

# Item 1: Cover Page

Layline Advisors, LLC

**Form ADV Part 2A – Firm Brochure**

**17 PRINCE STREET**

**ROCHESTER, NY 14607**

(585) 210-8222

[www.laylineadvisors.com](http://www.laylineadvisors.com)

Dated January 9, 2024

This Brochure provides information about the qualifications and business practices of Layline Advisors, LLC, "Layline". If you have any questions about the contents of this Brochure, please contact us at (585) 210-8222. 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.

Layline Advisors, LLC is registered as an Investment Adviser with the SEC. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Layline is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm's identification number 285136.

## Item 2: Material Changes

Since our previous Annual ADV Update filing on 1/9/2023, Layline has the following material changes to report:

- Mark Wyand purchased Alesco Advisors' 15% interest in the practice.
- Charles Schwab is now our primary custodian.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each client annually and if a material change occurs in the business practices of Layline Advisors, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 285136.

You may also request a copy of this Disclosure, by contacting us at (585) 210-8222 or by visiting [www.laylineadvisors.com](http://www.laylineadvisors.com).

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# Item 4: Advisory Business

## **Description of Advisory Firm**

Layline Advisors, LLC is registered as an Investment Adviser with the SEC. We were founded in July of 2016. Mark Wyand is sole owner with 100% interest. Layline currently reports \$66,397,017 in Discretionary, and \$11,760,646 in Non-discretionary Assets Under Management, as of 12/31/2023.

## **Types of Advisory Services**

### **Investment Management Services**

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background. In addition to the portfolio management we perform for clients, in certain circumstances we employ the use of third-party money managers to handle portfolio management for Separately Managed Accounts as part of the client's investment plan.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

### **Comprehensive Financial Planning**

This service involves working one-on-one with a planner over an extended period of time. By paying a quarterly retainer, clients get continuous access to a planner who will work with them to design their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon desiring a comprehensive plan, a client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning. Once

the client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow up meeting is required, we will meet at the client's convenience. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

## **Financial Planning**

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for

emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. Clients are under no obligation to utilize the services of any referred by our firm. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile. We assist clients with an assessment of insurance needs, and review of current policies to see if needs are met. In the event additional insurance coverage is needed, we assist clients in shopping for insurance through third-party providers. We have no service agreements with any third-

party provider and receive no compensation for any insurance recommendation. In the event a recommendation is made, clients have no obligation to utilize the services recommended.

- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants

or attorneys who specialize in this area if you wish to hire someone for such purposes. Clients are under no obligation to utilize the services of any accountants or attorneys referred by our firm. We will participate in meetings or phone calls between you and your tax professional with your approval.

### **Pension Consulting Services**

Layline provides pension consulting services in the form of advisory and financial planning services to plan administrators of 401(k) plans. Layline advises on selection of plan managers and third-party administrators and provides ongoing consulting to the company's fiduciaries as well as quarterly meetings to discuss the performance of the plan. Additionally, Layline is available to assist employees in enrollment in the plan and answer questions related to the available investments.

In providing Pension Consulting Services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and our firm accepts appointments to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

Layline utilizes various recordkeepers for its Employee Benefit Plan Services, depending on client needs and preferences.

### **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all our clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

### **Wrap Fee Programs**



We provide a wrap fee program, which is outlined in detail within the Form ADV Part 2A Appendix 1. Wrap fee program accounts are the only type of discretionary accounts we manage, for which we receive a portion of the wrap fee for our service.

Non-discretionary account options are available for clients who wish to have accounts remain self-directed but allow our firm to assist in the execution of trades.

## Item 5: Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### Investment Management Services

Our standard advisory fee is based on the market value of the assets under management, net of cash and any excluded assets pre-determined by the client and adviser, and is calculated as follows:

Account Value	Annual Advisory Fee
<b>\$0 - \$500,000</b>	1.25%
<b>\$500,001 - \$1,000,000</b>	1.00%
<b>\$1,000,001 - \$1,500,000</b>	0.75%
<b>\$1,500,001 and Above</b>	0.50%

The annual fees are negotiable and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart, based on the average daily balance of the account throughout the quarter. For example, an account valued at \$1,500,000 would pay an effective fee of 1.00% with the annual fee of \$15,000. The quarterly fee is determined by the following calculation:  $((\$500,000 \times 1.25\%) + (\$500,000 \times 1.00\%) + (\$500,000 \times 0.75\%)) \div 4 = \$3,750$ .

