



2024

FORM ADV

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FIRM BROCHURE

THIS FIRM BROCHURE PROVIDES INFORMATION ABOUT THE QUALIFICATIONS AND BUSINESS PRACTICES OF DISCIPLINED GROWTH INVESTORS. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS FIRM BROCHURE PLEASE CONTACT US AT 612-317-4100 OR PETERR@DGINV.COM. THE INFORMATION IN THIS FIRM BROCHURE HAS NOT BEEN APPROVED OR VERIFIED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES AUTHORITY. DISCIPLINED GROWTH INVESTORS IS AN SEC-REGISTERED INVESTMENT ADVISER. THIS REGISTRATION DOES NOT IMPLY A CERTAIN LEVEL OF SKILL OR TRAINING.

ADDITIONAL INFORMATION ABOUT DISCIPLINED GROWTH INVESTORS IS ALSO AVAILABLE ON THE SEC'S WEBSITE AT WWW.ADVISERINFO.SEC.GOV. YOU CAN SEARCH THIS SITE BY A UNIQUE IDENTIFYING NUMBER KNOWN AS A CRD NUMBER. OUR FIRMS CRD NUMBER IS 106746.

MARCH 29, 2024

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ITEM 2: MATERIAL CHANGES

This item is intended to discuss material changes to this Firm Brochure since the last annual updating amendment. This Firm Brochure contains the following material changes since the last annual updating amendment:

Item 6 – Performance-based Fees and Side by Side Management was updated to reflect the management of The Outlier Fund LP, a limited partnership for which Disciplined Growth Investors Inc. is the General Partner and is eligible to receive a performance-based fee if the partnership achieves certain performance thresholds.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss was updated to include concentration of an account's assets in the securities of a small number of issuers as a principle risk of Disciplined Growth Investors Inc.'s Mid Cap Growth and Small Cap Growth strategies. This item was also updated to reflect our use of third-party "expert network" firms to supplement our proprietary research process.

Item 12 – Brokerage was updated to reflect our use of commission sharing arrangements (CSAs) for certain trades.

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ITEM 4: ADVISORY BUSINESS

Disciplined Growth Investors Inc. is a SEC-registered investment adviser with its principal place of business located in Minneapolis, Minnesota. Disciplined Growth Investors Inc. began conducting business in 1997. The firm intends to remain 100% employee owned. The firm's shareholders are listed below:

- Rob Nicoski, Chief Investment Officer
- Frederick Martin, Founder and Lead Portfolio Manager
- Rick Martin, Chief Executive Officer
- Sheri Lietzke, Director of Client Relationships
- Nicholas Hansen, Lead Portfolio Manager
- Jason Lima, Lead Portfolio Manager
- Peter Rieke, Chief Operating Officer & Chief Compliance Officer
- Evan Almeroth, DGI Fund Ambassador
- Beth Miller, Client Relationship Manager
- Katie Brever, Client Relationship Manager
- Kassandra Mauch, Technical Program Manager
- Cindy Lee, Operations Team Leader
- Lisa Rockrohr, Client Relationship Manager

DISCIPLINED GROWTH INVESTORS ADVISORY SERVICES

INSTITUTIONAL & HIGH NET WORTH INVESTMENT MANAGEMENT

Disciplined Growth Investors, Inc. provides investment management services to pension and profit-sharing plans, corporations and other business and government entities, charitable organizations including foundations and other non-profit entities, and select high net worth individuals. Disciplined Growth Investors, Inc. accepts separate account mandates for U.S. Mid Cap Growth Equities, U.S. Small Cap Growth Equities and Balanced Growth portfolios. Our two equity strategies are managed under a single process, with client-specific investment advice tailored within each strategy. Clients are permitted to impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

MUTUAL FUND

Disciplined Growth Investors, Inc. also serves as investment adviser to The Disciplined Growth Investors Fund (Ticker: DGIFX). More information about the Fund, including fees and investment minimums, is available in the Fund's prospectus.

COMINGLED INVESTMENT FUND

Disciplined Growth Investors, Inc. also serves as sub-adviser to The DGI Growth Fund R1 (Ticker: HDGIAX), a comingled investment fund (CIF) sponsored by Hand Benefits & Trust Co. More information about the Fund, including investor eligibility requirements and fees, is available in the Fund's participation agreement.

LIMITED PARTNERSHIPS

Disciplined Growth Investors, Inc. is the general partner and adviser to Compass Investors LP, Navigator Investors LP and The Outlier Fund LP ("the Partnerships"). More information concerning the Partnerships is available in the Partnerships' private offering memoranda.

DISCRETIONARY SUB-ADVISORY SERVICES

Disciplined Growth Investors, Inc. serves as sub-adviser to separately managed accounts through arrangements with other investment advisers.

