

**Item 1: Cover Page**

**Firm Brochure**

(Part 2A of Form ADV)

**Bluestem Financial Advisors, LLC**

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This brochure provides information about the qualifications and business practices of Bluestem Financial Advisors, LLC (“Bluestem” or “Advisor”). If you have any questions about the contents of this brochure, please contact us at: (217) 352-0000, or by email at: [josh@bluestemfa.com](mailto:josh@bluestemfa.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. Registration does not imply a certain level of skill or training.

Additional information about Bluestem Financial Advisors (CRD# 158418) is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

May 10, 2019

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

This brochure dated May 10, 2019 contains one material change from our brochure dated March 27, 2019, which was filed with our last annual updating amendment:

- Bluestem Financial Advisors has applied for SEC registration as it has met the minimum threshold of \$100 million of regulatory assets under management.

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### **Full Brochure Available**

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (217) 352-0000 or by email at: [admin@bluestemfa.com](mailto:admin@bluestemfa.com).

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## Item 4: Advisory Business

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### Firm Description

Bluestem Financial Advisors, LLC is a fee-only financial planning firm that specializes in providing financial planning and investment advisory services to individuals and families. We offer a wide range of financial services.

Specifically, we distinguish ourselves from traditional investment advisory firms by providing services to meet your investment needs, as well as tax, estate planning, risk management, retirement planning, and business development needs.

Advisor and Client will enter into an agreement which details the scope of the relationship and responsibilities of both Advisor and Client. Advice and services provided under the agreement are tailored to the stated objectives of the Client(s).

Advisor does not sell insurance or investment products, and does not accept commissions as a result of any product recommendations. Advisor does not pay referral or finder's fees, nor does it accept such fees from other firms.

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### Principal Owners

Jacob Daniel Kuebler is 90% owner of Bluestem Financial Advisors, LLC

Joshua Leon Cutler is 10% owner of Bluestem Financial Advisors, LLC

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### Types of Advisory Services

Bluestem Financial Advisors provides the following two types of services:

**1. Open Retainer:** An Open Retainer provides comprehensive financial planning for a fixed fee over the course of the initial contract. Clients will typically have four or more scheduled meetings during the Initial Year (see below), depending on their individual situation, and generally two to three scheduled meetings during Renewal Years (see below). Additional meetings, e-mail, or phone consultations are included in the same fee on an as-needed basis.

Client will note that the term comprehensive indicates services are broad based and integrate planning across multiple areas of their financial life. Advisor does not warrant that services are all-inclusive. There may be services in which Client will need to consult with outside professionals or vendors for expertise and services beyond the scope and expertise provided by Advisor.

**Initial Year of Open Retainer** - Advisor will schedule meetings to cover those topics relevant to you, such as:

- Tax preparation
- Tax planning, to identify the tax-saving approaches that apply to your situation

- Budgeting and cash flow, to help you understand the difference between good and bad debt, make sure you have enough set aside for emergencies and special opportunities, and, if needed, help you gain control over your spending
- Record-keeping, to help you understand what financial documents you need to keep, what you can get rid of and how to protect yourself from identity theft
- Retirement planning, to help you determine how much savings is needed, how to draw a retirement paycheck and how to get the most from your retirement years
- Goal setting, to help you clarify and communicate your goals and then help you measure your progress toward them
- Estate planning review, to evaluate with you the pertinent estate issues that impact your life and consider choices that you can then implement with your attorney
- Investment Planning, to inventory your assets, develop asset allocation strategies and recommend investments
- Small business planning, to help you establish goals for your small business.
- Insurance analysis, to determine how much coverage you need, what risks you can afford to self-insure, where you should buy your insurance, how much you should pay for it, and analyze employee benefits
- Education planning, to identify sources of education funding and evaluate methods of saving for future education costs

**Renewal Years of Open Retainer** – After the initial term of service, Renewal Year Financial Planning services typically include:

- Tax Planning & Tax Preparation
- Net Worth and Investment Portfolio Review and Rebalancing
- Financial planning topics and/or any financial services as requested by client or determined to be necessary by Advisor.

For most clients, Investment Services are provided on a Discretionary basis for accounts held at designated custodians. Designated custodians are TD Ameritrade Institutional as well as certain accounts held at Fidelity and TIAA. Discretionary services allow the Advisor to enter trades or choose sub-advisors to the account on Client's behalf without prior approval. In limited circumstances, Advisor has authority to execute investment recommendations on a non-discretionary basis or on a discretionary basis. Non-discretionary authority requires the Advisor to obtain Client's approval prior to executing investment recommendations, as well as for the selection and retention of sub-advisors to the account. In either event, Advisor will act in accordance with guidelines created by Advisor and Client together to

establish Client's objectives and suitability, regardless of whether authority is discretionary or non-discretionary. Advisor will only execute transactions for Clients when specifically authorized by Client (via a fully executed limited power of attorney "LPOA").