The average daily balance is calculated by taking the sum of your account balance, net of cash and any excluded assets, at the end of each day of the billing cycle divided by the number of days in the billing cycle. We can generate, upon request, a record of your account balance for each

day in the billing cycle. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement. Any assets held in fee-paying accounts but not managed by the adviser will be marked as excluded within the client advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account. Any prorated amount will be calculated and billed to the client for payment.

### **Financial Planning Fee**

Financial Planning engagements will generally be offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The standard fixed fee will be billed in advance at a rate of \$625.00 per quarter for the duration of the engagement. There is a minimum one-year commitment to all planning agreements. The fee is negotiable. Layline will not bill an amount above \$500.00 more than 6 months in advance.

Financial Planning billing and fee collection is handled through PaySimple.com.

### **Pension Consulting Services**

We charge up to 0.70% of plan assets under management for pension consulting services. Clients will be billed on a quarterly basis in arrears and based on the value of plan assets as of market close on the last day of the quarter or on the average daily balance over the quarter depending on the plan provider.

An agreement may be terminated with written notice at least 30 calendar days in advance. Fees will be debited directly from the Plan Assets. Since fees are paid in arrears, upon termination, no refund will be due. Any prorated amount will be calculated and billed to the client for payment. Please note, the above listed fee schedule does not include fees from other service providers.

### **Other Types of Fees and Expenses**

For clients that utilize our Non-discretionary Investment Management services, our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on

brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

For clients that utilize our Discretionary Investment Management Services, our fees are inclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. (See Form ADV Part 2A Appendix 1 - Wrap Brochure). In cases where we employ the use of third-party money managers as part of the client's investment plan, any fees owed to those third parties for their management services are in addition to our advisory fees disclosed in the above table(s). Clients with accounts that are managed by these third parties will enter into an investment management agreement with the third-party manager that discloses the additional management fees.

Our custodian may offer mutual fund share classes that are free to transact but carries a higher internal expense for the client. This creates a conflict of interest. It is our firm policy that we will always purchase the share class with the lowest cost for the client, regardless of the cost for us to transact.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for a client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, high net-worth individuals, pension and profit sharing plans. We do not have a minimum account size requirement.

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

When clients have us complete an Investment Analysis (described in Item 4 of this brochure) as part of their financial plan, our primary methods of investment analysis are fundamental, technical, cyclical and charting analysis.

**Fundamental Analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical Analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical Analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Charting Analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations.

The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk, and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy, or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with

longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

## **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Common Stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and Other Derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

## Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Layline or the integrity of our management.

### **Criminal or Civil Actions**

Layline and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

Layline and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

Layline and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of Layline or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

Layline is an independent firm, without material industry affiliations. Neither the firm nor its employees are registered or have pending registrations as: a broker-dealer, a futures commission merchant, a commodity pool operator, or a commodity trading advisor.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc. and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We will, upon request, promptly provide a complete code of ethics.



Our firm and its “related persons” (associates, their immediate family members, etc.) may buy or sell securities the same as, similar to, or different from, those we recommend to clients for their accounts. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client. Clients often have different objectives and risk tolerances. At no time, however, will our firm or any related party receive preferential treatment over our clients.

To reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific securities transactions. To avoid circumstances of front-running client trades, at times of rebalancing or transacting in client accounts, advisors are prohibited from transacting in the same holdings. Additionally, before any transaction is made in personal accounts, advisors must check with the restricted securities list. Any exceptions or trading pre-clearance must be approved by our Chief Compliance Officer in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

Additionally, Layline requires adherence to its Insider Trading Policy, and the CFA Institute's Asset

Manager Code of Professional Conduct and Code of Ethics and Standards of Professional Conduct.

## Item 12: Brokerage Practices

### **Factors Used to Select Custodians and/or Broker-Dealers**

Layline does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to clients based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

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

Layline does not obtain any soft dollar benefits from any broker-dealer custodians. A soft dollar arrangement refers to an established agreement between an investment adviser and a broker-dealer that would encourage the adviser to direct trades to the broker-dealer in exchange for services intended for the benefit of the adviser’s clients. Although this is a common industry practice, we do not participate in this type of arrangement.

#### **2. Brokerage for Client Referrals**

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

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

We do recommend a specific custodian for clients to use, however, should clients choose to custody at a different custodian, we will accommodate the client to the extent possible. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve the most favorable execution of client transactions, and this may cost clients money over using a lower-cost custodian.