ITEM 4: ADVISORY BUSINESS

AMOUNT OF MANAGED ASSETS

As of December 31, 2023 we were actively managing \$4,789,287,731 of clients' assets on a discretionary basis and \$0 on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

The manner in which fees are calculated and charged by Disciplined Growth Investors, Inc. is set forth in each clients' investment management agreement. Clients can choose to be billed for fees incurred or can authorize Disciplined Growth Investors Inc. to deduct fees from the client's account(s). Additional information regarding the deduction of fees is provided in the "Custody" section (Item 15) of this Firm Brochure.

Fees are billed quarterly in advance or in arrears depending on the specifics of each client's investment management agreement. Disciplined Growth Investors Inc. requires a minimum relationship size of \$5,000,000. This sum is negotiable under certain circumstances. Disciplined Growth Investors Inc. groups certain related client accounts for the purposes of achieving the minimum relationship size and determining the annualized fee.

FEE SCHEDULES

INSTITUTIONAL & HIGH NET WORTH INVESTMENT MANAGEMENT

The annual fee for Institutional and High Net Worth separate account portfolios will be billed as a percentage of assets under management, according to the following schedules:

MID CAP GROWTH EQUITY	SMALL CAP GROWTH EQUITY	BALANCED GROWTH
1.00% on the first \$5,000,000	1.00% on the first \$10,000,000	1.00% on the first \$25,000,000
0.75% on the next \$20,000,000	0.75% on the next \$15,000,000	Over \$25,000,000 fees are negotiable
Over \$25,000,000 fees are negotiable	Over \$25,000,000 fees are negotiable	

A minimum investment of \$5,000,000 is required for separate account relationships.

MUTUAL FUND

Information about the Fund's advisory fees and investment minimums is available in the Fund's prospectus.

COLLECTIVE INVESTMENT FUND

Information about the Fund's expenses and advisory fees is available in the Fund's participation agreement.

LIMITED PARTNERSHIPS

The advisory fees for Compass Investors LP, Navigator Investors LP and The Outlier Fund LP are set forth in each Limited Partnership's private offering memorandum.

LIMITED NEGOTIABILITY OF ADVISORY FEES

Although Disciplined Growth Investors Inc. has established the aforementioned fee schedules; we retain the discretion to negotiate alternative fees based on client circumstances and needs. These include the complexity of the client's financial situation, assets under management, anticipated future additional assets, related accounts, portfolio style, account composition and reports, among other factors. The specific annual fee schedule will be identified in the contract between Disciplined Growth Investors, Inc. and each client. Clauses governing future contracts with other clients will not be accepted. Discounts not generally available to our advisory clients are offered to family members and friends of associated persons of our firm.

ITEM 5: FEES AND COMPENSATION

GENERAL FEE INFORMATION

TERMINATION OF ADVISORY RELATIONSHIP

A client agreement can be canceled at any time, by either party, for any reason upon receipt of 30 days written notice or as guided by contract terms. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

MUTUAL FUND FEES

All fees paid to Disciplined Growth Investors Inc. for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs held in our clients' portfolios. These fees and expenses are described in each fund's prospectus; they will generally include a management fee, other fund expenses and where applicable a distribution fee. If the fund also imposes sales charges, a client will pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial goals and objectives. Accordingly, the client should review both the fees charged by the funds to properly evaluate the advisory services being provided.

ADDITIONAL FEES AND EXPENSES

In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer when we effect transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Firm Brochure for additional information.

GRANDFATHERING OF MINIMUM ACCOUNT REQUIREMENTS

Pre-existing advisory clients are subject to Disciplined Growth Investors Inc.'s minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ADVISORY FEES IN GENERAL

Clients should note that similar advisory services might be available from other registered or unregistered investment advisers for similar or lower fees.

LIMITED PREPAYMENT OF FEES

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

SEPARATELY MANAGED ACCOUNTS

As of the date of this Brochure, Disciplined Growth Investors Inc. does not receive a performance-based fee from any separately managed account clients, but may negotiate a performance-based fee arrangement at a future time with existing or prospective clients in accordance with the management fee policies outlined in Item 5 above. Performance-based fee arrangements can create an incentive for Disciplined Growth Investors, Inc. to recommend investments that are riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee-paying accounts over other accounts that employ the same investment strategy but are charged an asset-based fee (known as "side by side management"). This incentive could cause an investment adviser to allocate the "best" investment opportunities only to the higher-fee account and the better-executed trades to the higher-fee account. We have examined this potential conflict of interest and have created policies and procedures to ensure that all clients are treated fairly and equally over time and that no client is systematically disadvantaged. These policies and procedures are generally described in Item 12 below.

