

**Form ADV Part 2A - Brochure**  
**Dated March 15, 2024**

**Coyle Financial Counsel, LLC**  
**dba Coyle**

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This Form ADV Part 2 (“Brochure”) provides information about the qualifications and business practices of Coyle. If you have any questions about the contents of this Brochure, please contact us at (847) 441-5644. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any other state securities authority.

Coyle is a registered Investment Advisor. However, please note that registration as an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information to assist you in determining to hire or retain an Advisor.

Additional information about Coyle is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2 - Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary. There are no material changes from the last update of this disclosure statement issued on September 28, 2023.

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#### ITEM 4 – Advisory Business

Coyle Financial Counsel, LLC (“Coyle” or the “firm”) is an SEC registered Investment Advisory firm, with the following beneficial owners: Coyle Holdings, LLC (owned by Gary W. Klaben and Kevin T. Coyle), Adam R. Blonsky, and John G. Finley.

Coyle’s principal office and place of business is located at 2700 Patriot Blvd., Suite 440, Glenview, IL 60026. Regular business hours are from 8:30 am – 5:00 pm Monday thru Friday. The firm can be contacted by phone at 847-441-5644 and by fax at 847-441-5258. Coyle has one branch office: 12381 S. Cleveland Ave., Suite 200, Fort Myers, FL 33907.

Founded in 1972, Coyle provides three basic services to advisory clients: Discretionary Asset Advisory Services, Non-Discretionary Asset Advisory Services, and Wealth Advisory Services. Each of these separate services are further described below as well as in the applicable Advisory Contract. Services are provided to individuals, families, retirement plans, trusts, estates, charitable organizations and/or other business entities.

As of 12/31/2023, the firm managed \$723,186,255 of discretionary client assets and \$99,857,880 of non-discretionary client assets.

#### Financial Assessment Services

Coyle shall provide Client with services with respect to such facets of Client’s financial situation as provided in the Financial Assessment Agreement or as specifically requested by Client and outlined by Coyle (the “Assessment Services”). The Assessment Services include the following:

**Step 1: Current Financial Assessment.** The first step of the Financial Assessment Service (FAS) is to provide the Client with a thorough and detailed understanding of their current financial situation. Through broad discussion, detailed fact-finding and thoughtful consideration, the goal is to assist the Client in assessing their preparedness toward achieving their short-term, intermediate, and long-term financial objectives.

**Step 2: Projections.** After reviewing the Client’s current financial situation, Coyle will filter the various details of the Client’s financial picture into a projection showing how it may evolve in the future under the assumptions of its current configuration. Coyle and the Client will assess the Client’s preparedness for achieving their goals together, considering areas for potential improvements and evaluate potential action steps. At this stage of the process, other professional advisors (e.g., the Client’s attorney, accountant, insurance agent, etc.) may need to be consulted to assess the viability of alternatives being considered. Please note that Coyle cannot provide any tax or legal advice or opinions.

**Step 3: Recommendations.** Once projections based upon current circumstances are complete, Coyle will then summarize its recommendations and provide an alternate projection incorporating potential changes. Coyle will then compare each of these projections and review them with the Client.

The ultimate goal of the FAS is to assist the Client in understanding alternatives that may enhance their ability to achieve their objectives, provide clarity on how such planning initiatives could be implemented and introduce processes to consider that may prove beneficial as the Client continues to work toward achieving desired objectives.

The Client will have complete discretion regarding what recommendations from the FAS to implement, if any, as well as who the Client wishes to retain to assist them in any such implementation. The FAS does not include follow-up assistance or ongoing coordination related to the implementation of any recommendations resulting from this service. In such circumstances, separate engagements between the Client and Coyle are required.

#### Discretionary Asset Advisory Services

The Investment Advisory services Coyle provides consists of the purchase and sale of securities and management of accounts for clients. Services typically include:

1. Establishment and ongoing review/adjustment of Investment Objectives
2. Establishment and adjustment of overall asset allocation strategy
3. Selection, review and evaluation of investment portfolios
4. Performance analysis and evaluation
5. Portfolio rebalancing
6. Strategic risk management

Coyle provides investment strategies that employ tactical and strategic asset allocation approaches to the management for its discretionary accounts as further described in Item 8 of this brochure.

