

Form ADV Part 2A – Firm Brochure
Item 1 – Cover Page

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Date of Brochure: March 2024

This brochure provides information about the qualifications and business practices of Mark Bell Advisory Services, Inc. If you have any questions about the contents of this brochure, please contact Mark Bell at 312-840-8265 or at mark@markbelladvisory.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Mark Bell Advisory Services is also available on the Internet at www.adviserinfo.sec.gov. You can view the firm's information on this website by searching for Mark Bell Advisory Services. You may search for information by using the firm's name or the firm's CRD number. The CRD number for Mark Bell Advisory Services is **107114**.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

Since filing the last annual update in March 2023, there have been no material changes to this disclosure brochure.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time, we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Description of Advisory Firm

Mark Bell Advisory Services, Inc. is a FEE ONLY investment advisor registered with the United States Securities and Exchange Commission (“SEC”). The firm is a Sub-S corporation formed under the laws of the State of Illinois.

- The firm’s sole owner, President, Chief Compliance Officer and sole employee is R. Mark Bell. Please refer to the Brochure Supplement section of this document for information regarding my education and business experience.
- Mark Bell Advisory Services has been registered as an investment advisor with the SEC since December 10, 1990.

Description of Advisory Services

In an effort to focus my attentions on my existing clients, my firm is a “closed practice”. This means that I am not actively seeking new clients. The only new clients that might engage the firm for the services outlined in this Disclosure Brochure would be close family members or close friends of existing clients.

Thus, much of the information that explains how potential new clients might be serviced or charged is simply laid out in case a client or two is accepted. Existing clients are provided the services described below, but fee arrangements with current clients will represent fee schedules that were in effect when those clients began using the services of Mark Bell Advisory Services, which can date back to 1990. Any new clients will be subject to the current fee schedule as outlined in Item 5 – Fees and Compensation of this Disclosure brochure. Through Mark Bell Advisory Services, I provide two types of services to my clientele:

- ✓ Money Management Services
- ✓ Financial Planning Services

Money Management Services

Money Management Services (also known as investment management, portfolio management or asset management services) involve providing clients with continuous and on-going supervision over their accounts. I consider myself to specialize in this service and all clients receiving this Disclosure Brochure are provided this service. This means that I will continuously monitor a client’s account and make trades in client accounts when necessary. Through this service, I implement a customized and individualized investment program for clients by applying my investment strategy and philosophy. I actively manage client investment portfolios in accordance with the client's individual needs, return objectives and risk tolerance.

Through this service, I will provide to you a current asset allocation schedule, a recommended asset allocation schedule, and, at the outset of the engagement, an investment policy statement outlining your specific goals and objectives, and a written specific investment strategy identifying specific investment

assets for purchase and/or sale. Independent investment research from Morningstar is provided for recommended equity & fixed income mutual fund & ETF investments, and generic educational investment material will be provided and reviewed, reflecting historic investment experience. I provide unlimited telephone contact to all clients.

Clients are always responsible for notifying Mark Bell Advisory Services of any changes to their financial situation or investment objectives. I meet with each client on a periodic basis throughout the year, at which time the asset allocation schedule will be updated to reflect the current allocation. Any changes the client wants made to their strategic equity targets will be addressed. We also review performance monitoring reports which reflect actual investment experience of the assets managed by the firm. Updated research on the existing and recommended investments will be reviewed as well.

Throughout the year, I will assist the client in the implementation of the agreed upon strategy. I monitor the domestic and international equity and bonds markets, as well as the client's portfolio, and will proactively rebalance the client portfolios if conditions warrant it.

It should be noted that occasionally the firm will be retained to invest only a portion of a client's assets (those outside of employee benefit plans, such as a 401k for example), yet the client's desire is to have the strategy integrated with the current allocation of their employee benefit plans, so that the entire asset allocation is in balance. This of course requires additional research time, and effort in terms of the asset allocation schedule, and could result in higher costs.

Money Management Services are provided through accounts held at Charles Schwab & Company, Inc. as a result of the firm's participation in the Schwab Institutional platform. Services can also be provided through brokerage and custodial platforms selected by a client. Charles Schwab & Company, Inc. is a registered broker/dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC) and will serve as the client's qualified custodian and maintain physical custody of all client funds and securities. You must designate Mark Bell Advisory Services as your investment advisor on the accounts you'd like Mark Bell Advisory Services to manage. Mark Bell Advisory Services will be granted limited power-of-attorney on the accounts to implement trades within the account and (when agreed to by the client) deduct the Mark Bell Advisory Services advisory fees from the account. Please refer to Item 12 – Brokerage Practices and Item 15 – Custody for more information.