LIMITED PARTNERSHIPS

Disciplined Growth Investors Inc. is also the General Partner of Compass Investors LP, a New York limited partnership. Frederick K. Martin is the Special Limited Partner of Compass Investors, LP, and is responsible for the management of the partnership's portfolio. Frederick K. Martin is eligible to receive a performance-based fee if the performance of Compass Investors LP exceeds certain thresholds defined by the Partnership Agreement. Because of one of Disciplined Growth Investors Inc.'s control persons being eligible to receive a performance-based fee, we have a potential incentive to favor Compass Investors LP over other client accounts.

Disciplined Growth Investors Inc. is the General Partner of The Outlier Fund LP, a Delaware limited partnership. DGI is eligible to receive a performance-based fee if the performance of The Outlier Fund LP exceeds certain thresholds defined by the Partnership Agreement. Because of this, we have a potential incentive to favor The Outlier Fund LP over other client accounts.

Disciplined Growth Investors Inc. and its employees are permitted to, and frequently do, invest in the Limited Partnerships sponsored by Disciplined Growth Investors Inc. at reduced or no fees, as permitted by applicable law and regulation. We believe that these investments help align Disciplined Growth Investors' and its employees' financial interests with those of our clients. The Limited Partnerships, even if they are proprietary accounts of Disciplined Growth Investors, are treated like client accounts for the purpose of allocating investment opportunities.

We have examined these potential conflicts of interest and have created policies and procedures to ensure that all clients are treated fairly and equally over time and that no client is systematically disadvantaged. These policies and procedures are generally described in Item 12 below.

MUTUAL FUND

Disciplined Growth Investors, Inc. serves as adviser to The Disciplined Growth Investors Fund, an affiliated registered investment company. The management fee paid by the Fund exceeds those of some other clients, a potential conflict could arise between the Fund and Disciplined Growth Investors, Inc.'s other clients. We have examined this potential conflict of interest and have created policies and procedures to ensure that all clients are treated fairly and equally over time and that no client is systematically disadvantaged. These policies and procedures are generally described in Item 12 below.

ITEM 7: TYPES OF CLIENTS

Disciplined Growth Investors Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit-sharing plans (other than plan participants)
- Registered Investment Companies
- Other pooled investment vehicles
- Charitable organizations
- Corporations or other businesses not listed above
- State or municipal government entities
- General portfolios of mutual insurance companies
- As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

METHODS OF ANALYSIS

EQUITY INVESTMENT PHILOSOPHY

Disciplined Growth Investors' philosophy is to invest in companies that are expected to yield high returns. Stock returns can exceed a company's fundamental growth when purchased at a discount to intrinsic value. The valuation framework we utilize to assess intrinsic value was formulated by Benjamin Graham and originally published in 1934. We believe it is reasonable to assume that a stock will achieve its intrinsic value during our expected holding period of seven years.

MID CAP GROWTH INVESTMENT PROCESS

Disciplined Growth Investors' mid cap equity portfolio seeks new stock candidates with market caps between \$1 billion and \$15 billion. New ideas are generated from several sources that include multi-factor stock screens, investment conferences, industry trade shows or group meetings with management teams. The goal is to find stocks that meet our strict criteria of superior return on capital coupled with a competitive advantage relative to industry peers and the financial ability to meet reasonable growth objectives. Initial thoughts are confirmed with intensive analysis of SEC documents including the most recent 10Q, 10K and Proxy Statement and a conversation with management. Each factor is carefully considered when the analyst establishes an estimate of current and expected intrinsic value. Comparing these values to the market price yields our expected return. Our minimum expected return for a new mid cap position is 12%. Initial position size in the portfolio is 1%. Position sizes are increased to 2% and 3% upon confirming evidence of our thesis. Stock sales are made through a Darwinian process of allocating capital to the highest expected returns or if individual security risks become unacceptably high.

SMALL CAP GROWTH INVESTMENT PROCESS

Disciplined Growth Investors' small cap equity portfolio seeks new stock candidates with market caps between \$50 million and \$2 billion. New ideas are generated from several sources that include multi-factor stock screens, investment conferences, industry trade shows or group meetings with management teams. The goal is to find stocks that meet our strict criteria of superior return on capital coupled with a competitive advantage relative to industry peers and the financial ability to meet reasonable growth objectives. Initial thoughts are confirmed with intensive analysis of SEC documents including the most recent 10Q, 10K and Proxy Statement and a conversation with management. Each factor is carefully considered when the analyst establishes an estimate of current and expected intrinsic value. Comparing these values to the market price yields our expected return. Our minimum expected return for a new position in small caps is 15%. Initial position size in the portfolio is 1%. Position sizes are increased to 2% and 3% upon confirming evidence of our thesis. Stock sales are made through a Darwinian process of allocating capital to the highest expected returns or if individual security risks become unacceptably high.