Coyle's discretionary asset advisory services are predicated on the client's investment objectives, goals, tolerance for risk, and other personal and financial circumstances. Coyle will analyze each client's current investments, investment objectives, goals, age, time horizon, financial circumstances, investment experience, investment restrictions and limitations, and risk tolerance and implement a portfolio consistent with such investment objectives, goals, risk tolerance and related financial circumstances. In addition, Coyle may utilize third-party software to analyze individual security holdings and separate account managers utilized within the client's portfolio.

Clients have the right to provide the firm with any reasonable investment restrictions that should be imposed on the management of their portfolio (to be noted on the client agreement), and should promptly notify the firm in writing of any changes in such restrictions or in the client's personal financial circumstances, investment objectives, goals and tolerance for risk. Coyle will remind clients of their obligation to inform the firm of any such changes or any restrictions that should be imposed on the management of the client's account. Coyle will also contact clients at least annually to determine whether there have been any changes in a client's personal financial circumstances, investment objectives and tolerance for risk.

#### Non-Discretionary Advisory Services

Coyle provides Non-Discretionary services for clients including managing assets in variable contract subaccounts. The scope of this non-discretionary service may include individual account and/or overall portfolio consulting and advice, consolidated reporting and assistance in the development of investment policies, guidelines, and objectives, the selection of managers (which may or may not include Sub-Managers), performance monitoring and manager evaluations and searches. Coyle may retain the services of other investment advisers specializing in manager searches, monitoring, and evaluation.

#### Use of Sub-Managers

Coyle also offers individual account management investment programs that are managed by Sub-Managers which clients may select to include in their overall investment plan by completion of the applicable Investment Approach designation. These Sub-Managers contracted with Coyle to

provide separate account investment. The fees charged by Sub-Managers are in addition to Coyle's fees. These Sub-Managers may (subject to written client consent) execute transactions for Coyle clients through the Custodian Coyle currently uses: Schwab Institutional ("Schwab"), a division of Charles Schwab & Co., Inc, a FINRA registered broker/dealer, member SIPC.

#### Financial, Wealth and Family Consulting Services

Coyle provides various levels of ongoing consultative services on a fee basis. Such services and the sub-service components comprise three (3) major areas: Planning, Coordination and Investment Advice, Consulting & Administration. The scope of and fee for such services and sub-service varies according to the complexity of the client's personal, family, business, investment and estate affairs.

#### Project-Based Services

Coyle provides various limited scope project-based services on a fee basis. The fee for such services varies according to the project scope. The fee and scope for a particular project is jointly agreed upon between Coyle and the client.

The areas that Coyle may provide Wealth Advisory or Project-Based Services may include the following:

1. Comprehensive Financial Planning
2. Investment Research and Administration
3. Asset Allocation and Portfolio Management
4. Cash Flow Management
5. Record Keeping & Reporting
6. Comprehensive Financial Reporting
7. Risk Management
8. Tax & Compliance
9. Business Planning
10. Lifestyle Management
11. Estate Planning and Administration
12. Strategic Philanthropy & Administration
13. Family Meetings & Education
14. Family Legacy Planning

Coyle does not provide tax or legal advice.

#### Monthly Subscription Services

Coyle offers a variety of topics designed for individuals who are in various stages of the wealth cycle (i.e., Initiators, Accelerators, and Accumulators). These services may include important information regarding cash flow management, budgeting, a variety of financial planning topics such as insurance, executive compensation, tax planning, investments, risk, education planning and a variety of reporting services.

## ITEM 5 – Fees and Compensation

Our fee schedule for Discretionary and Non-Discretionary Management is as follows:

### ***Non-Discretionary and Discretionary Equity Accounts***

<i>Total Non-Discretionary and Discretionary Assets</i>	<i>Applicable Rate*</i>
First \$5,000,000.00	0.60%
Next \$5,000,000.00	0.50%
Next \$10,000,000.00	0.40%
Over \$20,000,000.00	0.25%

\*For Coyle discretionary accounts, the firm adds an additional .20% charge to its base fee schedule at each tier identified above.

