recommend a blend of investment options including mutual funds, ETFs, annuities and managed portfolios. All programs utilize Strategic Asset Allocation or Tactical Asset Allocation disciplines using a Modern Portfolio Theory approach to be investing that mixes fundamental asset classes into target portfolios. The Basic Managed Models generally rebalance on a regular basis, such as semi-annually.

Sources of information we use for analysis include information provided by third-party asset managers, publicly available reports and analysis, research materials provided by investment product distributors, computerized asset allocation models and various subscription services.

Analysis

Envoy Advisory engages Asset Managers to manage the asset allocation Models within their stated disciplines and Model objectives. Envoy Advisory may choose Asset Managers with a diverse range of investment methodologies, which include principles of Modern Portfolio Theory, mean variance optimization, fundamental, charting, technical and cyclical analysis in formulating their allocation strategies and models. Synopses of the professional Asset Managers methodologies are noted above in Item 4: Advisory Business, Fees, and Compensation.

Investment Strategies

Envoy Advisory's Managed Model Programs are designed for long-term investing and are managed to the investor's risk level or time to retirement. Most of Envoy Advisory's Professionally Managed Portfolio Programs strive to minimize risk, not maximize return. Each Model is managed to the stated risk level. Current allocation strategies include Strategic and some Tactical disciplines.

Strategic disciplines use a Modern Portfolio Theory asset allocation approach to investing that mixes fundamental asset classes into a target portfolio. The models utilizing a Strategic asset allocation discipline generally rebalance at a fixed point in time, such as semi-annually. The Professionally Managed Portfolio Programs are not designed to protect against immediate or

severe market fluctuations, and trading adjustments may only occur infrequently. Envoy Advisory and/or the Asset Manager may replace certain investment selections periodically but has no responsibility to move a Strategic Model out of the market in times of market decline.

Envoy Advisory's Professionally Managed Portfolio Programs may utilize a Tactical discipline attempt to take advantage of short and intermediate term market inefficiencies/opportunities with the goal of managing market volatility. Changes in Tactical Models are typically directed by the Asset Manager and will occur in direct response to market conditions corresponding to the objectives of the Model. The overall objective of these Models is also striving to minimize risk, not maximize return.

Risk of Loss

Investing in securities involves a certain amount of risk of loss that clients should be prepared to bear. Envoy's investment recommendations are subject to various market, currency, economic, political and business risks, and such investment decisions may not always be profitable. Clients should be aware that there may be a loss or depreciation to the value of the client's account, which clients should be prepared to bear. There can be no assurance that a client's investment objectives will be obtained and no inference to the contrary is being made.

The primary risks involved in the securities recommended by Envoy may include, among others:

- *Stock market risk*, is the chance that stock prices overall, will decline. The market value of equity securities will generally fluctuate with market conditions. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of equity securities tend to fluctuate over the short term because of factors affecting the individual companies, industries or the securities market. Equity securities generally have greater price volatility than fixed income securities.
- *Industry Sector risk*, is the chance that significant problems will affect a sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.
- *Issuer risk*, which is the risk that the value of a security may decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- *Non-diversification risk*, is the risk of concentrating investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- *Value investing risk*, is the risk that value stocks may not increase in price, may not issue the anticipated stock dividends, or may decline in price, either because the market fails to recognize the stock's intrinsic value, or because the expected value was misgauged. If the market does not recognize that the securities are undervalued, the prices of those securities might not appreciate as anticipated. They also may decline in price even though in theory they are already undervalued. Value stocks are typically less volatile than growth stocks but may lag growth stocks in an up market.
- *Smaller company risk*, is the risk that the value of securities issued by a smaller company may go up or down, sometimes rapidly and unpredictably as compared to more widely held

securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.