**2. Project Retainer:** If an Open Retainer relationship is not desired or practical, Project Retainer services are also offered at Advisor's discretion. Project Retainer services are narrower in scope and usually focus on one or more of the following areas: goal setting, asset/liability analysis, tax planning, cash flow management, investment review, retirement planning, risk management, estate planning and record keeping. The service includes various client consultations as well as written and/or oral recommendations resulting from such consultations. The Project Retainer does not constitute a comprehensive financial planning engagement and follow-up advice and/or implementation assistance is not provided following the completion of the project. Additionally, tax return preparation is not included with the Project Retainer.

If a client wishes to upgrade to the Open Retainer option, they may receive credit toward Open Retainer fees for all amounts paid under Project Retainer agreements for the past thirty (30) days.

The most common project retainer is a Financial Review in which the client will receive an investment review and retirement review.

**3. Financial Education:** From time to time, Advisor may participate in speaking engagements, either on a volunteer basis or for a fee. Content is educational in format and no individual investment, tax or financial recommendations are made.

**Assets Under Management:** As of December 31, 2018, we had approximately \$139,142,656 assets under advisement on a discretionary basis and \$10,992,944 assets under advisement on a non-discretionary basis.

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### **Tax Preparation Agreement**

Tax preparation work is included in the *Open Retainer* scope of work unless specifically excluded based on client request or need for specialized tax services.

Tax preparation work performed separately from an *Open Retainer* is generally only available to dependents of Clients under the *Open Retainer Agreement* or at the discretion of Advisor.

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### **Termination of Agreement**

A Client may terminate any of the aforementioned agreements at any time by notifying Advisor in writing and paying a pro rata rate based on work completed on the investment advisory engagement prior to notification of



termination. If the client made an advance payment, Advisor will refund any unearned portion of the advance payment.

Advisor may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, Advisor will refund any unearned portion of the advance payment.

## Item 5: Fees and Compensation

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### Open Retainer – Initial Contract

Initial Year of Open Retainer includes services described as above in Types of Advisory Services (Open Retainer).

This fee is calculated using the Renewal Schedule (see below) plus 30% to account for the additional planning and implementation services included in the Initial Year. As this fee is designed to capture the complexity and scope of work, this fee may be adjusted to reflect additional complexity or planning needs.

*Add-ons, credits, and miscellaneous adjustments:* At the client's request, we will amend prior year tax returns not prepared by Advisor at a charge of \$250 per return amended. If requested, we will prepare tax returns for client's dependents under the age of 18 for an additional \$150 per dependent tax return, plus an hourly rate for additional complexity. Credits and miscellaneous adjustments may be applied if the client has an adequate estate plan (will or trust) in place, or for other reasons, as appropriate. Any credits or adjustments will be determined in the sole discretion of Advisor.

The minimum fee for the Initial Year of an Open Retainer is \$5,000 and the maximum fee is \$50,000, plus adjustments. Fees are not negotiable. Corporations, Business and Trusts are billed as described below under Limited Retainer Contracts.

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### Renewal Schedule

Renewal fees for clients that have completed the Initial Year of the *Open Retainer* and maintained a continuous contract with Advisor. All renewing Open Retainer contracts run on a calendar year and include tax preparation for the prior year tax return.

As net worth grows, the complexity of a clients' entire financial situation general increases. Accordingly, their base fees start with Net Worth as follows:

For Net Worth Above:	But Not Over:	Base Fee Is:	Plus:	Of Net Worth Over:
\$0	\$1,000,000	\$3,000	0.50%	\$500,000
\$1,000,000	\$3,000,000	\$5,500	0.25%	\$1,000,000

\$3,000,000	No Maximum	\$10,500	0.15%	\$3,000,000
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Understanding that each client is unique, Bluestem adjusts the clients' base fee up or down depending on their need for more or less planning. Upward adjustments are 10-15% of the base fee and cover situations such as clients who own a small business, have substantial consulting income, own rental properties, or have irrevocable trusts. Downward adjustments are 5-15% of base fees and cover situations such as clients who use third party tax preparers, have lower than average complexities related to tax or portfolio planning, or are largely self-directed and need little assistance in implementation of advice.

Add-ons, credits, and miscellaneous adjustments: If requested, we will prepare tax returns for client's dependents under the age of 18 for an additional \$150 per dependent tax return, plus an hourly rate for additional complexity. Any other credits or adjustments will be determined in the sole discretion of Advisor.

Fees are not negotiable.

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### **Typical Services Provided by Fee Range**

#### **A. \$3,000 - \$5,500**

Clients benefit from our holistic planning including annual reviews of their portfolio, investment selection and rebalancing, tax preparation, planning, and audit protection. Clients also receive periodic and as-needed reviews of goal setting, employee benefits, insurance coverage, and estate plans. Most planning is completed in 2 meetings annually, but includes additional meetings, phone, or e-mail contact as needed.

#### **Typical Client Profile:**

- Young professionals growing their families and careers
- Retirees with consolidated portfolios and simple tax returns

#### **B. \$5,500 - \$10,500**

Clients receive services described above, but require more time to manage the tax efficiency of the investment portfolio and to plan for additional complexities. Common areas requiring more detailed analysis include: tax planning, cash flow management, or charitable gifts planning. Most planning is completed in 2-3 meetings annually, but includes additional meetings, phone, or e-mail contact as needed.