### ***Fixed Income Accounts***

<i>Total Fixed Income Assets</i>	<i>Applicable Rate</i>
First \$5,000,000.00	0.30%
Next \$5,000,000.00	0.25%
Next \$10,000,000.00	0.20%
Over \$20,000,000.00	0.125%

Investment management fees are based upon “Net Asset Value,” which is determined as of the close of trading on the last trading day of the prior quarter multiplied by the applicable annual rate divided by four for each quarterly period. Investment management fees are billed quarterly in advance and charged at an annualized rate that varies depending on the size of the household, client and account. Client authorizes Coyle to directly debit fees from Client accounts unless Client specifically requests to be billed directly. Client is responsible for all other fees related to the Account, including but not limited to any Sub-manager fee (if applicable), transaction fees and charges assessed by the custodian, wire transfers and custodial fees for Custodians, brokerage commissions and mark-ups/mark-downs, and additional charges mandated by law. Sub-manager fees are listed on the associated Investment Account Disclosure. Sub-manager fees generally decrease as the total value of all invested Coyle assets with each sub-manager increases; therefore, sub-manager fees are written in the Investment Approach Disclosure as a no-more-than fee.

Fixed Income accounts will be charged separately and not integrated with equity accounts for aggregated fee discount purposes.

Coyle reserves the right, in its sole discretion, to offer reduced fees to individual households, clients or accounts. Actual fees are negotiable and may vary among clients.

Please be advised that the manner in which client fees are assessed creates conflicts of interest. Coyle has an economic incentive to recommend Coyle managed portfolios versus other types of accounts as it yields a greater economic benefit than its Base Fee discretionary and non-discretionary management services. In addition, Coyle has an economic incentive to recommend equity versus fixed income strategies because equity accounts, whether Coyle-managed or sub-managed, yield a greater economic benefit to the firm. Although Coyle places its clients’ interests ahead of its own interests it is important that you understand the aforementioned conflicts of interest.

Advisory Contracts can be cancelled at any time, by either party, in writing with five days prior notice. Any unbilled advisory fees will be charged at that time (or any pro-rata refund will be provided, depending on whether fees billed in advance or in arrears).

#### Financial Assessment Fees

The Financial Assessment Fees are billed in advance based upon the following schedule or as otherwise agreed upon between the Client and Coyle after discussing Client's specific circumstances and needs).

Net Worth Level	Less than \$5 Million	\$5-25 Million	Over \$25 Million
Fee	\$5,000	\$10,000	\$25,000

#### Financial, Wealth, and Family Consulting Services Fees

An annual fee (billed quarterly) is agreed upon in advance by the client and Coyle ranging normally from \$2,500 to \$50,000 or more depending on the client complexity. If the client cancels, any fees paid upon retention will be refunded as follows:

- Termination within 5 days of date of agreement – 100%
- Termination after 5 days of date of agreement – Will be refunded pro-rata.

#### Project-Based Fees

A one-time project fee is agreed on in advance by the client and Coyle. The fee for such services varies according to the project scope and is mutually agreed upon by the client and Coyle prior to project execution. If the client cancels, any fees paid upon retention will be refunded as follows:

- Termination within 5 days of date of agreement – 100%
- Termination after 5 days of agreement – Will be refunded pro-rata.

#### Monthly Subscription Fees

Clients will pay Coyle a monthly subscription fee in advance, ranging from \$50 to \$150 per month based on the level of service selected. This service may be terminated by either party at any time upon written notice to the other party. The termination shall become effective at the end of the month such notice is given, unless either party requests a later termination, provided however that if either party gives notice less than three business days before the end of the month, termination shall become effective at the subsequent month's end.

#### Additional Client Fees Charged

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by exchange-traded funds, mutual funds, separate account managers, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, and by any broker-dealer or custodian retained by the client. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using Coyle may be precluded from using certain mutual funds or separate account managers because they may not be offered by the client's custodian. Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.