- *Foreign (non-U.S.) investment risk*, is the risk that investing in foreign securities may result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Investments in emerging markets are generally more volatile than investments in developed foreign markets.
- *Interest rate risk*, is the chance that bond prices overall will decline because of rising interest rates. Similarly, the income from bonds or other debt instruments may decline because of falling interest rates.
- *Credit risk*, is the chance that a bond issuer will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline.
- *Exchange Traded Fund (ETF) risk*, is the risk of an investment in an ETF, including the possible loss of principal. ETFs typically trade on a securities exchange and the prices of their shares fluctuate throughout the day based on supply and demand, which may not correlate to their net asset values. Although ETF shares will be listed on an exchange, there can be no guarantee that an active trading market will develop or continue. Owning an ETF generally reflects the risks of owning the underlying securities it is designed to track. ETFs are also subject to secondary market trading risks. In addition, an ETF may not replicate exactly the performance of the index it seeks to track for several reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain securities in the secondary market, or discrepancies between the ETF and the index with respect to weighting of securities or number of securities held.
- *Management risk*, is the risk that the investment techniques and risk analyses applied by portfolio managers may not produce the desired results and that legislative, regulatory, or tax developments, may affect the investment techniques available. There is no guarantee that a client's investment objectives will be achieved.
- *Manager Risk*, is the risk that third-party managers we recommend managing a portfolio within a designated style or risk profile, fail to adhere to their portfolio investment policy or mandate.

Clients are advised that they should only commit assets for management that can be invested for the long term, that volatility can and will occur, and that all investing is subject to risk. Consequently, the value of an account may at any time be worth less than the amount initially invested. Envoy typically recommends investing for the long-term and does not recommend high frequency trading, which may result in increased taxes, brokerage and other transaction costs.

Envoy does not represent, guarantee or imply that the services or methods of analysis employed by us can or will predict future results, produce excess market returns, or insulate clients from losses due to market corrections or declines.

Item 9: Disciplinary Information

Pursuant to Rule 206(4)-4 of the Investment Advisers Act of 1940, investment advisers are required to provide their clients with disclosure as to any legal or disciplinary activities deemed material to the clients' evaluation of the adviser.

In September 2017, the SEC issued an Order Instituting Administrative and Cease-and-Desist Proceedings as to Envoy alleging that it breached its fiduciary duty, provided inadequate disclosures and had a deficient compliance program based on the receipt by its affiliated broker-dealer of certain marketing and distribution fees known as “12b-1 fees” paid by mutual funds directly or indirectly recommended by Envoy. The statutes and rules that the SEC alleged Envoy violated do not require proof of scienter (i.e., with an intent to defraud or recklessness); rather they merely require proof of negligence. Envoy agreed to the issuance of this Order on a no-admit, no-deny basis.

The Commission determined that from January 2013 through March 2017, Envoy recommended Class A shares of two mutual funds with 12b-1 fees when plan participants and IRA Holders were eligible to purchase or hold share classes without 12b-1 fees of those same funds. Envoy’s Form ADV disclosures to Plan Sponsors during the Relevant Period disclosed that certain mutual funds “may” pay a “dealer” 12b-1 fees but failed to disclose that the “dealer” receiving the 12b-1 fees was Envoy’s affiliate. Envoy’s Form ADV disclosures to IRA Holders during the Relevant Period failed to make any mention at all 12b-1 fees, or the actual conflict of interest associated with its affiliated broker-dealer’s receipt of those fees. In making these disclosures, Envoy relied on the advice of a national compliance firm, but understands it is ultimately responsible for its own disclosures and this is no defense to liability.

As part of its settlement with the SEC, Envoy agreed to rebate to the affected clients on a voluntary basis approximately \$25,000 in fees and to pay an approximately \$25,000 civil penalty, plus prejudgment interest. Over the past several years, the SEC has filed numerous actions in which an investment adviser “failed to make required disclosures relating to its selection of mutual fund share classes that paid the adviser (as a dually registered broker-dealer) or its related entities or individuals” 12b-1 fees when a lower-cost share class for the same fund was available, according to the announcement of the program. Some of these actions involved major firms such as Credit Suisse Securities (USA) LLC and SunTrust Investment Services, Inc.¹ In addition to the monetary payments described above, Envoy has retained an independent compliance consultant to assist the firm in a comprehensive review of its compliance policies and procedures and its Form ADV disclosures and other disclosure documents. Further background review of both the firm and its personnel may be found by visiting the SEC’s Investment Adviser Public Disclosure website www.adviserinfo.sec.gov.