#### **Typical Client Profile:**

- High Income Professionals and University Administrators
- Small Business Owners
- Retirees and those nearing retirement with more complex investment portfolios

#### C. \$10,500+

Clients receive services as described above, but have specific planning needs that require additional time to research, strategize, and implement. Examples include charitable estate planning strategies, complex business succession planning, tax and investment planning for multiple rental properties, and/or setting up a retirement plan for a small business. The advisor may work with the client to coordinate planning with allied professionals such as attorneys and accountants. Planning usually requires 3 or more meetings annually, but includes additional meetings, phone, or e-mail contact as needed.

#### Typical Client Profile:

- High Net Worth individuals with investment portfolios of \$2 million or more
- Clients with multiple advanced planning needs

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#### **Limited Retainer**

Services under the Project Retainer are provided on a flat-fee basis, based on the amount of time required by Advisor to complete the retainer. The minimum fee is \$1,195 for a single meeting engagement.

An example of a minimum fee, single engagement meeting would be a Financial Review. The client would identify their three biggest financial concerns for the review and Advisor would address them in as much depth as is possible in a two-hour meeting. At the end of the two-hour meeting, the client will leave with a financial snapshot of his or her current financial situation and specific recommendations that the client will implement independently. The Advisor typically spends one to two hours preparing for this appointment and two hours meeting with the client.

Flat fee Project Retainers are due in full at the beginning of the engagement. In Advisor's sole discretion, fees may be paid with one-half due at the beginning of the engagement and the remainder upon completion.

The Advisor will not collect more than \$500.00 more than six months in advance from any Project or Limited Retainer client.

The Advisor also charges at an hourly rate for certain discrete items not covered in other engagements. In those scenarios, the Advisor charges an

hourly rate of up to \$275.00 per hour for a specified project. Work completed by non-advisory staff may be billed at a lower hourly rate.

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### **Fee Billing**

Open Retainer fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has begun. Payment in full is expected upon invoice presentation.

Limited Retainer fees are billed 50% upon signing of the agreement and the remaining 50% upon completion of agreed upon work. Bluestem Financial Advisors may credit Limited Retainer fees towards an Initial Year Open Retainer Fee if the Open Retainer contract is engaged within 30 days of completion of the Limited Retainer.

The Advisor may send the Client an invoice for the payment of its advisory fee, or the Advisor will deduct the fee directly from the Client's account through the qualified Custodian holding the Client's funds or securities. The Advisor will deduct the advisory fee only when the Client has given the firm its authorization to do so. Furthermore, the qualified Custodian will deliver an account statement to the Client, at least quarterly, which will show all disbursements from the Client's account, including the advisory fee deducted on a quarterly basis.

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### **Other Fees**

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Bluestem Financial Advisors, in its sole discretion, may waive its minimum fee and/or charge a lesser Open Retainer or Limited Retainer fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, etc.).

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### **Expense Ratios**

Mutual funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to Bluestem Financial Advisors.

Performance figures quoted by mutual fund companies in various publications are after their fees have been deducted.

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### **Past Due Accounts and Termination of Agreement**

Bluestem Financial Advisors reserves the right to stop work on any account that is more than 60 days overdue. In addition, Bluestem Financial Advisors

reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Bluestem Financial Advisors' judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 90 days.

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

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### **Sharing of Capital Gains**

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Bluestem Financial Advisors does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Item 7: Types of Clients**

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### **Description**

Bluestem Financial Advisors generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, corporations or business entities.

Client relationships vary in scope and length of service.

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### **Account Minimums**

Bluestem Financial Advisors does not have a minimum account size for clients of any Retainer Contract. In some cases, Bluestem Financial Advisors may not renew an Open Retainer agreement if the services are not appropriate for the Client. In this case, the Client may be offered the option of periodic reviews in the future under a Limited Retainer Agreement.

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

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### **Methods of Analysis**

Security analysis methods generally rely upon fundamental analysis.

The main sources of information that Bluestem Financial Advisors may use include Morningstar, financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, and prospectuses.

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### **Investment Strategies**

The primary investment strategy used on client accounts is strategic asset allocation using passively-managed index mutual funds and exchange-traded

index funds. Portfolios are globally diversified to control the risk associated with traditional markets.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Strategy Summary (Investment Policy Statement) that documents their objectives and their desired investment strategy.

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### **Risk of Loss**

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9: Disciplinary Information**

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### **Legal and Disciplinary**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Bluestem Financial Advisors or the integrity of management. While Bluestem Financial Advisors has no information to disclose which is applicable to this Item, Clients are reminded that they may request and obtain the disciplinary history, (or lack thereof), for Bluestem Financial Advisors or its representatives from [www.iapd.com](http://www.iapd.com)

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

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### **Affiliations**

Each Advisor of Bluestem Financial Advisors is a member of the Alliance of Comprehensive Planners (ACP). This non-profit organization provides training and support through an alliance of fee-only comprehensive financial advisors working with middle-income clients. ACP provides ongoing training in the form of conferences and services produced by collaborative efforts of the allied fee-only financial advisors. By renewing membership for an annual fee, Bluestem Financial Advisors has the right to use proprietary products and systems designed by the ACP.