#### Important Disclosure – Custodian Investment Programs

Please be advised that the firm utilizes certain custodians/broker-dealers. Under these arrangements we can access certain investment programs offered through such custodian(s) that offer certain compensation and fee structures that create conflicts of interest of which clients need to be aware. Please note the following:

*Limitation on Mutual Fund Universe for Custodian Investment Programs:* There are certain programs in which we participate where a client's investment options may be limited in certain of these programs to those mutual funds and/or mutual fund share classes that pay 12b-1 fees and other revenue sharing fee payments, and the client should be aware that the firm is not selecting from among all mutual funds available in the marketplace when recommending mutual funds to the client.

*Conflict Between Revenue Share Class (12b-1) and Non-Revenue Share Class Mutual Funds:* Revenue share class/12b-1 fees are deducted from the net asset value of the mutual fund and generally, all things being equal, cause the fund to earn lower rates of return than those mutual funds that do not pay revenue sharing fees. The client is under no obligation to utilize such programs or mutual funds. Although many factors will influence the type of fund to be used, the client should discuss with their investment adviser representative whether a share class from a comparable mutual fund with a more favorable return to investors is available that does not include the payment of any 12b-1 or revenue sharing fees given the client's individual needs and priorities and anticipated transaction costs. In addition, the receipt of such fees can create conflicts of interest in instances where the custodian receives the entirety of the 12b-1 and/or revenue sharing fees and takes the receipt of such fees into consideration in terms of benefits it may elect to provide to the firm, even though such benefits may or may not benefit some or all of the firm's clients.

#### ITEM 6 – Performance Based Fees and Side-By-Side Management

Coyle does not charge any performance-based fees of any kind (those fees that are based upon a share of capital gains or capital appreciation of client assets).

#### ITEM 7 – Types of Clients

Coyle provides its Advisory Services to individuals, families, retirement plans, trusts, estates, charitable organizations, or other business entities. Coyle's target client has a minimum household net worth over \$1,000,000, which can be waived in Coyle's sole discretion.

#### ITEM 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

**Investing in securities of any kind involves risk, including declines in volatile market conditions or loss of principal that clients must be prepared to accept.**

##### Methods of Analysis

Coyle uses a variety of sources of data to conduct its economic, investment and market analysis, which may include economic and market research materials prepared by others, conference calls hosted by individual companies or mutual funds, corporate rating services, annual reports, prospectuses, and company press releases, and financial newspapers and magazines. It is

important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

Coyle and its investment adviser representatives are responsible for identifying and implementing the methods of analysis used in formulating investment recommendations to clients. The methods of analysis may include quantitative methods for optimizing client portfolios, computer-based risk/return analysis, technical analysis, and statistical and/or computer models utilizing long-term economic criteria.

- Fundamental analysis is a method of evaluating the intrinsic value of an asset and analyzing the factors that could influence its price in the future. This form of analysis is based on external events and influences, as well as financial statements and industry trends.
- Optimization involves the use of mathematical algorithms to determine the appropriate mix of assets given the firm's current capital market rate assessment and a particular client's risk tolerance.
- Quantitative methods include analysis of historical data such as price and volume statistics, performance data, standard deviation and related risk metrics, how the security performs relative to the overall stock market, earnings data, price to earnings ratios, and related data.
- Technical analysis involves charting price and volume data as reported by the exchange where the security is traded to look for price trends.
- Computer models may be used to derive the future value of a security based on assumptions of various data categories such as earnings, cash flow, profit margins, sales, and a variety of other company specific metrics.

In addition, Coyle reviews research material prepared by others, as well as corporate filings, corporate rating services, and a variety of financial publications. Coyle may employ outside vendors or utilize third-party software to assist in formulating investment recommendations to clients.

#### Mutual Funds, Individual Securities, Third-Party Separate Account Managers, and Pooled Investment Vehicles

Coyle may recommend "institutional share class" mutual funds, individual securities (including fixed income instruments), and pooled investment vehicles. Coyle may also assist the client in selecting one or more appropriate manager(s) for all or a portion of the client's portfolio. Such managers will typically manage assets for clients who commit to the manager a minimum amount of assets established by that manager—a factor that Coyle will take into account when recommending managers to clients.