Item 10: Other Financial Industry Activities and Affiliations

Envoy Advisory is a subsidiary of TMX Enterprises, Inc. (“TMX”). In addition, Envoy TPA and Recordkeeping, Inc. (Third Party Administration and Recordkeeping services), and Envoy Financial, Inc. (marketing and communications) are other subsidiaries providing separate and distinct services to Plan Sponsors, Plan participants, IRAs and individuals. No financial industry company can avoid all conflicts of interest, but we strive to clearly disclose our business services, relationships and fees in a transparent fashion.

¹ See [HTTPS://WWW.SEC.GOV/LITIGATION/ADMIN/2017/34-80373.PDF](https://www.sec.gov/litigation/admin/2017/34-80373.pdf) and <https://www.sec.gov/litigation/admin/2017/34-81611.pdf>

Envoy TPA and Recordkeeping, Inc. is an affiliated company which provides Plan accounting and administration, trade processing, mutual fund shareholder, and record-keeping services to Plan Sponsors and participants, and clients for additional fees which are set forth in separate agreements.

Envoy Financial is an affiliated company that focuses on client education, but this entity does not earn any separate compensation or fees.

Christian Retirement Ministries, LLC (“CRM”) is a non-affiliated entity. CRM’s primary purpose is to perform management functions for Envoy Advisory and its affiliated entities. This includes but is not limited to payroll, 401(k) management, and human resources.

Live with Meaning - Live with Meaning is a stand-alone 501c3 non-profit entity. Bruce Bruinsma serves as Chairman of the Board and CEO of this non-profit. The primary activity of Live With Meaning is the presentation and direction of The Retirement Reformation. Bruce Bruinsma is the primary spokesman for the Retirement Reformation.

Item 11: Code of Ethics, Participation or Interest in Clients Transactions and Personal Trading

Description of Code of Ethics

The Investment Advisers Act of 1940 imposes a fiduciary duty on all investment advisers to act in the best interest of its clients. Envoy's clients therefore entrust us to use the highest standards of integrity when dealing with their assets and making investments that impact their financial future. Our fiduciary duty compels all associates to act with integrity in all our dealings. This fiduciary duty is the core principle underlying the Code of Ethics and represents the expected basis of all our dealings with our clients.

Because Envoy's investment professionals may transact in the same securities for their personal accounts as they may recommend for client accounts, it is important to mitigate potential conflicts of interest. To that end, Envoy has adopted personal securities transaction policies in the form of a Code of Ethics (“Code”), which all Envoy associated persons must follow. This Code provides such personnel with guidance in their ethical obligations regarding their personal securities transactions and fiduciary duties formulating the basis of all our client dealings. Specifically, the Code requires certain personnel to report personal trades and holdings and prohibits or requires pre-clearance for certain trades in certain circumstances. The Code also requires supervised persons to report any violations of the Code promptly to the Firm’s Chief Compliance Officer (“CCO”). Each supervised person receives a copy of the Code and any amendments to it and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code during that year. Envoy will provide a copy of the Code to any client or prospective client upon written request.

Envoy obtains information from a wide variety of publicly available resources. Envoy and its personnel do not have, nor claim to have, insider or private knowledge. To ensure insider trading does not take place and to address the conflict of interest regarding obtaining confidential information, Envoy has adopted a firm wide policy statement outlining insider-trading compliance by Envoy and its associated persons. This statement has been distributed to all associated persons

of Envoy and has been signed and dated by each such person. Personal securities transactions must be conducted consistent with the Code and the Firm's Insider Trading Policies and Procedures in a manner that avoids any actual or potential conflicts of interest.

You may request a complete copy of our Code of Ethics by contacting us at the telephone number on the cover page of this Part 2; Attn: Chief Compliance Officer.

Item 12: Brokerage Practices

Selection Criteria

Envoy typically recommends that our clients utilize third party and unaffiliated custodians, such as MG Trust/Matrix, for Plan Sponsor' accounts. Custodians serve an important role in holding customer assets and providing significant asset insurance coverage including Securities Investor Protection Corporation (SIPC), and excess SIPC type coverage.