ALLOCATION BETWEEN SMALL CAP AND MID CAP

There is an overlap between the targeted market cap ranges for our Mid Cap and Small Cap portfolios, between \$1 billion and \$2 billion. If a company's stock market value falls into this range, we will decide whether the stock belongs in our Small Cap portfolio, our Mid Cap portfolio, or both. Our criteria for this decision depends on more than just the market cap; it is based on the fundamental position of the company. Small Cap companies often have some, but not all, of the ingredients for success. These include but are not limited to good products, promising management, a large addressable market, adequate external or internal financial resources, emerging distribution, and a good but unseasoned culture. Mid Cap companies have more seasoned management, broader product lines, more established distribution, and more mature cultures. If our research and investment decisionmaking process identifies a company that fits our fundamental definition of a Mid Cap company but is selling at a Small Cap valuation, as defined by market cap we will invest in that company in both our Small Cap and Mid Cap portfolios. If the company is still fundamentally a Small Cap company, we will invest in it with our Small Cap portfolio until it has matured, at which point it will be eligible for inclusion in our Mid Cap portfolio.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

EXPERT NETWORKS

Disciplined Growth Investors Inc. uses pre-approved expert network firms to assist with industry and company-specific research. These are used to supplement our normal research process and not as a substitute to our own internally-generated fundamental analysis. Expert network firms provide us with access to individuals with expertise across a variety of industries. We have implemented policies and procedures to ensure that we do not inadvertently receive material non-public information from these experts, some of whom are insiders of public companies.

FIXED INCOME INVESTMENT PHILOSOPHY AND PROCESS

Disciplined Growth Investors' fixed income strategy must be viewed in the context of its application within a balanced portfolio. Its primary goal is to be a hedge against the adverse stock market events. Secondly is also a steady source of income to the overall portfolio. To that end the selection of bonds is targeted towards companies with excellent odds of being able to service their debt obligations. Said otherwise, we seek to take very little credit risk. Maturity positioning is tightly controlled to in an effort to maximize yield to maturity at time of purchase. This is an absolute return strategy with the prevailing current rates as its guide.

INVESTMENT STRATEGIES AND RISK OF LOSS

The following is a description of the principal risks of the investment strategies advised by Disciplined Growth Investors, Inc. There are other circumstances (including additional risks that are not described here), which could prevent Disciplined Growth Investors, Inc. from achieving its investment objective. Securities investments are not guaranteed, and clients can lose money on their investments.

MID CAP GROWTH EQUITY

STOCK MARKET RISK

Equity prices fluctuate and can decline in response to developments at individual companies and/or general economic conditions. Price changes can be temporary or last for extended periods. For example, stock prices have historically fluctuated in periodic cycles

STOCK SELECTION RISK

In addition to, or in spite of, the impact of movements in the overall stock market, the value of an account's investments can decline if the particular companies in which the account invests do not perform well in the market.

LONG TERM INVESTING RISK

A risk in a long-term purchase strategy is that by holding the security for this length of time, we might not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security could decline sharply in value before we make the decision to sell.

MID-CAPITALIZATION RISK

Mid-capitalization stocks are often more volatile and less liquid than investments in larger companies. The frequency and volume of trading in securities of mid-size companies is often substantially less than is typical of larger companies. Therefore, the securities of mid-sized companies are often subject to greater and more abrupt price fluctuations. In addition, mid-sized companies often lack the management experience, financial resources and product diversification of larger companies, making them more susceptible to market pressures and business failure.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

GROWTH STOCK RISK

Securities of companies perceived to be “growth” companies can be more volatile than other stocks and can involve special risks. The price of a “growth” security can be impacted if the company does not realize its anticipated potential or if there is a shift in the market to favor other types of securities.

SECTOR / INDUSTRY CONCENTRATION RISK

A significant amount of an account's assets is likely to be invested within the information technology sector. When an account focuses its investment in a sector or industry, it is particularly susceptible to the impact of market, economic, political, regulatory, and other factors affecting that sector or industry. Additionally, an account's performance can be more volatile when its investments are less diversified.

SECURITY CONCENTRATION RISK

A significant amount of an account's assets could be invested in securities of a small number of issuers, which means a single issuer's performance will affect the account's performance more than if the account were invested in a large number of issuers.

INFORMATION TECHNOLOGY SECTOR INVESTING RISK

Disciplined Growth Investors' Mid Cap Growth Equity strategy typically invests a significant portion of the portfolio in Information Technology companies. Information technology companies tend to rely significantly on technological events or advances in their product development, production or operations. The value of these companies, therefore, is particularly vulnerable to rapid changes in technological product cycles, government regulation, and competition. Information technology stocks, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market.