A description of the criteria to be used in formulating an investment recommendation for mutual funds, ETFs, individual securities (including fixed-income securities), managers, and pooled investment vehicles is set forth below.

Coyle has formed relationships with third-party vendors that

- provide a technological platform for separate account management
- prepare performance reports
- perform or distribute research of individual securities

- perform billing and certain other administrative tasks

Coyle may utilize additional independent third parties to assist it in recommending and monitoring individual securities, mutual funds, managers, and pooled investment vehicles to clients as appropriate under the circumstances.

Coyle reviews certain quantitative and qualitative criteria related to mutual funds and managers and to formulate investment recommendations to its clients.

Quantitative criteria may include

- the performance history of a mutual fund or manager evaluated against that of its peers and other benchmarks
- an analysis of risk-adjusted returns
- an analysis of the manager's contribution to the investment return (e.g., manager's alpha), standard deviation of returns over specific time periods, sector and style analysis
- the fund, sub-advisor or manager's fee structure
- the relevant portfolio manager's tenure

Qualitative criteria used in selecting/recommending mutual funds or managers include the investment objectives and/or management style and philosophy of a mutual fund or manager; a mutual fund or manager's consistency of investment style; and employee turnover and efficiency and capacity.

Quantitative and qualitative criteria related to mutual funds and managers are reviewed by Coyle on a quarterly basis or such other interval as appropriate under the circumstances. In addition, mutual funds or managers are reviewed to determine the extent to which their investments reflect efforts to time the market, or evidence style drift such that their portfolios no longer accurately reflect the particular asset category attributed to the mutual fund or manager by Coyle (both of which are negative factors in implementing an asset allocation structure).

Coyle may negotiate reduced account minimum balances and reduced fees with managers under various circumstances (e.g., for clients with minimum level of assets committed to the manager for specific periods of time, etc.). There can be no assurance that clients will receive any reduced account minimum balances or fees, or that all clients, even if apparently similarly situated, will receive any reduced account minimum balances or fees available to some other clients. Also, account minimum balances and fees may significantly differ between clients. Each client's individual needs and circumstances will determine portfolio weighting, which can have an impact on fees given the funds or managers utilized. Coyle will endeavor to obtain equal treatment for its clients with funds or managers, but cannot assure equal treatment.

Coyle will regularly review the activities of mutual funds and managers utilized for the client. Clients that engage managers or who invest in mutual funds should first review and understand the disclosure documents of those managers or mutual funds, which contain information relevant to such retention or investment, including information on the methodology used to analyze securities, investment strategies, fees and conflicts of interest. Similarly, clients qualified to invest in pooled investment vehicles should review the private placement memoranda or other disclosure materials relating to such vehicles before making a decision to invest.

#### Material Risks of Investment Instruments

Coyle generally invests in the following types of securities:

- Equity securities
- Mutual fund securities
- Exchange-traded funds
- Fixed income securities
- Municipal securities
- Private placements
- Pooled investment vehicles
- Real Estate Investment Trusts (“REITs”)
- Hedge funds
- Private Equity
- Preferred Securities

#### **Equity Securities**

Investing in individual companies involves inherent risk. The major risks relate to the company’s capitalization, quality of the company’s management, quality and cost of the company’s services, the company’s ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company’s ability to create shareholder value (i.e., increase the value of the company’s stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

#### **Mutual Fund Securities**

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

#### **Exchange-Traded Funds (“ETFs”)**

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs®, streetTRACKS®, DIAMONDSSM, NASDAQ 100 Index Tracking StockSM (“QQQs SM”) iShares® and VIPERs®. ETFs have embedded expenses that the client indirectly bears.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF’s underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

**Fixed Income Securities**

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign) and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds have liquidity and currency risk.

**Municipal Securities**

Municipal securities carry additional risks than those of corporate and bank-sponsored debt securities described above. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer is domiciled.