### **The Custodian and Brokers We Use (Charles Schwab)**

Layline participates in Charles Schwab's institutional customer program and may recommend Charles Schwab to clients for custody and brokerage services. There is no direct link between Layline's participation in the program and the investment advice it gives to its clients, although Layline receives economic benefits through its participation in the program that are typically not available to Charles Schwab 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 Layline 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 Layline by third-party vendors. Charles Schwab may also have paid for business consulting and professional services received by Layline's related persons. Some of the products and services made available by Charles Schwab through the program may benefit Layline but may not benefit its client accounts. These products or services may assist Layline in managing and administering client accounts, including accounts not maintained at Charles Schwab. Other services made available by Charles Schwab are intended to help Layline manage and further develop its business enterprise. The benefits received by Layline or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to Charles Schwab. As part of its fiduciary duties to clients, Layline always endeavors to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Layline or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Layline's choice of Charles Schwab for custody and brokerage services.

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

Whenever possible, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as “block trading”). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment. When orders are not aggregated, for example as a result of the timing of required trades or market liquidity limitations, there may be a cost incurred by the clients in the form of unfavorable transacted security prices.

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

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by our firm. During the regular review the account's performance is compared against like-managed accounts to identify any unacceptable performance deviation. Additionally, reasonable client-imposed restrictions will be reviewed to confirm that they are being enforced. Events that may trigger a special review would be unusual performance, addition, or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Financial plans will be reviewed on an annual basis, making sure all aspects of plans, as defined by CFP curriculum, are still in line with established goals and target outcomes.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

Layline will provide written reports to all clients who pay for Investment Management services on a quarterly basis. We urge clients to compare these reports against the account statements they receive from their custodian and notify us with any questions. Due to the timing of reports and reporting methodology the values in our reports may differ from the values in your custodial account statement.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly from any third-party for advice rendered to our clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.

We receive a non-economic benefit from Charles Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Charles Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability to us of Charles Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

## Item 15: Custody

Layline does accept custody of client funds, only for the withdrawal of client fees and the use of Standing Letters of Authorization.

For client accounts in which Layline directly debits their advisory fee:

- i. Layline will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The client will provide written authorization to Layline, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. We urge you to carefully review such statements and compare such custodial records to the account reports that we provide to you and contact us if you have questions regarding any discrepancies.

## Item 16: Investment Discretion

Layline offers Investment Management services on both a discretionary and non-discretionary basis. For those client accounts where we provide investment management services, on a non-discretionary basis, we do not exercise discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. The client must authorize all purchase and sell transactions prior to execution. This service is clearly notated on the investment advisory agreement.

For those client accounts where Layline provides investment management services on a discretionary basis, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney which will grant our firm discretion over the account.

Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client. This service is clearly notated on the investment advisory agreement.

## Item 17: Voting Client Securities

The Adviser does not vote Client proxies. Employees do hold securities in their personal accounts and therefore can vote proxies on their own shares. This creates the potential for a conflict of interest as an employee of the firm may vote contrary to the interests of our clients. Therefore, we have established voting policies & procedures. Our proxy voting policies & procedures are available to all clients upon request. Clients may have the ability to forward voting proxies to our firm or contact us at the number listed on the cover of this brochure for guidance or questions regarding proxy voting on their securities. Clients may obtain information about how we voted on their securities by contacting us at the number listed on the cover of this brochure.

## Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We have custody of client funds or securities due to direct fee deduction from client accounts and the use of Standing Letters of Authorization. We do not require or solicit prepayment of more than \$500 in fees per client six months in advance.

## Item 19: Information Regarding Firm Compliance Officer and Principal

### **Principals and Associates**

Mark Wyand is the CEO/CCO and sole owner of Layline Advisors, LLC. A description of his education and business background is included in the brochure supplement, Form ADV Part 2B, which is provided to clients at the commencement of any relationship. Clients can also request a copy at any time by contacting us at the number provided on the cover page of this document or by visiting us at [www.laylineadvisors.com](http://www.laylineadvisors.com).

### **Other Business Activities**

Neither Layline, nor its associates, are involved with outside business activities.

### **Performance Based Fees**

Please refer to Item 6 of this brochure.

### **Material Disciplinary Disclosures**

No management person at Layline has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have with Issuers of Securities**

Neither Layline, nor its associates, have any relationship or arrangement with issuers of securities.

# Item 1: Cover Page

Layline Advisors, LLC

## **Form ADV Part 2A Appendix 1 – Wrap Fee Program Brochure**

17 PRINCE STREET

ROCHESTER, NY 14607

[www.laylineadvisors.com](http://www.laylineadvisors.com)

(585) 210-8222

Dated January 9, 2024

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Layline Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at (585) 210-8222. 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.