I am reasonably available to consult with clients relative to the status of their accounts. A client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the accounts. A separate account is always maintained for each client with the broker-dealer/custodian and the client retains all rights of ownership to their accounts (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

It is important that you understand that Mark Bell Advisory Services manages investments for other clients and can give them advice or take actions for them or for my personal accounts that is different from the advice I provide to you or actions I take for you. I am not obligated to buy, sell or recommend to you any security or other investment that I buy, sell or recommend for any other clients or for my own accounts.

Conflicts can arise in the allocation of investment opportunities among accounts that I manage. I strive to allocate investment opportunities believed appropriate for your account(s) and other accounts advised by

my firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to my attention will be allocated in any particular manner. If I obtain material, non-public information about a security or its issuer that I cannot lawfully use or disclose, I have absolutely no obligation to disclose the information to any client or use it for any client's benefit. In fact, my Code of Ethics prohibits my use of such information for the benefit of anyone!

Financial Planning Services

I provide advisory services in the form of financial planning consultations and written financial plan modules. Financial planning services do not involve the active management of client accounts, but instead focus on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Not all clients of my firm are in need of financial planning services and therefore not all clients receive this service. This service is provided to clients that have financial needs beyond simply managing their investment assets.

Financial Planning Services can involve one or more modules of a financial plan (which supplement the money management services) which are tailored to the client's specific needs. Modules can include:

- ✓ Net worth statement
- ✓ Detailed statement that reflects the client's assets by account
- ✓ Retirement model and supporting schedules
- ✓ Life insurance needs model and supporting schedules
- ✓ Review of existing estate documents and comments pertaining to them
- ✓ Review of client's tax returns & comments attendant to them
- ✓ Discussion of re-financing or mortgage decisions
- ✓ Discussion and review of Long Term Care Insurance
- ✓ Other schedules as are needed to address the client's specific circumstances

For Money Management clients in need of this service, I provide periodic meetings and telephone contact (Money Management clients not receiving financial planning services can also contact me whenever they have concerns about their accounts managed by my Firm). Portions of the financial plan are updated at each of the periodic meetings as needed. Investment performance monitoring reports are provided at the periodic meetings reflecting actual investment performance of the recommended assets and portfolios. Often times recommendations made in connection with financial planning services are prepared with the intention of clients implementing such recommendations through my Money Management Services. However, you are not obligated to do so. If you elect to implement my advice provided as part of the financial planning services, implementation will be made through the Money Management Services described above.

At this time, I do not charge an additional or separate fee for financial planning services, although that can change in the future. All such services are covered under the fees paid for Money Management services. Please refer to Item 5 – Fees and Compensation for more information.

Limits Advice to Certain Types of Investments

Mark Bell Advisory Services can provide investment advice on the following types of investments.

- No-Load (i.e., no trading fee) and Load-Waived (i.e., trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e., stocks)
- Securities traded over-the-counter (i.e., stocks)
- Fixed income securities (i.e., bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Foreign Issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- United States government securities
- Options contracts on securities
- Interests in partnerships investing in real estate, oil and gas interests

Mark Bell Advisory Services does not provide advice on options contracts on commodities, futures contracts on tangibles or intangibles, or hedge funds and other types of private (i.e., non-registered) securities.

When providing Money Management Services, the firm will typically construct a tailored & diversified portfolio for each client using primarily open & closed end mutual funds (including money market funds), Exchange Traded Funds, CDs, and individual taxable & tax-exempt bonds as well as other investments as deemed appropriate. However, I do not recommend individual stock positions or options contracts when managing accounts. I can modify your investment strategy to accommodate special situations like low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Tailor Advisory Services to Individual Needs of Clients

My services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts I manage for you, including specific investment selections and sectors. I work with each client on a one-on-one basis through on-going meetings, phone calls, emails and initial interviews to determine the client's investment objectives and suitability information.

Client Assets Managed by Mark Bell Advisory Services

The amount of client assets managed by Mark Bell Advisory Services totaled \$129,125,934 as of December 31, 2023, all managed on a discretionary basis.