Each Advisor of Bluestem Financial Advisors is required to join the National Association of Personal Financial Advisors (NAPFA). All members of NAPFA must be fee-only. Membership in NAPFA is only granted after the applicant has shown a high level of proficiency. This is done through a peer-reviewed submission of a comprehensive financial plan.

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

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### **Code of Ethics**

The employees of Bluestem Financial Advisors have committed to a Code of Ethics. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

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**Participation or Interest in Client Transactions**

Bluestem Financial Advisors and its employees may buy or sell securities that are also held by clients. Employees may not trade their own securities ahead of client trades. Employees comply with the provisions of the Bluestem Financial Advisors *Compliance Manual*.

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**Personal Trading**

The Chief Compliance Officer of Bluestem Financial Advisors is Josh Cutler. He reviews all employee trades each quarter. His trades are reviewed by Jacob Kuebler. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

**Item 12: Brokerage Practices**

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**Selecting Brokerage Firms Generally**

Bluestem Financial Advisors does not have any affiliation with product sales firms. Specific custodian recommendations are made to Clients based on their need for such services. Bluestem Financial Advisors recommends custodians based on the proven integrity and financial responsibility of the firm and the best execution of orders at reasonable commission rates. When referring clients to dealers, Advisor will only refer clients to dealers registered in states where the clients reside. Bluestem Financial Advisors never requires a Client to custody assets with any custodian or broker-dealer.

Advisor participates in the TD Ameritrade Institutional program. TD AMERITRADE Institutional is a division of TD AMERITRADE, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD AMERITRADE offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program. (Please see the disclosure under Item 14 below.) Bluestem Financial Advisors does not receive fees or commissions from any of these arrangements.

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**Soft Dollars**

Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor 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 Advisor 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 advisory 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 Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor 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, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

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### **Best Execution**

While recommending a broker-dealer or brokerage for specific trades, Bluestem Financial Advisors will generally seek "best execution". Factors relating to best execution include, but are not limited to, costs, reliability, financial responsibility, and the ability of the broker-dealer to effect transactions. Bluestem Financial Advisors does not receive any portion of the trading fees.

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### **Order Aggregation**

All trading on behalf of Clients of Bluestem Financial Advisors is done on an individual basis and will not be aggregated with trading across other client's accounts. Bluestem Financial Advisors will attempt to minimize any trading fees where possible, though these costs are usually minimal.

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### **Trade Errors**

Bluestem corrects all trade errors through its Trade Error Account. Bluestem shall be responsible for any losses in the accounts. The custodian shall receive any gains resulting from the correction of any trade errors and will donate the amount to charity.

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**Brokerage for Client Referrals**

Bluestem does not direct brokerage for client referrals.

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**Directed Brokerage**

Generally, Bluestem does not accept client directed brokerage arrangements.

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**Item 13: Review of Accounts**

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**Periodic Reviews**

Account reviews are performed at least annually as part of the client's annual review. Accounts may be reviewed more frequently due to changes in client circumstances or potential planning or tax savings opportunities.

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**Regular Reports**

Bluestem Financial Advisors does not provide Quarterly Investment Performance Reports. Investment statements are provided by the third-party custodian who holds the client's assets.

As part of Bluestem Financial Advisors annual review with the client, the Client will be provided with a Net Worth Summary report. This report will also show the historical change in net worth. Bluestem may rely upon the Client for the accuracy of items that are reported by the client such as Bank Account balances, values of their home or mortgage, and values of accounts for which Bluestem does not have a Limited Power of Attorney or Inquiry Access to.

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

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**Incoming Referrals**

Bluestem Financial Advisors has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

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**Referrals Out**

Bluestem Financial Advisors does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

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**Other Compensation**

Bluestem Financial Advisors receives no other compensation other than the fees listed as part of an Open Retainer or Limited Retainer contract.

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## Item 15: Custody

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### Account Statements

All assets are held at qualified custodians, which mean the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare account activity to that of any recommendations from Bluestem Financial Advisors regarding account transfers and trading.

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### Net Worth Statements

Clients are frequently provided net worth statements and net worth graphs. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

## Item 16: Investment Discretion

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### Discretionary Authority for Trading

Bluestem Financial Advisors may make trades on behalf of the Client on a discretionary basis. Discretionary trading authority means that Bluestem Financial Advisors will be able to trade within any Client's account without express permission prior to making such trade. Authority is granted to Bluestem Financial Advisors by means of a signed Open Retainer Agreement which grants the Advisor the authority to make the trades without prior approval by the client.

In the event Advisor has authorization to trade under a non-discretionary agreement with Client, verbal instructions are followed. The Advisor will send the Client a written summary of the discussed proposal. It is the responsibility of the Client to review the summary and notify the Advisor if the summary does not match the Proposal verbally approved.