SMALL CAP GROWTH EQUITY

STOCK MARKET RISK

Equity prices fluctuate and can decline in response to developments at individual companies and/or general economic conditions. Price changes can be temporary or last for extended periods. For example, stock prices have historically fluctuated in periodic cycles

STOCK SELECTION RISK

In addition to, or in spite of, the impact of movements in the overall stock market, the value of an account's investments can decline if the particular companies in which the account invests do not perform well in the market.

LONG TERM INVESTING RISK

A risk in a long-term purchase strategy is that by holding the security for this length of time, we might not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security could decline sharply in value before we make the decision to sell.

SMALL-CAPITALIZATION RISK

Small-capitalization stocks are often more volatile and less liquid than investments in large- and mid-sized companies. The frequency and volume of trading in securities of small-sized companies is often substantially less than is typical of larger companies. Therefore, the securities of small-sized companies are often subject to greater and more abrupt price fluctuations. In addition, small-sized companies often lack the management experience, financial resources and product diversification of larger companies, making them more susceptible to market pressures and business failure.

GROWTH STOCK RISK

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

Securities of companies perceived to be “growth” companies can be more volatile than other stocks and can involve special risks. The price of a “growth” security can be impacted if the company does not realize its anticipated potential or if there is a shift in the market to favor other types of securities.

SECTOR / INDUSTRY CONCENTRATION RISK

A significant amount of an account's assets is likely to be invested within the information technology sector. When an account focuses its investment in a sector or industry, it is particularly susceptible to the impact of market, economic, political, regulatory, and other factors affecting that sector or industry. Additionally, an account's performance can be more volatile when its investments are less diversified.

SECURITY CONCENTRATION RISK

A significant amount of an account's assets could be invested in securities of a small number of issuers, which means a single issuer's performance will affect the account's performance more than if the account were invested in a large number of issuers.

INFORMATION TECHNOLOGY SECTOR INVESTING RISK

Disciplined Growth Investors' Small Cap Growth Equity strategy typically invests a significant portion of the portfolio in Information Technology companies. Information technology companies tend to rely significantly on technological events or advances in their product development, production or operations. The value of these companies, therefore, is particularly vulnerable to rapid changes in technological product cycles, government regulation, and competition. Information technology stocks, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market.

BALANCED GROWTH

Note: Disciplined Growth Investors' Balanced Growth product consists of our Mid Cap Growth Equity portfolio combined with a fixed-income allocation. The risks described below apply to the fixed-income portion of the product, and to the investment manager's allocation decisions between fixed-income and equities. Clients should also review the risks associated with the Mid Cap Growth Equity portfolio discussed above.

FIXED-INCOME SECURITY RISK

Portfolios will typically hold debt and other fixed-income securities to generate income. Typically, the values of fixed-income securities will change inversely with prevailing interest rates. Therefore, a fundamental risk of fixed-income securities is that their value will generally decline as prevailing interest rates rise, which can cause the portfolio's value to likewise decrease. The reverse is also true. How specific fixed-income securities react to changes in interest rates will depend on the specific characteristics of each security. Fixed-income securities are also subject to credit risk, prepayment risk, valuation risk, and liquidity risk.

HIGH-YIELD/HIGH-RISK BOND RISK

In some cases, portfolios will be invested in higher-yielding/higher-risk bonds. High-yield/high-risk bonds are often more sensitive than other types of bonds to economic and political change, or adverse developments specific to the company that issued the bond which can adversely affect their value.

ALLOCATION RISK

The asset classes in which the manager seeks investment exposure can perform differently from each other at any given time (as well as over the long term), so client portfolios will be affected by their allocation among equity and fixed-income securities. If the manager favors exposure to an asset class during a period when that class underperforms, performance can suffer. During periods

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

of rapidly rising equity prices, balanced portfolios might not achieve growth in value to the same degree as portfolios focusing only on stocks. The portfolio's investments in stocks can make it more difficult to preserve principal during periods of stock market volatility.

ITEM 9: DISCIPLINARY INFORMATION

Our firm and our management personnel have no reportable disciplinary events to disclose.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Disciplined Growth Investors, Inc. is not registered as a broker-dealer and is not affiliated with a broker-dealer. The Disciplined Growth Investors Fund is distributed by ALPS Distributors Inc., a registered broker-dealer. Certain employees of Disciplined Growth Investors, Inc. are registered representatives of ALPS Distributors, Inc.

Disciplined Growth Investors, Inc. serves as adviser to The Disciplined Growth Investors Fund ("the Fund"), an affiliated registered investment company. The management fee paid by the Fund will exceed those of some other non-Fund clients of DGI, so a potential conflict could arise. Disciplined Growth Investors, Inc. has examined this conflict and adopted policies and procedures to ensure that all clients are treated fairly.