Item 5 – Fees and Compensation

Fees for Money Management Services

As a reminder to the reader, this section speaks to the methodology used in calculating a NEW CLIENT/PROSPECT's fee; there is no intention to modify existing client fee schedules. The firm provides Money Management Services for a percentage of assets under management. As a reminder to the reader, the firm is a FEE-ONLY firm. That means 100% of the firm's revenue is derived only from the fee the client pays. The firm does NOT collect any type of commission of any sort. As stated in Item 4, fees charged for Money Management services also cover any financial planning services I provide to clients.

The standard fee schedule is 1.00% annually on the first \$1,000,000 + 0.75% on the next \$1,000,000 and 0.50% on the excess over \$2,000,000. Unless an exception is granted, all clients will be charged a minimum annual fee of at least \$10,000.

The actual fee charged to each client can vary based upon the relative complexity of a client's specific circumstance. Factors that affect the fee include but are not limited to the following: the number of accounts, the amount of time involved in any transfers of accounts or assets, the organizational structure of the raw material with which the firm will produce an asset allocation schedule and investment policy statement, and the level of sophistication of the client which will impact the amount of time necessary to manage the account. The exact fee for services will be agreed upon and disclosed in the agreement for services prior to services being provided.

Thus, to the extent the specific client's circumstance differs from the "normal" circumstance, suggesting a higher level of involvement and time commitment, a higher fee will result compared to other clients.

Fees are billed quarterly in advance and are due on the first day of each quarter beginning with the contract date. Fees are calculated using the fair market value of the assets under management as of the last trading day of the prior quarter.

Lower fees for comparable services may be available from other sources.

Deduction of Fees from Client Accounts

Fees are generally deducted directly from the client's account. Clients must provide the custodian with written authorization to have fees deducted from the account and paid to Mark Bell Advisory Services. See Item 15 of this Disclosure Brochure for information regarding custody.

Other Fees and Expenses

Clients do not pay front end or back end loads. Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to the client. Mark Bell Advisory Services is a FEE ONLY advisor and thus, has never and will never receive any portion of such commissions or fees from the custodian or client. Please refer to Item 12 – Brokerage Practices for more information. In addition, clients incur (in very rare instances) certain charges imposed by third parties other than Mark Bell Advisory Services in connection with investments made through the account, including but not limited to, 12b-1 fees and IRA or qualified retirement plan fees. These types of third-party fees can be incurred if client has a 401k plan which is NOT custodied at Charles Schwab and that has limited offerings available to the client, which incorporate these types of charges. Management fees charged by Mark Bell Advisory Services are separate and distinct from the fees and expenses charged by investment company

securities recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Termination of Services

Either party can terminate the Money Management Services by providing five days' written notice to the other party. Upon termination, at the written request of the client, any unearned portion of fees paid in advance to shall be refunded (determined by proration on a daily basis), less reasonable start-up expenses of up to \$1,000 (applies to a new client only). If a client terminates services within five days of the date of executing an agreement, there will be no penalty (less reasonable start-up expenses of up to \$1,000). In this event the client must be aware that any investment recommendation implemented by Mark Bell Advisory Services during the initial five-day period and prior to receipt of the notice from the Client terminating this Agreement shall be at Client's sole risk.

Item 6 – Performance-Based Fees and Side-By-Side Management

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Mark Bell Advisory Services **does not charge or accept performance-based fees** which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Mark Bell Advisory Services generally provides investment advice to the following types of clients:

- Individuals
- High-Net Worth Individuals
- Pension and profit-sharing plans of individual clients
- Trusts and estates of individual clients

All clients are required to execute an agreement for services in order to establish a client arrangement.

Minimum Investment Amounts Required

Unless an exception is granted, Mark Bell Advisory Services imposes a minimum fee of \$10,000 annually. We do not impose minimum investment amounts or account balances.

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

Mark Bell Advisory Services uses the following investment strategies when managing client assets and/or providing investment advice.