**Private Placements**

Private placements carry significant risk in that companies using the private placement market conduct securities offerings that are exempt from registration under the federal securities laws, which means that investors do not have access to public information and such investors are not provided with the same amount of information that they would receive if the securities offering was a public offering. Moreover, many companies using private placements do so to raise equity capital in the start-up phase of their business, or require additional capital to complete another phase in their growth objective. In addition, the securities issued in connection with private placements are restricted securities, which means that they are not traded on a secondary market, such as a stock exchange, and they are thus illiquid and cannot be readily converted to cash.

**Pooled Investment Vehicles**

A pooled investment vehicle, such as a commodity pool or investment company, is generally offered only to investors who meet specified suitability, net worth and annual income criteria. Pooled investment vehicles sell securities through private placements and thus are illiquid and subject to a variety of risks that are disclosed in each pooled investment vehicle's confidential private placement memorandum or disclosure document. Investors should read these documents carefully and consult with their professional advisors prior to committing investment dollars. Because many of the securities involved in pooled investment vehicles do not have transparent trading markets from which accurate and current pricing information can be derived, or in the case of private equity investments where portfolio security companies are privately held with no publicly traded market, the firm will be unable to monitor or verify the accuracy of such performance information.

**Real Estate Investment Trusts ("REITs")**

A REIT is a tax designation for a corporate entity which pools capital of many investors to purchase and manage real estate. Many REITs invest in income-producing properties in the office, industrial, retail, and residential real estate sectors. REITs are granted special tax considerations, which can significantly reduce or eliminate corporate income taxes. In order to qualify as a REIT and for these special tax considerations, REITs are required by law to distribute 90% of their taxable income to investors. REITs can be traded on a public exchange like a stock, or be offered as a non-traded REIT. REITs, both public exchange-traded and non-traded, are subject to risks including volatile fluctuations in real estate prices,

as well as fluctuations in the costs of operating or managing investment properties, which can be substantial. Many REITs obtain management and operational services from companies and service providers that are directly or indirectly related to the sponsor of the REIT, which presents a potential conflict of interest that can impact returns on investments.

Non-traded REITs include: (i) A REIT that is registered with the Securities and Exchange Commission (SEC) but is not listed on an exchange or over-the-counter market (non-exchange traded REIT); or, (i) a REIT that is sold pursuant to an exemption to registration (Private REIT). Non-traded REITs are generally blind pool investment vehicles. Blind pools are limited partnerships that do not explicitly state their future investments prior to beginning their capital-raising phase. During this period of capital-raising, non-traded REITs often pay distributions to their investors.

The risks of non-traded REITs are varied and significant. Because they are not exchange-traded investments, they often lack a developed secondary market, thus making them illiquid investments. As blind pool investment vehicles, non-traded REITs' initial share prices are not related to the underlying value of the properties. This is because non-traded REITs begin and continue to purchase new properties as new capital is raised. Thus, one risk for non-traded REITs is the possibility that the blind pool will be unable to raise enough capital to carry out its investment plan. After the capital raising phase is complete, non-traded REIT shares are infrequently re-valued and thus may not reflect the true net asset value of the underlying real estate investments. Non-traded REITs often offer investors a redemption program where the shares can be sold back to the sponsor; however, those redemption programs are often subject to restrictions and may be suspended at the sponsor's discretion. While non-traded REITs may pay distributions to investors at a stated target rate during the capital-raising phases, the funds used to pay such distributions may be obtained from sources other than cash flow from operations, and such financing can increase operating costs.

With respect to publicly traded REITs, publicly traded REITs may be subject to additional risks and price fluctuations in the public market due to investors' expectations of the individual REIT, the real estate market generally, specific sectors, the current yield on such REIT, and the current liquidity available in public market. Although publicly traded REITs offer investors liquidity, there can be constraints based upon current supply and demand. An investor when liquidating may receive less than the intrinsic value of the REIT.