Layline Advisors, LLC is registered as an Investment Adviser with the SEC. Registration of an Investment Adviser does not imply any level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Additional information about Layline Advisors, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

CRD: 285136

Layline Advisors, LLC  
(585) 210-8222  
[www.laylineadvisors.com](http://www.laylineadvisors.com)  
285136  
Mark Wyand

## Item 2: Material Changes

Layline Advisors, LLC is required to advise you of any material changes to our Wrap Fee Program Brochure ("Wrap Brochure") from our last annual update, identify those changes on the cover page of our Wrap Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Wrap Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Wrap Brochure, and we must provide the date of the last annual update of our Wrap Brochure.

Please note we do not have to provide this information to a client or prospective client who has not received a previous version of our Wrap Brochure. At this time, there are no material changes to report about our Wrap Brochure.

Last update: 1/4/2023



# Item 3: Table of Contents

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# Item 4: Services, Fees and Compensation

## Description of Our Services

We offer wrap fee programs as described in this Wrap Fee Program Brochure. Our wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

## Types of Advisory Services

We offer the following services:

### Wealth Management Services

Our Wealth Management Service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of exchange traded funds, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

### Wealth Management Services Wrap Fee Program Fee Schedule

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
<b>\$0 - \$500,000</b>	1.25%
<b>\$500,001 - \$1,000,000</b>	1.00%
<b>\$1,000,001 - \$1,500,000</b>	0.75%
<b>\$1,500,001 and Above</b>	0.50%

The annual fees are negotiable and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart, resulting in a combined weighted fee, to be applied to the daily average daily balance for the quarter. For example, an account valued at \$1,500,000 would pay an effective fee of 1.00% with the annual fee of \$15,000. The quarterly fee is determined by the following calculation:  $((\$500,000 \times 1.25\%) + (\$500,000 \times 1.00\%) + (\$500,000 \times 0.75\%)) \div 4 = \$3,750$ . No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account.

#### **Additional bundled Service Cost Considerations**

A wrap fee program allows our clients to pay a specified fee for investment advisory services and the execution of transactions. The advisory services may include portfolio management and the fee is not based directly upon transactions in your account. Your fee is bundled with our costs for executing transactions in your account(s). This results in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.

#### **Additional Expenses Not Included in the Wrap Program Fee**

You may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee you are charged by our firm.

We may invest clients in No Transaction Fee (NTF) funds when available. The NTF funds do not pay the custodian a ticket charge, unlike a regular fund, however it does incur a higher expense ratio than normal funds. Because we offer our advisory services under a wrap program, where we pay all ticket charges incurred, we have a financial interest to minimize these charges.

## **Compensation**

Our investment advisory representatives receive a portion of the advisory fee that you pay us, either directly as a percentage of your overall fee or as their salary from our firm. In cases where our investment advisory representatives are paid a percentage of your overall advisory fee, this may create an incentive to recommend that you participate in a wrap fee program rather than a non-wrap fee program (where you would pay for trade execution costs) or brokerage account where commissions are charged. This is because, in some cases, we may stand to earn more compensation from advisory fees paid to us through a wrap fee program arrangement if your account is not actively traded.

# **Item 5: Account Requirements and Types of Clients**

We provide financial planning and portfolio management services to individuals, high net-worth individuals, pension and profit sharing plans. We do not have a minimum account size requirement.

# **Item 6: Portfolio Manager Selection and Evaluation**

## **Outside Portfolio Managers**

We do not hire outside Portfolio Managers.

## **Layline Advisors, LLC Portfolio Managers**

Our firm and its related person, Mark Wyand, act as portfolio manager for the wrap fee program previously described in this Wrap Fee Program Brochure. This may create a conflict of interest in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our related person portfolio managers are not subject to the same selection and review as outside portfolio managers that participate in the wrap fee program.

## **Advisory Business**

See Item 4 of this Wrap Fee Program Brochure for information about our wrap fee advisory programs.

### Individual Tailoring of Advice to Clients

We offer individualized investment advice to clients utilizing our Asset Management and Comprehensive Portfolio Management services.

### Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities

We do allow clients to impose reasonable restrictions on investing in certain securities or types of securities.

### Participation in Wrap Fee Programs

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts.

### Performance-based fees and side-by-side management

We do not charge performance-based fees.

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

Our primary methods of investment analysis are fundamental, technical, cyclical and charting analysis.