My firm creates tailor made personalized diversified portfolios for each client, consistent with their investment policy statement, which incorporate their own individual tax situation and risk profile. That portfolio is then monitored closely and "rebalanced" periodically, as certain asset classes deviate from their agreed upon target allocations. Broadly speaking there are 3 different "core" portfolio types that each portfolio starts from: an income portfolio for conservative clients in need of income/cash flow, a total return portfolio for moderate risk clients who want to balance income and growth and growth portfolio's for aggressive clients more interested in long term growth than income. Portfolios may use a combination of passive and active mutual funds/ETFs.

Some of the risks involved with using this method include:

(1) In a very strongly trending upward stock market, the portfolio may not keep up with the indices given that the portfolio is diversified which by definition means that not all holdings move in the same direction and in the same magnitude at the same time.

(2) In a very strongly trending upward market the client may want to change their target allocations to risk assets (upward) instead of sticking with the strategy and thereby not rebalancing as suggested by the original strategy. This would expose more of the portfolio to a downward move in the future (since the client chose not to rebalance when the markets were high).

(3) In a strongly downward trending market the client may choose not to rebalance by buying more of an asset class which is falling, thereby not participating fully when the markets turn around and move up.

My firm uses a long term buy and hold strategy while rebalancing periodically as dictated by the investment policy statement and market movements. The following are some of the general strategies that may be used by the no load mutual funds and ETFs that clients hold:

- Long term purchases - Investments held at least a year.
- Short term purchases - Investments sold within a year.
- Trading (Tactical Allocation) - Investments sold within 30 days.
- Relative Value Trades – going long some investments while shorting others
- Protecting the portfolio from significant downside risk by using options or other derivatives.

Mark Bell Advisory Services uses the following methods of analysis in formulating investment advice.

My firm primarily uses no-load mutual funds, ETFs, and individual bonds in portfolio construction, NOT individual equities.

My firm evaluates mutual funds utilizing the Morningstar Database among other research tools and attempts to select funds with superior (as compared to similar funds) long term risk adjusted returns and assemble a portfolio of funds that complement one another. I focus on selecting funds without front-end and back-end sales charges as well as 12B-1 charges, with expense ratios generally below the average for that fund's category. I search for funds with managers that have very long tenure, or if a relatively new fund, have a fund firm behind them with very long tenure. I attempt to utilize funds where the managers themselves have a vested interest in the success of the fund as proven by their personal investment (and or their firm's) personal investment in the same fund. In some cases, the managers become "partners" so to speak with my clients, investing right alongside them in the same fund and incurring the same risk adjusted returns.

In many cases I select funds that are available only to institutional clients (as opposed to retail investors) in an attempt to minimize disruptive cash flows into and out of the fund. It is very important that the managers "stick to their knitting" and do not deviate from their core strength. Thus, I monitor the funds to make sure they are implementing the type of investment discipline that they publicly state they are using, and that has been responsible for their past performance.

When possible and appropriate I pay attention to the “location” of assets – placing more tax efficient funds outside of deferred accounts and vice-versa.

In selecting ETFs, I strive to identify those with adequate liquidity, from reputable long-standing firms, that have historically shown very low tracking error relative to their benchmark.

In selecting fixed income investments, I pay specific attention to the ratings from the various rating agencies and in many cases seek out pre-refunded or escrowed bonds (backed by treasury or state and local securities to enhance protection of principal). I also attempt to find solid credits and rely on the underlying credit (even in cases when the bond has insurance). Typically, I stick with General Obligation Bonds and Essential Services Revenue Bonds while avoiding AMT bonds. When appropriate I will buy “odd lot” sizes as they are priced much better, when liquidity is not a concern. Checking bond prices vis-à-vis competitive prices is also utilized.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, my firm is unable to represent, guarantee, or even imply that my services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through my investment management program.

- ETF and Mutual Fund Risk – When my firm invests in an ETF or mutual fund, you will bear additional expenses based on its pro rata share of the ETFs or mutual fund’s operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will NOT incur brokerage costs when purchasing ETFs. Many of the following risks apply to securities held within the no-load funds and ETFs that clients own.
- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Management Risk – Your investment with my firm varies with the success and failure of my investment strategies, research, analysis and determination of portfolio securities. If my investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

This item is not applicable to this brochure because there are no legal or disciplinary events listed at Item 9 of the Form ADV Part 2 instructions that are material to a client's or prospective client's evaluation of the firm's business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Mark Bell Advisory Services, Inc. is an independent investment advisory firm and only provides investment advisory services. The firm is not engaged in any other business activities and offers no other services than those described in this Disclosure Brochure.