Disciplined Growth Investors Inc. is also the General Partner of Compass Investors LP, a New York limited partnership, and of Navigator Investors LP, a Delaware limited partnership ("the Partnerships"). Frederick K. Martin is the Special Limited Partner and Managing General Partner of Compass and Navigator Investors, respectively, and is responsible for the management of the Partnerships' portfolios. The General Partner has designated itself as having primary responsibility for investment management and administrative matters, such as accounting tax and periodic reporting, pertaining to the Funds.

Disciplined Growth Investors Inc. and our members, officers and employees will devote to the Partnerships as much time as we deem necessary and appropriate to manage the Partnerships' business. Disciplined Growth Investors Inc. is not restricted from forming additional investment partnerships or other funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities could be in competition with the Partnerships and/or involve substantial time and resources of our firm. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of our management personnel and employees will not be devoted exclusively to the business of the Partnerships, but could be allocated between the business of the Partnerships and other of our business activities.

Investments in the Partnerships will be recommended to advisory clients for whom a partnership investment would be more suitable than would a separate advisory account managed by our firm. Clients who invest in the Partnerships are not charged any additional advisory fees other than the advisory fee allocated to the limited partners of the Partnership. The Partnerships are not required to register as an investment company under the Investment Company Act of 1940 in reliance upon an exemption available to funds whose securities are not publicly offered. Disciplined Growth Investors Inc. manages the Partnerships on a discretionary basis in accordance with the terms and conditions of the Funds' offering and organizational documents.

As discussed in the "Performance-Based Fees" section (Item 6) of this Firm Brochure, Frederick K. Martin is eligible to receive a performance-based fee if the performance of Compass Investors LP exceeds certain defined thresholds. Because of this arrangement, Disciplined Growth Investors could have an incentive to favor Compass Investors LP over other client accounts. We have examined this potential conflict of interest and have created policies and procedures to ensure that all clients are treated fairly and equally over time and that no client is systematically disadvantaged. These policies and procedures are generally described in Item 12.

ITEM 11: CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Disciplined Growth Investors Inc. has adopted a Code of Ethics that establishes high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Our personnel owe a duty of loyalty, fairness and good faith toward our clients and the profession. We have an obligation to adhere not only to the specific provisions of the Code of Ethics, but also to the general principles that guide the Code. The Code of Ethics includes policies and procedures for the review of employees' quarterly securities transactions reports, as well as initial and annual securities holdings reports, that must be submitted by the firm's access persons (all employees). Among other requirements, our Code of Ethics stipulates the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Disciplined Growth Investors Inc.'s Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe we have any particular access to non-public information, all employees are reminded that such information must not be used in a personal or professional capacity. Further, all individuals associated with our firm are prohibited from engaging in principal transactions and/or cross transactions. The code is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while also allowing employees to invest for their own accounts.

Disciplined Growth Investors Inc. and/or individuals associated with our firm are permitted to buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) are permitted to have an interest or position in certain securities which are also recommended to a client. As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm is permitted to put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm can buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. All employee trades in non-exempt securities must be pre-approved by DGI's Chief Compliance Officer or his/her designee. Employees may not transact for their personal accounts in any security if the same security is also being bought or sold in a client's account on the same day, unless pre-approval is granted prior to an unexpected client contribution, withdrawal, or directed sale.
4. Our firm requires prior approval for any private placement investments by related persons of the firm.
5. Employees are prohibited for participating in initial public offerings (IPOs).
6. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
7. We have established procedures for the maintenance of all required books and records.
8. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
10. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
11. Any individual who violates any of the above restrictions is subject to termination.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You can request a copy by email sent to peter@dginv.com, or by calling us at 612-317-4100.

ITEM 12: BROKERAGE PRACTICES

OUTSOURCED EQUITY TRADING FUNCTION

Disciplined Growth Investors, Inc. has chosen to outsource our equity trading function to Capital Institutional Services, Inc. ("CAPIS"). CAPIS seeks liquidity in the market, while Disciplined Growth Investors, Inc. maintains discretion over broker selection and the final placement of all trades. Because CAPIS provide these services to Disciplined Growth Investors, Inc., certain client trades are executed through CAPIS' proprietary brokerage, for which CAPIS charges a per-share commission. This creates a potential conflict of interest, as Disciplined Growth Investors, Inc. has an incentive to execute trades at CAPIS at the expense of obtaining best execution for our clients. Disciplined Growth Investors, Inc. has reviewed this potential conflict and has adopted policies and procedures to ensure that clients obtain best execution, including periodic reviews of CAPIS's trading performance by an independent third-party. The results of these third-party reviews are available to current and prospective clients upon request.

BROKER SELECTION AND BEST EXECUTION

For discretionary clients, Disciplined Growth Investors Inc. requires written authorization to determine the broker dealer to use and to negotiate commission costs. Disciplined Growth Investors Inc. will endeavor to select those brokers or dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services that will help us provide investment management services to clients. We will in some cases recommend or use a broker who provides useful research and securities transaction services even though a lower commission would be charged by a broker who offers no research services and minimal securities transaction assistance. Research services are useful in servicing all our clients, but not all such research are relevant to every transaction.