Advisor may make small adjustments to number of shares or quantity based on available proceeds after transfers, trades or market changes. Any material changes to the written plan will be approved by the client before changes are made.

The client approves the custodian to be used and the commission rates paid to the custodian. Bluestem Financial Advisors does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

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**Limited Power of Attorney**

A limited power of attorney is a trading authorization for this purpose. You sign a limited power of attorney so that we may execute the trades under either your discretionary or non-discretionary agreement.

**Item 17: Voting Client Securities**

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**Proxy Votes**

Bluestem Financial Advisors does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, Bluestem Financial Advisors may provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client.

**Item 18: Financial Information**

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**Financial Condition**

Bluestem Financial Advisors does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Bluestem Financial Advisors does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$500 per client, and six months or more in advance.

**Item 19 : Requirements for State-Registered Advisors**

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**Education and Business Standards**

Bluestem Financial Advisors requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA.

Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

Neither Advisor nor any management personnel of Advisor have ever been found liable or required to pay any award for an arbitration claim or other civil proceeding related to an investment related activity.

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**Professional Certifications**

Employees have earned certifications and credentials that are required to be explained in further detail.

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are

professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary

standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

National Association of Personal Financial Advisors (NAPFA). Professionals who voluntarily become NAPFA-Registered Financial Advisors are committed to the three primary ideals of NAPFA:

- The belief that clients are best served by a comprehensive approach to financial planning.
- The highest levels of competency must be achieved and maintained.
- Fee-Only compensation and a fiduciary relationship are vital to placing the interests of the client above all others.

To attain the right to become a NAPFA-Registered Financial Advisor, applicants must satisfactorily fulfill the following requirements:

- have a Bachelor's degree from an accredited 4 year institution,
- hold the Certified Financial Planner™ designation,
- have 36 months of financial planning work experience
- submit a comprehensive financial plan for peer review and approval
- adhere to the NAPFA Code of Ethics

Individuals who qualify to become NAPFA-Registered Financial Advisors must complete the following ongoing requirements in order to maintain membership in the National Association of Personal Financial Advisors.

- Complete 60 hours total of continuing education hours every two years, including 32 core hours that include a minimum of five credit hours in each of the following core areas: Insurance & Risk Management, Investments, Income Tax Planning, Retirement Planning & Employee Benefits, Estate Planning, and Communications & Counseling; and a minimum of 2 hours in Ethics of Financial Planning. The 28 additional hours may be earned in either seven elective or five core areas.
- Abide by the NAPFA code of ethics, offer comprehensive financial planning, and meet NAPFA requirements for a Fee-Only financial advisor; one who is compensated solely by the client with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product. Neither may the advisor receive commissions, rebates, awards, finder's fees, bonuses or other forms of compensation from others as a result of a client's implementation of the individual's planning recommendations.

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**EMPLOYEE/Owner: Jacob Daniel Kuebler, EA, CFP®****Educational Background:**

- Born 1986
- University of Illinois at Urbana-Champaign, B.S. Financial Planning 2008
- Kansas State University, Certificate in Personal Financial Planning 2010
- Kansas State University, M.S. Family Studies and Human Services, Concentration in Financial Planning 2013

**Business Experience:**

- Owner, Bluestem Financial Advisors, 2011-Current
- NAPFA-Registered Financial Advisor, 2011-Current
- Hourly Lecturer, University of Illinois at Urbana-Champaign, 2016-Current
- Associate Financial Planner, Folk Financial Planning, 2008-2011
- H&R Block, Tax Associate, 2009
- Undergraduate Teaching Assistant, University of Illinois at Urbana-Champaign, 2008

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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**EMPLOYEE: Joshua Leon Cutler, EA, CFP®****Educational Background:**

- Born 1988
- Eastern Illinois University, B.S. Business Finance 2010

**Business Experience:**

- Owner, Bluestem Financial Advisors, 2019-Current
- Lead Advisor, Bluestem Financial Advisors, 2016-Current
- Associate Advisor, Bluestem Financial Advisors, 2015-2016
- NAPFA-Registered Financial Advisor, 2014-Current
- Financial Analyst, Bluestem Financial Advisors, 2014-2015
- Financial Executive, Busey Wealth Management, 2011-2014
- College Financial Representative, Northwestern Mutual Financial Network, Summer 2010

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None

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**EMPLOYEE: Karen Fox Folk, Ph.D., CFP®**

**Educational Background:**

- Born: 1947
- University of Illinois at Urbana-Champaign, B.S. English & Psychology 1970
- Oklahoma State University, M.S. Consumer Studies 1985
- University of Illinois at Urbana-Champaign, Ph.D. Family and Consumption Economics 1991

**Business Experience:**

- Advisor Emeritus, Bluestem Financial Advisors, 2016-Current
- Owner, Bluestem Financial Advisors, 2011-2016
- Owner & Principal of Folk Financial Planning, 1999-2011
- NAPFA-Registered Financial Advisor, 1999-Current
- Assistant to Thomas Frey, Ph.D., CFP®, Frey Financial Planning, 1997-1999
- Related Career Experience: Prior to entering the field of financial planning, Karen was a consumer educator, researcher, extension specialist and professor at the University of Wisconsin-Madison, University of Illinois, and Oklahoma State University