Mark Bell Advisory Services is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

All investment advice, research and recommendations are provided "in-house" by Mark Bell. I will use research provided to my firm by various companies such as mutual funds or banks (J.P. Morgan for example) newspapers (WSJ for example) etc.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

Mark Bell Advisory Services adheres to a strict code of ethics. The code of ethics set forth standards of conduct to safeguard material nonpublic information about client transactions, and address conflicts that arise from personal trading by advisory personnel. Among other things, the rule requires advisers to record their personal securities transactions as part of the firm's books and records to be readily available to regulators when requested. The code of ethics is designed to promote compliance with fiduciary standards by investment advisors.

Mark Bell Advisory Services avoids situations where personal interest or relationships could conflict with my fiduciary responsibilities to clients. My securities transactions will not disadvantage clients, (front running). I am prohibited from trading personally or for clients in securities about which I have any inside information. I abide by blackout periods, for trading any securities, other than mutual funds & ETFs. I prohibit myself from buying or selling any securities, other than mutual funds & ETFs, for one full day prior to a client's purchase or sale of the same security.

Mark Bell Advisory Services will provide a copy of its code of ethics to any client or prospective client upon request.

Affiliate and Employee Personal Securities Transactions Disclosure

You should know that I will buy or sell mutual funds, ETFs or bonds that are also recommended to clients (including you). These investments are generally widely held and publicly traded. In other words, my personal purchase of a mutual funds or ETFs is NOT going to affect the pricing of that mutual fund or ETF, since my buy or sell is a very small amount of the volume traded of the ETF or mutual fund. In addition, mutual funds are all purchased or sold at the same price at the end of the day, and consequently my personal trades do not affect the prices my clients (or anyone for that matter) gets. These facts minimize any conflict of interest that will otherwise arise. In addition, in accordance with my fiduciary duty to clients, I always place client interests ahead of my own investment interests. These procedures are reasonably designed to prevent me from personally benefiting from client transactions.

It should be noted that I will hold for my personal accounts securities that I do not recommend to clients. For example, to supplement the mutual funds, ETFs and bonds I own in my personal accounts, I may personally invest in individual stocks and options. However, I do not recommend individual stocks and options for my clients.

Item 12 – Brokerage Practices

Clients are under no obligation to act on recommendations of Mark Bell Advisory Services. If the firm is responsible for the implementation of any recommendations, I am also responsible to ensure that the client receives the best execution possible.

Specific to accounts where Mark Bell Advisory Services will be granted trading authorization and be responsible for placing trades in accounts, clients must establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Not all investment advisors require the use of a particular broker/dealer. However, due to compliance and operational

considerations, I have decided to implement a policy requiring clients to use one specific broker/dealer when they want me to exercise trading authorization. To the extent clients have accounts they would like me to review, analyze or include in their overall asset allocation reports that I will not exercise trading authority, clients are free to use any other broker/dealer or custodian of their choosing. For those accounts, the client is solely responsible for all trade implementations.

Mark Bell Advisory Services is independently owned and operated and not affiliated with Schwab. Schwab provides me with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets is maintained in accounts at Schwab Institutional and *is not otherwise contingent upon Mark Bell Advisory Services committing to Schwab any specific amount of business (assets in custody or trading)*. Schwab's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. All client assets are currently held at Charles Schwab.

For Mark Bell Advisory Services client accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts. My firm does not receive any part of the commissions or transaction fees that Schwab charges to the clients of my firm. I actually negotiate with Schwab to reduce the minimum & maximum transaction fees and commissions paid by my clients.

Schwab also makes available to Mark Bell Advisory Services other products and services that benefit the firm but do not directly benefit its clients' accounts. Some of these other products and services assist the firm in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of fees from clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services are generally used to service all or a substantial number of accounts, including accounts not maintained at Schwab Institutional. Schwab Institutional also makes available to Mark Bell Advisory Services other services intended to help manage and further develop its business enterprise. These services include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. As a fiduciary, Mark Bell Advisory Services acts in its clients' best interest. The firm's suggestion that clients maintain their assets in accounts at Schwab is based, at least in part, on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab. This is a conflict of interest. In the opinion of Mark Bell, this conflict is mitigated because Mark Bell would continue to use Charles Schwab even if the fees were not occasionally waived. Mark Bell would not end a 30-year plus relationship with Charles Schwab, given their client service and reputation, if these fees were no longer occasionally waived. Moreover, our recommendation to use Charles Schwab is based primarily on the totality of services provided to our clients and our best execution evaluation of Charles Schwab.