SOFT DOLLAR TRANSACTIONS

Consistent with obtaining best execution for clients, Disciplined Growth Investors Inc. directs brokerage transactions for clients' portfolios to brokers who provide research and execution services to our investment team and, indirectly, to our clients. These services are of the type described in Section 28(e) of the Securities Exchange Act of 1934 and are designed to augment our own internal research and investment strategy capabilities. This can be done without prior agreement or understanding by the client and at our discretion. Research services obtained through the use of soft dollars is developed by brokers to whom brokerage is directed or by third parties compensated by the broker. We believe that the research we receive will help us fulfill our overall duty to all clients. We do not use each particular research service, however, to service each client. Client trades that are unable to be executed via our outsourced equity trading function at CAPIS because of client direction, trade-away fees, or any other reason, will not be placed with soft dollar brokers. As a result, clients whose trades are not executed through CAPIS will benefit from soft dollar products and services that are paid for by the commissions generated by clients whose trades are executed through CAPIS. Broker-dealers we select are paid commissions for effecting transactions that exceed the amounts other broker-dealers would have charged if we determine in good faith that such amounts are reasonable in relation to the value of the brokerage and/or research services provided by those broker-dealers, viewed either in terms of a particular transaction or our overall duty to our discretionary client accounts.

Certain items obtainable with soft dollars are not used exclusively for either execution or research services. The cost of such "mixed-use" products or services will be fairly allocated and Disciplined Growth Investors Inc. makes a good faith effort to determine the percentage of such products or services that are considered as investment research. The portions of the costs attributable to non-research usage of such products or services are paid by our firm to the broker-dealer in accordance with the provisions of Section 28(e) of the Securities Exchange Act of 1934.

In certain cases, we will arrange for a portion of a trade's commission to be applied to another broker-dealer to compensate that broker dealer for research services provided. These arrangements are commonly known as commission-sharing arrangements (CSAs).

When Disciplined Growth Investors Inc. uses client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that Disciplined Growth Investors Inc. does not have to produce such products internally or compensate third parties with our own money for the delivery of such services. Therefore, use of clients' brokerage commissions results in a conflict of interest, because we have an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if these brokers do not offer the best price or commission rates for our clients. We have carefully examined this conflict of

ITEM 12: BROKERAGE PRACTICES

interest and created policies and procedures to ensure that client brokerage commissions are used to obtain the best overall execution quality.

Within our last fiscal year, Disciplined Growth Investors Inc. has obtained the following products and services on a soft-dollar basis:

THIRD PARTY SERVICE PROVIDER	SOFT DOLLAR COMMISSIONS TO	SERVICE TYPE
FactSet Research Systems, Inc	Capital Institutional Services, Inc	Non-proprietary

TRADE AGGREGATION AND ALLOCATION

Disciplined Growth Investors Inc. will aggregate trades where possible and when advantageous to clients. This practice permits the trading of blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading will in most cases allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Disciplined Growth Investors Inc. will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. Disciplined Growth Investors Inc.'s block trading policy and procedures are as follows:

1. Transactions for any client account will not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Disciplined Growth Investors Inc., or our firm's order allocation policy.
2. The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
3. The portfolio manager must reasonably believe that the order aggregation will enable us to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
4. Prior to entry of an aggregated order, an order ticket must be completed that identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
5. If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of the first business day of the trade must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation can be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation are made in some cases to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts. On subsequent business days, a random allocation will be employed to allocate shares among the participating client accounts.
6. Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.
7. Client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.
8. Funds and securities for aggregated orders are clearly identified on our records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.
9. Disciplined Growth Investors manages certain portfolios in which our employees and owners have an economic interest. These include the Compass Investors and Navigator Investors limited partnerships described in Item 4 and Item 10, as well as our Employee 401(k) Profit Sharing Plan. These portfolios are included in our trading performed by our outsourced equity trading function at CAPI, alongside other client portfolios. This creates a potential conflict of interest, as we could be incentivized to favor accounts in which DGI's employees and owners have an economic interest over other accounts. We have reviewed this potential conflict and have created policies and procedures, such as regular reviews of account performance and trading activity, to ensure that all portfolios are treated fairly over time.

Disciplined Growth Investors, Inc. monitors these practices to ensure that no clients are systematically disadvantaged over time.