**Fundamental Analysis** involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

**Technical Analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision.

In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may under perform other trading methods when fundamental factors dominate price moves within a given market.

**Cyclical Analysis** is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

**Charting Analysis** involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

We do not employ the use of any third-party investment advisers, sub-advisers, or other “outside managers”.

### **Passive Investment Management**

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

## **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited Markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

### **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common Stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate



of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and Other Derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

### **Voting Client Securities**

The Adviser does not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

Our proxy voting policies & procedures are available to all clients upon request. Clients may have the ability to forward voting proxies to our firm or contact us at the number listed on the cover of this brochure for guidance or questions regarding proxy voting on their securities. Clients may obtain information about how we voted on their securities by contacting us at the number listed on the cover of this brochure.

## Item 7: Client Information Provided to Portfolio Manager

We are required to describe the information about you that we communicate to your portfolio manager(s), and how often or under what circumstances we provide updated information. Our firm communicates with your portfolio manager(s) on a regular basis as needed (daily, weekly, monthly, etc.) to ensure you're most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you ask us to, when market or economic conditions make it prudent to do so, etc.

## Item 8: Client Contact with Portfolio Manager

Our clients may directly contact their portfolio manager(s) with questions or concerns by calling the number on this Brochure.

# Item 9: Additional Information

## **Disciplinary Information**

We have determined that our firm and management have no disciplinary information to disclose.

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

Layline, and its affiliates, currently do not participate in other financial industry activities and are not affiliated with other financial firms.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

Additionally, Layline Advisors, LLC requires adherence to its Insider Trading Policy, and the CFA Institute's Asset Manager Code of Professional Conduct and Code of Ethics and Standards of Professional Conduct.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.

- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide of copy of its Code of Ethics to any client or prospective client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest**

Neither our firm, its associates or any related person is authorized to recommend to a client, or effect a transaction for a client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

Our firm and its "related persons" may buy or sell securities similar to, or different from, those we recommend to clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific reportable securities transactions. To avoid circumstances of front-running client trades, at times of rebalancing or transacting in client accounts, advisors are prohibited from transacting in the same holdings. Additionally, before any transaction is made in personal accounts, advisors must check with the restricted securities list. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities at/Around the Same Time as Client's Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as clients. We will not trade non-mutual fund securities 5 days prior to the same security for clients.

### **Review of Accounts**

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by Mark Wyand, Principal and CCO. During the regular review the account's performance is compared against like-managed accounts to identify any unacceptable performance deviation. Additionally, reasonable client-imposed restrictions will be reviewed to confirm that they are being enforced. Events that may trigger a special review would be unusual performance, addition or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

Layline Advisors, LLC will provide written reports to Investment Management clients on a quarterly basis. We urge clients to compare these reports against the account statements they receive from their custodian.

### **Client Referrals**

We do not receive any economic benefit, directly or indirectly from any third party for advice rendered to our clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

## **Item 10: Information Regarding Firm Principals and Management**

No management person has any relationship or arrangement with any issuer of securities that is not listed in Item 10 of Part 2A.

# Item 1: Cover Page

Layline Advisors, LLC

Form ADV Part 2B – Brochure Supplement  
For

**Mark Wyand (CRD# 5402543)**

Principal, and Chief Compliance Officer

17 Prince Street

Rochester, NY 14607

(585) 210-8222

Dated January 9, 2024

This brochure supplement provides information about Mark Wyand that supplements the Layline Advisors, LLC ("Layline") brochure. A copy of that brochure precedes this supplement. Please contact Mark Wyand if the Layline brochure is not included with this supplement or if you have any questions about the contents of this supplement.

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

# Item 2: Educational Background and Business Experience

Mark Wyand

## **Birthdate**

March 18, 1985

## **Education**

- 2007 – Bachelor of Science in Business Administration, Villanova University
- 2003 – New York State Regents Diploma, Penfield High School

## **Business**

- 07/2016 – Present, Layline Advisors, LLC, Principal and CCO
- 09/2011 – 11/2016, Ameriprise Financial, Advisor
- 07/2007 – 02/2011, Goldman Sachs, Analyst

## **Professional Designations, Licensing & Exams**

**Chartered Financial Analyst (CFA):** The CFA Program is a graduate-level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. It is designed to prepare charterholders for a wide range of investment specialties that apply in every market all over the world. To earn a CFA charter, applicants study for three exams (Levels I, II, III) using an assigned curriculum. Upon passing all three exams and meeting the professional and ethical requirements, they are awarded a charter.