Factors that Envoy considers in recommending MG Trust/Matrix (or another custodian, investment platform and/or mutual fund sponsor) include historical relationship with Envoy, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by our clients must comply with our duty to obtain best execution, a client may pay a commission that is higher than another qualified custodian might charge to affect the same transaction where we determine, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor for us is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a custodian's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated custodian are exclusive of, and in addition to, Envoy's investment management fee. Envoy's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

For individual non-qualified accounts, Envoy may recommend that our clients utilize Charles Schwab or similar custodian as custodian for clients' accounts. Custodians serve an important role in holding customer assets and providing significant asset insurance coverage including Securities Investor Protection Corporation (SIPC), and excess SIPC type coverage. Customers are advised to consult with their Envoy representative to discuss the amounts and type of asset coverage provided by the custodian of record.

Factors considered by Envoy in recommending a custodian are based upon, but not limited to, the reasonableness of fees and/or commissions, product and securities availability, research capabilities, quality of online and telephonic services, retail branch access, other services we identify as beneficial to our customers. Envoy TPA and Recordkeeping, Inc. (as part of its sub-transfer agent shareholder services) may be delegated authority to aggregate daily orders for purchases and sales of mutual fund shares.

Soft Dollars

Envoy does not have any formal soft dollar arrangements with any Custodian or broker-dealer. To the extent we enter into any such arrangements in the future, they typically would allow Envoy or its affiliates to receive indirect benefits from the custodian broker, which we comply with the safe harbor of Section 28(e) of the Exchange Act ("Section 28(e)"). Section 28(e) generally allows investment advisers to use client commissions to pay for certain brokerage and research services under certain circumstances without breaching their fiduciary duties to clients (known as "soft dollars"). Brokerage and research services may include, among other things, effecting securities transactions and performing services incidental thereto (such as clearance, settlement and custody) and providing information regarding the economy, industries, sectors of securities, individual companies, statistical information, taxation; political developments, legal developments, technical market action, pricing and appraisal services, credit analysis; risk measurement analysis and performance analysis. Such research services can be received in the form of written reports, telephone conversations, personal meetings with security analysts and/or individual company management and attending conferences. The research services provided by a broker may be proprietary and/or provided by a third party (*i.e.*, originates from a party independent from the broker providing the execution services).

Envoy currently does not have any directed brokerage agreements with clients and does not intend to enter such. If an Envoy and a client do enter into any directed brokerage agreement, such will be executed through a written amendment to such client's client agreement.

Research services provided by brokers may be used by advisers in servicing any or all the adviser's clients and may be used in connection with clients other than those making the payment of commissions, as permitted by Section 28(e). In addition, the receipt of research services may be deemed to be the receipt of an economic benefit to an adviser, and although customary, may be deemed to create a conflict of interest between an adviser and its clients.

Item 13: Review of Accounts

The Investment Committee oversees Envoy Advisory's Professionally Managed Account Programs. The CEO of Envoy Advisory is ultimately responsible for all advisory policies and decisions and can accept or reject the recommendations of the Investment Committee. The Investment Committee meets, at a minimum, 2 times per year, and additionally as needed, to perform the following roles on Envoy Advisory's behalf:

- The selection of Professionally Managed Portfolio Programs/Asset Managers offered by Envoy Advisory;
- The monitoring of Professionally Managed Portfolio Programs/Asset Managers offered by Envoy Advisory;
- The removal of Professionally Managed Portfolio Programs/Asset Managers offered by Envoy Advisory;
- The review of current allocations relative to the discipline and risk level of the Asset Managers;
- The comparison of advisory results to predetermined benchmarks to monitor whether the Asset Manager's discipline is providing value to investors;
- The ongoing due diligence of Professionally Managed Portfolio Programs/Asset Managers;
- The fair and competitive pricing of all advisory services;
- The fund selection, fund replacements, or changes in allocation.

Plan Sponsors will receive an electronic or hard-copy account statement from Envoy TPA & Recordkeeping at least quarterly.