Charles Schwab has been selected by Mark Bell Advisory Services as custodian from among the various other primary providers (such as Fidelity & individual mutual fund companies) based upon many factors, some (but not all) of which follow. On an ongoing basis over the years, my firm has compared and contrasted Schwab's service offering to that of Fidelity and others by communicating with the other

custodians as to their offerings, and by learning of the other custodian's performance level through various other fee-only investment advisors which my firm meets and speaks with throughout the year. Schwab is the largest publicly held independent discount broker. Many clients prefer the transparency of publicly available financial data of a publicly traded entity (such as Charles Schwab) to the lack of publicly available financial data of a privately held firm (such as Fidelity). Clients also feel comfortable with the availability of publicly available independent ratings of Schwab's financial strength via Moody's and S & P bond ratings. Many clients preferred using an independent broker, as opposed to one that was a subsidiary or affiliated in some way with a bank or other financial institution. Schwab was the first firm to utilize the "shopping market" approach to mutual fund custody, allowing clients a much wider selection of mutual funds from which to select than Schwab's competitors did, especially early on, when most of my clients established their accounts. Schwab has consistently offered the highest (or equal to the highest) amount of SIPC coverage to client accounts. Fidelity's business was originally based upon offering load mutual funds, Schwab's was not. Our clients purchase no-load mutual funds almost exclusively and thus, Schwab was a better fit. I have negotiated with Schwab a flat \$15 transaction fee on the purchase/sale of transaction fee mutual funds. Schwab also offers many mutual funds & ETFs with no transaction fee. Schwab allows clients to own numerous mutual funds from various mutual fund companies all in one account. Clients prefer this methodology to opening as many as a dozen separate accounts at a dozen other mutual fund companies, even though they can buy the mutual funds directly through the other companies with no transaction fee. Clients can save money by reducing the time (and therefore the fee) that their accountants spend on their tax preparation, by virtue of dealing with only 1 form 1099 vs. up to a dozen form 1099's.

Due to the amount of assets Mark Bell Advisory Services has placed at Schwab, my clients enjoy a reduced commission schedule. Nonetheless, the firm is always striving to provide clients with best execution, and therefore will also utilize other broker-dealers to execute certain transactions when such broker-dealers provide demonstrably superior research and/or strategies/service. These are known as "trade-aways" and in all instances the securities purchased are delivered to and held in client accounts at Charles Schwab. Mark Bell Advisory Services has negotiated a very low \$15 trade away fee that the client pays to Schwab to effect a trade away.

In an effort to realize best execution when buying individual bonds, the firm frequently buys bonds from bond dealers other than Charles Schwab and has these bonds delivered into the clients Schwab account, this process is known as a "trade away". We utilize SP Financial Group of Arkadios Capital for fixed income trading. SP Financial Group is one of the largest fixed-income teams in the country servicing the RIA (Registered Investment Advisor) channel and provides advisors with sophisticated fixed-income strategies. Mark Bell Advisory Services has and will continue to negotiate reduced commission schedules with any outside broker-dealers utilized for client trades.

Over the course of every 12-month period I examine their execution of fixed income trades and resulting yields relative to their peers comparing pricing and yields in real time to both Charles Schwab and/or other fixed income brokers and/or publicly available web sites such as "investing in bonds" or the "MSRB" web site. SP Financial provides general market research as well as specific research related to client assets at no additional charge. In addition, they provide significant service in terms of tracking and maintaining control of client purchases which facilitates advisors back office work. This generalized research is utilized to service all of our clients.

Brokers and dealers do not refer clients to me.

I do not utilize mutual fund or ETF block trading. In other words, I do NOT buy \$3,000,000 of a mutual fund/ETF at once and allocate it into every client's account. Instead, the fund/ETF is bought individually for each client. Please recognize that there is no benefit to client accounts (they do not pay less in transaction fee's) by trading no-load mutual funds or ETFs in a block form.

Handling of Trade Errors.