Disciplinary Information: None

Other Business Activities: None

Additional Compensation: None

Supervision: Not applicable

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None



## Brochure Supplements – Jacob D. Kuebler, EA, CFP®

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Item 1 : Cover Page

**Jacob D. Kuebler, EA, CFP®**  
**Bluestem Financial Advisors, LLC**  
**1802 Fox Drive, Suite A**  
**Champaign, IL 61820**  
**(217) 352-0000**  
**Fax: (206) 338-2264**  
**[www.bluestemfa.com](http://www.bluestemfa.com)**

This Brochure Supplement provides information about Jacob D. Kuebler that supplements the Bluestem Financial Advisors, LLC Brochure. You should have received a copy of that Brochure. Please contact Joshua L. Cutler if you did not receive Bluestem Financial Advisor, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Jacob D. Kuebler is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

March 27, 2019

## **Item 2: Educational Background and Business Experience**

### **Educational Background:**

- Born 1986
- University of Illinois at Urbana-Champaign, B.S. Financial Planning 2008
- Kansas State University, Certificate in Personal Financial Planning 2010
- Kansas State University, M.S. Family Studies and Human Services, Concentration in Financial Planning 2013

### **Business Experience:**

- Owner/Partner, Bluestem Financial Advisors, 2011-Current
- NAPFA-Registered Financial Advisor, 2011-Current
- Hourly Lecturer, University of Illinois at Urbana-Champaign, 2016-Current
- Associate Financial Planner, Folk Financial Planning, 2008-2011
- H&R Block, Tax Associate, 2009
- Undergraduate Teaching Assistant, University of Illinois at Urbana-Champaign, 2008

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To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college

or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

National Association of Personal Financial Advisors (NAPFA). Professionals who voluntarily become NAPFA-Registered Financial Advisors are committed to the three primary ideals of NAPFA:

- The belief that clients are best served by a comprehensive approach to financial planning.
- The highest levels of competency must be achieved and maintained.
- Fee-Only compensation and a fiduciary relationship are vital to placing the interests of the client above all others.

To attain the right to become a NAPFA-Registered Financial Advisor, applicants must satisfactorily fulfill the following requirements:

- have a Bachelor's degree from an accredited 4 year institution,
- hold the Certified Financial Planner™ designation,
- have 36 months of financial planning work experience
- submit a comprehensive financial plan for peer review and approval
- adhere to the NAPFA Code of Ethics

Individuals who qualify to become NAPFA-Registered Financial Advisors must complete the following ongoing requirements in order to maintain membership in the National Association of Personal Financial Advisors.

- Complete 60 hours total of continuing education hours every two years, including 32 core hours that include a minimum of five credit hours in each of the following core areas: Insurance & Risk Management, Investments, Income Tax Planning, Retirement Planning & Employee Benefits, Estate Planning, and Communications & Counseling; and a minimum of 2 hours in Ethics of Financial Planning. The 28 additional hours may be earned in either seven elective or five core areas.
- Abide by the NAPFA code of ethics, offer comprehensive financial planning, and meet NAPFA requirements for a Fee-Only financial advisor; one who is compensated solely by the client with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product. Neither may the advisor receive commissions, rebates, awards, finder's fees, bonuses or other forms of compensation from others as a result of a client's implementation of the individual's planning recommendations.

An Enrolled Agent – is a federally authorized tax professional who has technical expertise in the field of taxation and who is empowered by the U.S. Department of the Treasury to represent taxpayers before all administrative levels of the Internal Revenue Service for audits, collections, and appeals. The Enrolled Agent status is the highest credential awarded by the IRS.

The Enrolled Agent status is achieved by either passing a three-part comprehensive IRS test covering all aspects of the tax code, or having former IRS employee experience. Individuals who become an Enrolled Agent must complete the following ongoing requirements in order to maintain their Enrolled Agent Status

- Complete 72 hours of continuing education every three years from IRS approved continuing education providers.
- Complete a minimum 16 hours of continuing education every year, 2 of which must be on ethics

- Renew enrollment status every three years

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**Item 3: Disciplinary Information:**

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no information to disclose applicable to this Item.

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**Item 4: Other Business Activities**

Jacob D. Kuebler is not actively engaged in any outside investment related business activities and has no relationships which would create a material conflict of interest with clients. He does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products. Jacob D. Kuebler is not actively engaged in any business or occupation which provide a substantial source of income or involves a substantial amount of time.

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**Item 5: Additional Compensation**

Jacob D. Kuebler does not receive any additional compensation (or other economic benefit) for providing investment advisory services.

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**Item 6: Supervision**

Jacob D. Kuebler is an Owner and President of the Adviser. As such, Jacob D. Kuebler is responsible for all advice given to clients. His personal securities trades are reviewed by Josh L. Cutler, CCO of the Adviser.