ITEM 12: BROKERAGE PRACTICES

TRADE ROTATION

Disciplined Growth Investors, Inc.'s investment decisions are made by the investment team and executed across all accounts with similar investment objectives. Ideally, purchase and sale decisions would be aggregated into a single large block order for simultaneous execution. However, since some clients choose to direct brokerage activity to a particular broker-dealer, a single block trade is not always possible. In addition, liquidity varies by security and also varies over time. Therefore sequencing of orders is required when implementing an investment decision across multiple accounts. To ensure the fair treatment of all clients, Disciplined Growth Investors, Inc. will regularly rotate order sequencing so that no client consistently receives first or last execution. Trade rotation will typically cause some clients to receive a higher (or lower) price than other clients on any particular trade, depending on their place in the rotation order. DGI's policies are designed to ensure that all clients are treated fairly over time.

TRADE AWAY FEES

Certain clients direct the use of a specific custodian such as Fidelity or Charles Schwab & Co. The custodians generally do not charge you separately for custody services but are compensated by charging you commissions or other fees on trades that it executes or that settle into your account. In addition, the custodian/broker will in some cases charge you a flat dollar amount or "trade away" fee as prime broker for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your custodial account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer.

If your account does not meet the required minimum size as designated by your custodian, you should be aware that we will typically trade through your designated custodian, and as a result DGI will not have authority to negotiate commissions or obtain volume discounts, and a similar execution price will not typically be achieved. In addition, a disparity in commission charges will typically exist between the commissions charged to other clients. We have determined that having your custodian execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

PREFERRED CUSTODIAN

Clients can choose a broker/dealer or other custodian for their account(s). In cases where a client does not have a previously established relationship with a broker/dealer or other custodian, Disciplined Growth Investors will typically suggest our preferred custodian. We have an arrangement with National Financial Services LLC, and Fidelity Brokerage Services LLC (together with all affiliates, "Fidelity") through which Fidelity provides our firm with their "platform" services. The platform services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like our firm in conducting business and in serving the best interests of our clients but that also benefit us.

Fidelity charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity's commission rates are generally considered discounted from customary retail commission rates. However, the commissions and transaction fees charged by Fidelity could be higher or lower than those charged by other custodians and broker-dealers.

As a result of receiving such services for no additional cost, Disciplined Growth Investors Inc. has an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of our clients and satisfies our client obligations, including our duty to seek best execution. A client could pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness.

ITEM 12: BROKERAGE PRACTICES

Accordingly, while we seek competitive rates to the benefit of all clients, we might not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that are obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client will be used to pay for research that is not used in managing that specific client's account. Disciplined Growth Investors Inc. and Fidelity are not affiliated, and no broker-dealer affiliated with us is involved in the relationship between Disciplined Growth Investors Inc. and Fidelity.

ITEM 13: REVIEW OF ACCOUNTS

While the underlying securities within client accounts are continually monitored, individual account compositions are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews are triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Individuals responsible for accounts are reviews are:

- Rob Nicoski, Chief Investment Officer
- Frederick Martin, Founder & Lead Portfolio Manager
- Nick Hansen, Lead Portfolio Manager
- Jason Lima, Lead Portfolio Manager
- Sheri Lietzke, Director of Client Relationships
- Lisa Rockrohr, Client Relationship Manager
- Beth Miller, Client Relationship Manager
- Katie Brever, Client Relationship Manager

REPORTS

In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer or custodian, we provide quarterly reports summarizing account performance, balances and holdings.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

It is Disciplined Growth Investors Inc.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

ITEM 15: CUSTODY

Disciplined Growth Investors Inc. previously disclosed in the "Fees and Compensation" section (Item 5) of this Firm Brochure that our firm directly debits advisory fees from some of our client accounts. All client accounts are maintained by an outside, qualified custodian.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there is an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, Disciplined Growth Investors Inc. also sends account reports directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these reports to ensure that all account transactions, holdings, and values are correct and current.

ITEM 16: INVESTMENT DISCRETION

Clients hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Our discretionary authority includes the ability to do the following without contacting the client:

1. Determine the security to buy or sell; and/or
2. Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm and can limit this authority by giving us written instructions. Clients can also amend such limitations by providing us with written instructions.

ITEM 17: VOTING CLIENT SECURITIES

Disciplined Growth Investors Inc. votes proxies for all client accounts; however, clients have the right to vote their own proxies by instructing us in writing to not vote proxies in their account. We will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact their client service representative by telephone, email, or in writing.

Clients can obtain a copy of our complete proxy voting policies and procedures by contacting Peter Rieke, Chief Compliance Officer by telephone, email, or in writing. Clients can request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client. Clients can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. Clients can also instruct us on how to vote in a particular proxy contest by contacting us at 612-317-4100.

ITEM 18: FINANCIAL INFORMATION

Disciplined Growth Investors Inc. has not been the subject of a bankruptcy petition at any time during its history. Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered; therefore, we are not required to include a financial statement.

Disciplined Growth Investors Inc. has no additional financial circumstances to report.