Based on industry practice and SEC guidance to broker-dealers, a trade error under this policy is defined as including:

- Inaccurate transmission or execution of any term of an order including, but not limited to price; number of shares or other unit of trading; identification of the security; identification of the account for which securities are purchased or sold; short sales that were instead sold long or vice versa; or the execution of an order on the wrong side of a market;
- Unauthorized (because of misunderstanding or mistake) or unintended purchase, sale or allocation of securities, or the failure to follow specific client instructions; and
- Incorrect entry of data into relevant systems, including reliance on incorrect cash positions, withdrawals or securities positions reflected in an account.

From time to time an error may occur in submitting a trade order on behalf of the client. When this occurs Mark Bell Advisory Services may place a correcting trade with Charles Schwab. If an investment gain results from the correcting trade, the gain will remain in the clients account unless (1) the same error involved other client account(s) that should have received the gain, (2) it is not permissible for you to retain the gain, or (3) I confer with you and you decide to forego the gain.

If a loss occurs the client or Mark Bell Advisory Services will pay for the loss depending on how the error occurred. (If Schwab is the custodian then Schwab will maintain the loss or gain (if such gain is not retained in your account) if it is under \$100 to minimize and offset its administrative time and expense.) Generally, if related trade errors result in both gains and losses in the client's account, they will be netted. Gains of more than \$100 not retained in the client account, will be donated by Charles Schwab to a charity chosen by Charles Schwab.

It is important to remember that historically the firm has had few trade errors. This is due to the fact that all trades are placed individually, (as opposed to using a block trading and allocation system), and that the principal of the firm, Mark Bell, takes great care in placing each trade, triple checking it upon submission and confirming it upon settlement.

Item 13 – Review of Accounts

Account Reviews and Reviewers

A review in this context is defined as a meeting with the client to review the performance of the client's portfolio, to update the investment strategy, discuss rebalancing the portfolio, update the client on the macro-economic environment and answer any and all questions the client might pose. All reviews will be thorough and encompass any changes from prior review. These reviews are performed periodically, based upon the client's particular need for contact, changing personal circumstances, changing market conditions etc.

Mark Bell will (i) interview the client regarding his/her financial situation and needs at the opening of the account and at least annually thereafter, (ii) attempt to determine, periodically, whether there has been a change in the client's financial situation and needs, (iii) provide the client with an account review periodically, and (iv) be reasonably available to the client during normal business hours.

Mark Bell's function is to operate the business and service the client accounts. Reviews are performed in compliance with the firm's guidelines for each client as to areas of emphasis (i.e., investment management, asset allocation,) within the frequency of review parameters set forth above.

In addition, Mark reviews all transactions that occur within client accounts held at Charles Schwab on a daily basis.

Statements and Reports

Clients receive asset allocation schedules and updated investment strategy updates at least annually. Clients will receive statements monthly from their qualified custodian (i.e. Charles Schwab) at which their accounts are maintained, or at a minimum quarterly (in those cases wherein there is no activity in an IRA account). Clients are encouraged to always compare reports provided by Mark Bell Advisory Services against the accounts statements delivered from their broker/dealer-qualified custodian. For clients receiving financial planning services, written reports are provided on an as-needed basis.

Item 14 – Client Referrals and Other Compensation

Mark Bell Advisory Services does not directly or indirectly compensate anybody for client referrals – recall that I have a closed practice and am NOT soliciting new clients.

The firm operates on a FEE-ONLY basis. The only revenue received by the firm comes directly from the client in the form of the quarterly investment advisory fee as described in Item 5 – Fees and Compensation and the non-fee benefits and arrangements with Charles Schwab & Company, Inc. described in Item 12 – Brokerage Practices. Mark Bell Advisory Services receives NO other form of compensation in connection with providing investment advice.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

Mark Bell Advisory Services is deemed to have custody of client funds and securities whenever the firm is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody maintained by the firm.

For accounts in which Mark Bell Advisory Services is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name,

address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Mark Bell Advisory Services. When clients have questions about their account statements, they should contact Mark Bell Advisory Services or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Through my **Money Management Services** and upon receiving written authorization from a client, I will maintain trading authorization over client accounts. Upon receiving written authorization from the client, I will implement trades on a **discretionary** basis (as provided by the client in the Firm's agreement for services). When discretionary authority is granted, I will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is my policy to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client. All clients have the ability to place reasonable restrictions on the types of investments purchased in an account.