# Item 3: Disciplinary Information

Mark Wyand has no disciplinary history to disclose.

# Item 4: Other Business Activities

Mark Wyand has no other business activity to disclose.

## Item 5: Additional Compensation

Mark Wyand does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Layline.

## Item 6: Supervision

Mark Wyand, as Principal and Chief Compliance Officer of Layline, is responsible for supervision. He may be contacted at (585) 210-8222.

## Item 7: Requirements for State Registered Advisers

1. Mark Wyand has NOT been involved in any of the events listed below.
  - a. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - i. An investment or an investment-related business or activity;
    - ii. Fraud, false statements, or omissions;
    - iii. Theft, embezzlement, or other wrongful taking of property; iv. Bribery, forgery, counterfeiting, or extortion; or
    - v. Dishonest, unfair, or unethical practices.
  - b. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
    - i. An investment or an investment-related business or activity;
    - ii. Fraud, false statements, or omissions;
    - iii. Theft, embezzlement, or other wrongful taking of property; iv. Bribery, forgery, counterfeiting, or extortion; or
    - v. Dishonest, unfair, or unethical practices.
2. Mark Wyand has NOT been the subject of a bankruptcy petition at any time.



# Item 1: Cover Page

Layline Advisors, LLC

Form ADV Part 2B – Brochure Supplement  
For

**Matthew Lechner (CRD# 7022127)**

Advisor

17 Prince St.

Rochester, NY 14607

(585) 210-8222

Dated January 9, 2024

This brochure supplement provides information about Matthew Lechner that supplements the Layline Advisors, LLC ("Layline") brochure. A copy of that brochure precedes this supplement. Please contact Tim Wyand if the Layline brochure is not included with this supplement or if you have any questions about the contents of this supplement.

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

# Item 2: Educational Background and Business Experience

Matthew Lechner

## **Birthdate**

June 13, 1995

## **Educational Background**

- 2017 – Bachelor of Arts in Economics, State University of New York at Geneseo
- 2013 – New York State Regents Diploma, Penfield High School

## **Business Experience**

- 06/2021 – Present, Layline Advisors, LLC, Advisor
- 03/2019 – 06/2021, Prudential, Financial Planner
- 06/2018 – 03/2019, Gentles Farm Market, Vendor Coordinator
- 02/2018 – 06/2018, Xceed Consulting, Database Coordinator

## **Professional Designations, Licensing & Exams**

**Certified Financial Planner (CFP):** I am certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). Therefore, I may refer to myself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and I may use these and CFP Board's other certification marks (the "CFP Board Certification Marks"). The CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold the CFP® certification. You may find more information about the CFP® certification at [www.CFP.net](http://www.CFP.net).

CFP® professionals have met CFP Board's high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- Education – Earn a bachelor's degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial

planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials. CFP Board implemented the bachelor's degree or higher requirement in 2007 and the financial planning development capstone course requirement in March 2012. Therefore, a CFP® professional who first became certified before those dates may not have earned a bachelor's or higher degree or completed a financial planning development capstone course.

- Examination – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual's ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- Experience – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- Ethics – Satisfy the Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement and agree to be bound by CFP Board's Code of Ethics and Standards of Conduct ("Code and Standards"), which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- Ethics – Commit to complying with CFP Board's Code and Standards. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- Continuing Education – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the Code and Standards.

## Item 3: Disciplinary Information

Matthew Lechner has no disciplinary history to disclose.

## Item 4: Other Business Activities

Matthew Lechner is not involved with outside business activities.

## Item 5: Additional Compensation

Matthew Lechner does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Layline.

## Item 6: Supervision

Mark Wyand, as Principal and Chief Compliance Officer of Layline, is responsible for supervision. He may be contacted at (585)210-8222.

## Item 7: Requirements for State Registered Advisers

1. Matthew Lechner has NOT been involved in any of the events listed below.
  - a. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
    - i. An investment or an investment-related business or activity;
    - ii. Fraud, false statements, or omissions;
    - iii. Theft, embezzlement, or other wrongful taking of property; iv. Bribery, forgery, counterfeiting, or extortion; or
    - v. Dishonest, unfair, or unethical practices.
  - b. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- i. An investment or an investment-related business or activity;
  - ii. Fraud, false statements, or omissions;
  - iii. Theft, embezzlement, or other wrongful taking of property;
  - iv. Bribery, forgery, counterfeiting, or extortion; or
  - v. Dishonest, unfair, or unethical practices.
- 2. Matthew Lechner has NOT been the subject of a bankruptcy petition