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**Item 7: Requirements for State-Registered Advisors**

Registered Investment Advisors are required to make disclosures if their Supervised Persons have been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or
  - (e) dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - (a) an investment or an investment-related business or activity;
  - (b) fraud, false statement(s), or omissions;
  - (c) theft, embezzlement, or other wrongful taking of property;
  - (d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

There is no information to disclose relating to Jacob D. Kuebler applicable to this Item.

## Brochure Supplements – Karen Folk, CFP®

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Item 1 : Cover Page

**Karen F. Folk, CFP®**  
**Bluestem Financial Advisors, LLC**  
**1802 Fox Drive, Suite A**  
**Champaign, IL 61820**  
**(217) 352-0000**  
**Fax: (206) 338-2264**  
**[www.bluestemfa.com](http://www.bluestemfa.com)**

This Brochure Supplement provides information about Karen F. Folk that supplements the Bluestem Financial Advisors, LLC Brochure. You should have received a copy of that Brochure. Please contact Joshua L. Cutler if you did not receive Bluestem Financial Advisor, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Karen F. Folk is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

March 27, 2019

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## Item 2: Educational Background and Business Experience

- Born: 1947
- University of Illinois at Urbana-Champaign, B.S. English & Psychology 1970
- Oklahoma State University, M.S. Consumer Studies 1985
- University of Illinois at Urbana-Champaign, Ph.D. Family and Consumption Economics 1991

### Business Experience:

- Advisor Emeritus, Bluestem Financial Advisors, 2016-Current
- Owner/Partner, Bluestem Financial Advisors, 2011-2016
- Owner & Principal of Folk Financial Planning, 1999-2011
- NAPFA-Registered Financial Advisor, 1999-Current
- Assistant to Thomas Frey, Ph.D., CFP®, Frey Financial Planning, 1997-1999
- Related Career Experience: Prior to entering the field of financial planning, Karen was a consumer educator, researcher, extension specialist and professor at the University of Wisconsin-Madison, University of Illinois, and Oklahoma State University

Employees have earned certifications and credentials that are required to be explained in further detail.

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To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college



or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

National Association of Personal Financial Advisors (NAPFA). Professionals who voluntarily become NAPFA-Registered Financial Advisors are committed to the three primary ideals of NAPFA:

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- The highest levels of competency must be achieved and maintained.
- Fee-Only compensation and a fiduciary relationship are vital to placing the interests of the client above all others.

To attain the right to become a NAPFA-Registered Financial Advisor, applicants must satisfactorily fulfill the following requirements:

- have a Bachelor's degree from an accredited 4 year institution,
- hold the Certified Financial Planner™ designation,
- have 36 months of financial planning work experience
- submit a comprehensive financial plan for peer review and approval
- adhere to the NAPFA Code of Ethics

Individuals who qualify to become NAPFA-Registered Financial Advisors must complete the following ongoing requirements in order to maintain membership in the National Association of Personal Financial Advisors.

- Complete 60 hours total of continuing education hours every two years, including 32 core hours that include a minimum of five credit hours in each of the following core areas: Insurance & Risk Management, Investments, Income Tax Planning, Retirement Planning & Employee Benefits, Estate Planning, and Communications & Counseling; and a minimum of 2 hours in Ethics of Financial Planning. The 28 additional hours may be earned in either seven elective or five core areas.
- Abide by the NAPFA code of ethics, offer comprehensive financial planning, and meet NAPFA requirements for a Fee-Only financial advisor; one who is compensated solely by the client with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product. Neither may the advisor receive commissions, rebates, awards, finder's fees, bonuses or other forms of compensation from others as a result of a client's implementation of the individual's planning recommendations.

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**Item 3: Disciplinary Information:**

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no information to disclose applicable to this Item.

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**Item 4: Other Business Activities**

Karen F. Folk is not actively engaged in any outside investment related business activities and has no relationships which would create a material conflict of interest with clients.

Karen F. Folk does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products

Karen F. Folk is not actively engaged in any business or occupation which provide a substantial source of income or involves a substantial amount of time

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**Item 5: Additional Compensation**

Karen F. Folk does not receive any additional compensation (or other economic benefit) for providing investment advisory services.

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**Item 6: Supervision**

Jacob D. Kuebler, Owner and President of Bluestem Financial Advisors, LLC, is responsible for supervising Karen Folk's advisory activities on behalf of the firm. Jacob will periodically review Karen's advice provided to clients to help ensure such advice is made in accordance with the Investment Policy Statement or equivalent client authorization. Josh L. Cutler, as CCO will review Karen's personal securities trading.

Jacob D. Kuebler may be contacted at:  
1802 Fox Drive, Suite A  
Champaign, IL 61820  
(217) 352-0000

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**Item 7: Requirements for State-Registered Advisors**

Registered Investment Advisors are required to make disclosures if their Supervised Persons have been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

There is no information to disclose relating to Karen F. Folk applicable to this Item.