Item 17 – Voting Client Securities

Mark Bell Advisory Services will NOT vote proxies on behalf of your account. While there are some investment advisors that will vote proxies and other corporate decisions on behalf of their clients, I have determined that taking on the responsibility for voting client securities does not add enough value to the services provided to clients to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in accounts managed by my firm.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by my firm. Although the firm does NOT vote client proxies, if you have a question about a particular proxy feel free to contact me.

Item 18 – Financial Information

This item is not applicable to this brochure. Mark Bell Advisory Services does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, the firm is not required to include a balance sheet for my firm's most recent fiscal year. The firm is not subject to a financial condition that is reasonably likely to impair the firm's ability to meet contractual commitments to clients. Finally, Mark Bell Advisory Services has not been the subject of a bankruptcy petition at any time.

Information Required by Part 2B of Form ADV: Brochure Supplement

The following are responses to each item found in the Form ADV Part 2B instructions.

Item 1 – Cover Page

This brochure supplement provides information about my background that supplements the information previously provided in this brochure. Please let me know if you have any questions about the contents of this supplement. Additional information about my background is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience

Robert Mark Bell, CFP®, Born: October 27, 1958

Education Background

- University of Denver, Denver, Colorado; M.B.A. Finance, 1985
- Purdue University, West Lafayette, Indiana; B.S. Accountancy, 1981

Business Background

- Mark Bell Advisory Services, Inc., President and Founder, Chicago, Illinois - November 1990 – Present
- Senior Financial Counselor, Asset Management Group, Chicago, Illinois – 1985 - 1990

Professional Designation – CFP®

I am a CERTIFIED FINANCIAL PLANNER™ certificant or CFP® certificant and according to CFP® Rules of Conduct, I must provide clients with contact information, information about the services I provide, any conflicts of interest I may have related to the provision of services, and the costs to clients associated with the services being provided. These important disclosures are contained in this Disclosure Brochure. Descriptions of the specific advisory and financial planning services provided to each client are contained in each client's agreement with Mark Bell Advisory Services.

I have acknowledged my responsibility as a CFP® certificant to adhere to the standards that have been established in the CFP® Board's Standards of Professional Conduct. If a client believes my conduct may violate the Standards of Professional Conduct, the client may file a complaint with the CFP® Board at www.CFP.net/complaint.

The Certified Financial Planner™ (CFP®) designation is issued by the Certified Financial Planner Board of Standards, Inc. A candidate for designation must first obtain a bachelor's degree (or higher) from an accredited college or university and have 3 years of full-time personal financial planning experience. A candidate must then complete a CFP-board registered program or hold one of the following: Certified Public Accountant (CPA), Chartered Financial Consultant (ChFC), Chartered Life Underwriter (CLU), Chartered Financial Analyst (CFA), PhD. in business or economics, Doctor of Business Administration or attorney's license. The candidate must pass a certification examination and complete 30 hours of continuing education every 2 years.

Professional Affiliation – NAPFA

As a proud member of the National Association of Personal Financial Advisors (NAPFA), I am strictly a FEE-ONLY FINANCIAL PLANNER AND INVESTMENT ADVISOR. I do not sell annuities, insurance, stocks, bonds, mutual funds, limited partnerships, or other commissioned products. I am not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder's fees are accepted.

You are welcome to read the NAPFA Fiduciary Oath, NAPFA Code of Ethics, and the Certified Financial Planners Code of Ethics all of which govern my professional behavior and are available on their respective websites. NAPFA website: www.napfa.org. CFP website: www.cfp.net.

During every two-year cycle NAPFA-Registered Financial Advisors must complete 60 hours of continuing education.

Item 3 – Disciplinary Information

As previously stated in Item 9 of this Disclosure Brochure, I have never been subject to a legal or disciplinary event.

Item 4 – No Other Business Activities

I am not engaged in any other business activities.

Item 5 – Additional Compensation

Other than the fees detailed in Item 5 of this Disclosure Brochure and the benefits and services received from Charles Schwab & Company, Inc. described in Item 16 of this Disclosure Brochure, I receive no other compensation related to advisory services provided to clients.

Item 6 – Supervision

I am the sole investment advisor representative of Mark Bell Advisory Services and the Chief Compliance Officer. I am ultimately responsible for all activities and services provided by the firm.