Item 14: Client Referrals and Other Compensation

Compensation for Client Referrals

Envoy may, from time to time, enter into agreements with individuals and organizations that refer clients to Envoy. All such agreements will be in writing and comply with the requirements of Rule 206(4)-3 of the Advisers Act. If a client is introduced to Envoy by a solicitor, Envoy may pay that solicitor a fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. While the specific terms of each agreement may differ, generally, the compensation will be based upon Envoy's engagement of new clients and the retention of those clients and is calculated using a varying percentage of the fees paid to Envoy by such clients. Any such fee shall be paid solely from Envoy's investment management fee, and shall not result in any additional charges to the client.

Each prospective client who is referred to Envoy under such an arrangement will receive a copy of Envoy's ADV Part 2 and a separate written disclosure document disclosing the nature of the relationship between the third-party solicitor and Envoy and the amount of compensation that will be paid by Envoy to the third party. The solicitor is required to obtain the client's signature acknowledging receipt of Envoy's ADV Part 2 and the solicitor's written disclosure statement.

Other Compensation

Envoy Advisory, Inc. and its affiliates provide a host of services to clients for which each related entity receives compensation. Additional compensation may include the receipt of recordkeeping fees charged to clients and/or plan participants by or collected TPA/Recordkeeper companies. See Item 10 above.

Item 15: Custody

Custody is defined as any legal or actual ability by Envoy Advisory to access client funds or securities.

Although we do not take physical possession of client assets, Envoy Advisory is deemed to have imputed constructive custody due to our common ownership with Envoy TPA & Recordkeeping, Inc. Imputed constructive custody occurs when a related person has custody of client funds or securities. As defined in Rule 206(4)-2(d)(7), a Related Person is defined as "any person, directly or indirectly, controlling or controlled by you, and any person that is under common control with you." Envoy TPA & Recordkeeping, Inc. is a "related person" to Envoy Advisory because Envoy TPA & Recordkeeping, Inc. and Envoy Advisory have common employees under common control. This is despite the fact that Envoy TPA & Recordkeeping, Inc. is not the physical Custodian for Envoy Advisory clients but is the record-keeper for the investment vehicle offered to Envoy Advisory clients. Clients of Envoy Advisory will engage an independent Custodian to act as the independent qualified Custodian for their Plan.

Envoy Advisory is deemed to have Custody because our individual IRA clients are invested in an omnibus account in the name of Envoy TPA and Recordkeeping, Inc. The Custodian for this

account is Matrix Trust Company and the recordkeeping is done through Envoy TPA & Recordkeeping.

Because of firm is subject to the Custody rule, Envoy Advisory is required to hire an independent outside auditor to make a surprise audit each year of the accounts on which we have been deemed to have custody.

For all accounts, Envoy Advisory has the authority to have fees deducted directly from client accounts. Envoy Advisory has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that Client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds are maintained. Finally, account statements are delivered directly from the qualified custodian quarterly. You should carefully review those statements and are urged to compare the statements against reports received from the recordkeeper. When you have questions about your account statements, you may contact Envoy Advisory, the recordkeeper, or the qualified Custodian preparing the statement.

Clients should contact us directly if they believe that there may be an error in their statement. In addition to the periodic statements that clients receive directly from their custodians, we also send account statements to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Item 16: Investment Discretion

Envoy does not have discretionary authority in client accounts. Envoy has an ongoing responsibility to select or make recommendations, based upon the needs of the client as to specific securities or other investments the account may purchase or sell and, if such recommendations are accepted by the client, will assist clients in arranging or effecting the purchase or sale of client investments. As such, with pre-approval through the IPS, Envoy may assist clients to rebalance accounts, replace assets with like assets or replace third party manager models.

Item 17: Voting Client Securities

It is Envoy's policy to not vote proxies on behalf of its clients and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a client's account. The obligation to vote client proxies shall, always, rest with the client. Envoy shall not be deemed to have proxy voting authority solely because of providing advice or information about a proxy vote to a client. Envoy typically does not advise or act for clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in clients' accounts. Clients can contact our office with questions about a particular solicitation by phone at (888) 879-1376.

Item 18: Financial Information

Envoy does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet.

Envoy does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to clients and has not been the subject of a bankruptcy proceeding.