## **Brochure Supplements – Joshua L. Cutler, CFP®**

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**Item 1 : Cover Page**

**Joshua L. Cutler, CFP®**  
**Bluestem Financial Advisors, LLC**  
**1802 Fox Drive, Suite A**  
**Champaign, IL 61820**  
**(217) 352-0000**  
**Fax: (206) 338-2264**  
**[www.bluestemfa.com](http://www.bluestemfa.com)**

This Brochure Supplement provides information about Joshua L. Cutler that supplements the Bluestem Financial Advisors, LLC Brochure. You should have received a copy of that Brochure. Please contact Joshua L. Cutler if you did not receive Bluestem Financial Advisor, LLC's Brochure or if you have any questions about the contents of this supplement.

Additional information about Joshua L. Cutler is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

March 27, 2019

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## **Item 2: Educational Background and Business Experience**

### **Educational Background:**

- Born 1988
- Eastern Illinois University, B.S. Business Finance 2010

### **Business Experience:**

- Owner/Partner, Bluestem Financial Advisors, 2019-Current
- Lead Advisor, Bluestem Financial Advisors, 2016-present
- Associate Advisor, Bluestem Financial Advisors, 2015-2016
- NAPFA-Registered Financial Advisor, 2014-Current
- Financial Analyst, Bluestem Financial Advisors, 2014-2015
- Financial Executive, Busey Wealth Management, 2011-2014
- College Financial Representative, Northwestern Mutual Financial Network, Summer 2010

Employees have earned certifications and credentials that are required to be explained in further detail.

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- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test

one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

National Association of Personal Financial Advisors (NAPFA). Professionals who voluntarily become NAPFA-Registered Financial Advisors are committed to the three primary ideals of NAPFA:

- The belief that clients are best served by a comprehensive approach to financial planning.
- The highest levels of competency must be achieved and maintained.
- Fee-Only compensation and a fiduciary relationship are vital to placing the interests of the client above all others.

To attain the right to become a NAPFA-Registered Financial Advisor, applicants must satisfactorily fulfill the following requirements:

- have a Bachelor's degree from an accredited 4 year institution,
- hold the Certified Financial Planner™ designation,
- have 36 months of financial planning work experience
- submit a comprehensive financial plan for peer review and approval

- adhere to the NAPFA Code of Ethics

Individuals who qualify to become NAPFA-Registered Financial Advisors must complete the following ongoing requirements in order to maintain membership in the National Association of Personal Financial Advisors.

- Complete 60 hours total of continuing education hours every two years, including 32 core hours that include a minimum of five credit hours in each of the following core areas: Insurance & Risk Management, Investments, Income Tax Planning, Retirement Planning & Employee Benefits, Estate Planning, and Communications & Counseling; and a minimum of 2 hours in Ethics of Financial Planning. The 28 additional hours may be earned in either seven elective or five core areas.
- Abide by the NAPFA code of ethics, offer comprehensive financial planning, and meet NAPFA requirements for a Fee-Only financial advisor; one who is compensated solely by the client with neither the advisor nor any related party receiving compensation that is contingent on the purchase or sale of a financial product. Neither may the advisor receive commissions, rebates, awards, finder's fees, bonuses or other forms of compensation from others as a result of a client's implementation of the individual's planning recommendations.

An Enrolled Agent – is a federally authorized tax professional who has technical expertise in the field of taxation and who is empowered by the U.S. Department of the Treasury to represent taxpayers before all administrative levels of the Internal Revenue Service for audits, collections, and appeals. The Enrolled Agent status is the highest credential awarded by the IRS.

The Enrolled Agent status is achieved by either passing a three-part comprehensive IRS test covering all aspects of the tax code, or having former IRS employee experience. Individuals who become an Enrolled Agent must complete the following ongoing requirements in order to maintain their Enrolled Agent Status

- Complete 72 hours of continuing education every three years from IRS approved continuing education providers.
- Complete a minimum 16 hours of continuing education every year, 2 of which must be on ethics
- Renew enrollment status every three years

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### **Item 3: Disciplinary Information:**

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There is no information to disclose applicable to this Item.



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**Item 4: Other Business Activities**

Joshua L. Cutler is not actively engaged in any outside investment related business activities and has no relationships which would create a material conflict of interest with clients.

Joshua L. Cutler does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products

Joshua L. Cutler is not actively engaged in any business or occupation which provide a substantial source of income or involves a substantial amount of time.

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**Item 5: Additional Compensation**

Joshua L. Cutler does not receive any additional compensation (or other economic benefit) for providing investment advisory services.

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**Item 6: Supervision**

Jacob D. Kuebler, Owner of Bluestem Financial Advisors, LLC, is responsible for supervising Joshua L. Cutler's advisory activities on behalf of the firm.

Jacob will periodically review Josh's advice provided to clients to help ensure such advice is made in accordance with the Investment Policy Statement or equivalent client authorization. In addition, Jacob D. Kuebler will review Josh L. Cutler's personal securities trading.

Jacob D. Kuebler may be contacted at:  
1802 Fox Drive, Suite A  
Champaign, IL 61820  
(217) 352-0000

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**Item 7: Requirements for State-Registered Advisors**

Registered Investment Advisors are required to make disclosures if their Supervised Persons have been involved in any of the events listed below:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;

- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

There is no information to disclose relating to Joshua L. Cutler applicable to this Item.