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Disclosure Brochure

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This brochure provides information about the qualifications and business practices of Blue Sky Asset Management, LLC. (hereinafter "BSAM"). If you have any questions about the contents of this brochure, please contact us at (303)552-0945. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about BSAM is available on the SEC's website at www.adviserinfo.sec.gov.

BSAM is an SEC registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

Since our last update of March 2021 there the following material changes have occurred:

- Cover Page – BSAM has a new office address as of January 2022.

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Item 4. Advisory Business

This Disclosure Brochure describes the business of BSAM. Certain sections will also describe the activities of Supervised Persons. Supervised Persons are any of BSAM's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on BSAM's behalf and is subject to BSAM's supervision or control.

BSAM has been in business since April of 2013. Aveo Capital Holdings, LLC is the principal owner of BSAM. As of December 31, 2020, BSAM has zero regulatory assets under management.

BSAM manages three model portfolios ("GenFolio") available exclusively on a third party platform called SMArtX. BSAM and SMArtX are not affiliated. BSAM serves as a sponsor on the SMArtX platform, and has no direct clients. BSAM sends trading instructions directly to SMArtX if there needs to be an adjustment made to the GenFolio models, and does not initiate trades. BSAM does not provide any other investment advisory services.

Item 5. Fees and Compensation

Investment Management Fee

Managed Model

BSAM actively manages the GenFolio models for a fee based upon a percentage of the market value of the assets being managed ("Management Fee"). BSAM's Management Fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses, which are incurred by the Advisory Clients through the SMArtX platform. BSAM does not, however, receive any portion of these commissions, fees, and costs. The Management Fee is charged monthly in arrears based on the average daily balance of the account for the preceding month. SMArtX initiates, and collects all fees for advisory clients invested in any of the GenFolio models. The Management Fee for the initial month is calculated on a pro rata basis commencing on the day the Assets are initially designated to us for management under this Agreement. No portion of the Management Fee shall be based on capital gains or capital appreciation of the Assets except as provided herein and provided for under the Investment Advisers Act of 1940, as amended (the "Advisers Act") and analogous state securities laws.

BSAM Fees: Fees for the investment in any of the GenFolio models are between 0.10% - 0.70% depending on the model chosen.

Fees Charged by Financial Institutions

Advisory Clients may incur certain charges imposed by the Financial Institutions such as custodial fees, charges imposed directly by a mutual fund or ETF, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, 12b-1 fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to BSAM's fee.

Any fees charged by independent managers used by BSAM are exclusive of and in addition to BSAM's fee.

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

BSAM does not charge performance-based fees.

Item 7. Types of Clients

BSAM currently does not have any investment advisory clients.

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

Methods of Analysis

BSAM's primary methods of analysis are fundamental and technical.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. In addition to other factors and information, BSAM may analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that will be able to accurately predict such a reoccurrence.

Risks of Loss

Mutual Funds and Exchange Traded Funds (ETFs)

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholder fees (e.g., sales loads, purchase fees, redemption fees). The NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices

of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

ETF and Mutual Fund managers may also fail to adhere to portfolio risk management representations set forth in their respective prospectus. In times of extraordinary market volatility, such manager failures can lead to significant losses in such investments.

Liquidity Risk

Liquidity risk exists when investments are difficult to purchase or sell (e.g., the market becomes less liquid in response to market developments or lack of shareholders willing to sell a particular investment). This can reduce a portfolios' returns because the portfolio may be unable to transact at advantageous times and prices. Investments that are illiquid or trade at low volumes may be more difficult to value.

General Risk of Loss

Investing in securities involves the risk of loss, including loss of principal. Securities in a portfolio can underperform in comparison to the general securities markets, a particular securities market, or other asset classes. Debt issuers and other counterparties of fixed income securities or instruments in some instances default on their obligation to pay interest, repay principal or make a margin payment. The credit quality of a security or instrument can deteriorate, which would impair a security's or instrument's liquidity and decrease its value. As interest rates rise or fall within the US or global economy, fixed income investments may experience higher volatility and downward price movements as interest rates rise.

Item 9. Disciplinary Information

BSAM is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. We do not have any required disclosures to this Item.

Item 10. Other Financial Industry Activities and Affiliations

BSAM is affiliated and under common control with Aveo Capital Partners, LLC ("ACP"). ACP is an investment adviser to individuals, families, and retirement plans. See Item 4 above for a detailed discussion of ACP's "Adviser Client") relationship with BSAM and any conflicts of interest related to such as well as ACP's Brochure.

Item 11. Code of Ethics

BSAM and persons associated with it ("Associated Persons") are permitted to buy or sell securities consistent with BSAM's policies and procedures.

BSAM has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by or any of its associated persons. The *Code of Ethics* also requires that certain of BSAM's personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in BSAM's *Code of Ethics*, none of BSAM's *Access Persons* may affect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of BSAM's clients.

When BSAM is purchasing or considering for purchase any security on behalf of a BSAM managed account, no *Access Person* may affect a transaction in that security prior to the completion of its purchase or sale, or until a decision has been made not to purchase or sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds, exchange traded funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact to request a copy of its *Code of Ethics*.

Item 12. Brokerage Practices

As mentioned in Item 4, BSAM does not execute trades for its models; therefore, BSAM does not select or recommend broker-dealers for client transactions. As a result, BSAM also does not receive any research or soft dollar benefits, nor allow for directed brokerage arrangements.

Item 13. Review of Accounts

BSAM continuously monitors the models it manages to ensure that they are managed consistently within the tolerances of each strategies investment mandate. BSAM does not trade in their models. BSAM sends trading instructions to SMARtX, who then initiates the transactions in all accounts aligned to the selected portfolio model assigned by the Advisor Client to the Advisory Clients account.

Item 14. Client Referrals and Other Compensation

BSAM is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, BSAM is required to disclose any direct or indirect compensation that it provides for client referrals. BSAM does not have any of these relationships.

Item 15. Custody

BSAM does not currently have custody of any client funds or securities.

Adviser Clients are responsible for ensuring that *Financial Institutions* have agreed to send a statement to the Advisory Client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to BSAM.

Item 16. Investment Discretion

BSAM does not currently have investment discretion over client portfolios. BSAM does have the authority to send trading instructions to SMArtX for the three models, it manages. SMArtX is ultimately responsible for initiating the trades in client accounts that are invested in the respective models. BSAM has no information related client accounts, or the holdings of those accounts.

Item 17. Voting Client Securities and Monitoring Class Actions

BSAM does not vote proxies.

Item 18. Financial Information

BSAM does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance. In addition, BSAM is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. BSAM has no disclosures pursuant to this Item.