#### **Hedge Funds**

A hedge fund is an alternative investment vehicle suitable for sophisticated investors, such as institutions and individuals that typically meet the Qualified Investor standard under the Investment Advisers Act of 1940. Hedge funds may invest in traditional securities, such as stocks, bonds, commodities and real estate, but they typically use sophisticated (and risky) investments, strategies, and techniques. Hedge funds typically use long-short strategies, which invest in some balance of long positions (which means buying stocks) and short positions (which means selling stocks with borrowed money, then buying them back later when their price has, ideally, fallen).

Additionally, many hedge funds invest in "derivatives," which are contracts to buy or sell another security at a specified price. Many hedge funds also use leverage, which is essentially investing with borrowed money—a strategy that could significantly increase return potential, but also creates greater risk of loss.

Third, hedge funds are structured as private funds, exempt from registration, have limited liquidity, and complex tax structures. Most hedge funds, in contrast, seek to generate returns over a specific period of time called a “lockup period,” during which investors cannot sell their shares.

Hedge fund managers earn a “management fee,” typically in the range of 1% to 2% of the net asset value of the fund. In addition, the hedge fund manager receives a percentage of the returns they earn for investors (performance-based fee), which typically is 20% of the net profits over some hurdle or minimum return to the fund investors. Performance-based fee structures may lead the hedge fund managers to invest aggressively to achieve higher returns, increasing investor risk. Investors looking to invest in hedge funds and alternative investment vehicles are urged to carefully review the fund’s offering documents, related investor agreements, and disclosures prior to investing.

#### **Private Equity**

Private equity is an ownership interest in a company or portion of a company that is not publicly owned, quoted, or traded on a stock exchange. Private equity takes an ownership interest in a company with the goal of enhancing the company's value by bringing about change. Compared to public equity, long-term results of private equity investments are less dependent on overall market performance. Private equity investments are subject to certain risks such as market and investment style risk. Investments are highly illiquid and subject to greater risk. These risks include lack of liquidity, lack of valuation transparency, conflicts of interest, higher management fees, and complex tax structures. Private equity investments may require a longer holding period and are highly speculative and may result in a loss of invested capital. The strategies discussed may only be appropriate for certain qualified investors.

#### **Preferred Securities**

Preferred securities typically are considered to be between standard debt and equity in the capital structure, and can have both bond-like and stock-like qualities. They are generally subject to both types of risks, including interest rate, credit, and prepayment or call risk, as well as deferral or omission of distributions, subordination to bonds and more senior debt, and limited voting rights. Because the preferred securities market is comprised primarily of securities issued by companies in the financial services industry, these securities may have greater industry-specific risk and changing tax treatments. Furthermore, certain preferred securities have a fixed-to-floating rate structure, meaning that they pay a fixed coupon rate for a specified period of time and then convert to a floating rate coupon for the duration of the issuance or until the security is called. The dividend rate on fixed-to-floating rate preferred securities may be more susceptible to decline when interest rates are falling. A secondary risk associated with declining interest rates is the risk that income earned by an account on floating rate securities may decline due to lower coupon payments on the floating-rate securities.

#### **Investment Strategy and Method of Analysis Material Risks**

Our investment strategy is custom-tailored to the client’s goals, investment objectives, risk tolerance, and personal and financial circumstances.

#### **Margin Leverage**

Although Coyle, as a general business practice, does not utilize leverage, there may be instances in which the use of leverage may be appropriate for certain clients and situations or requested by the clients for personal use. In this regard please review the following:

The use of margin leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment.

The use of margin leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers who carry customer accounts require a minimum equity requirement when clients utilize margin leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of margin leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

#### Short-Term Trading

Although Coyle, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. In this regard, please read the following:

There is an inherent risk for clients who trade frequently in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

#### Short Selling

Coyle generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales is the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

#### Technical Trading Models

Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.



### Option Strategies

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities. In addition, options allow investors to hedge security positions held in the portfolio. For detailed information on the use of options and option strategies, please contact the Options Clearing Corporation for the current Options Risk Disclosure Statement.

Coyle as part of its investment strategy may employ the following option strategies:

- Covered call writing
- Long call options purchases
- Long put options purchases
- Option spreading

#### **Covered Call Writing**

Covered call writing is the sale of in-, at-, or out-of-the-money call option against a long security position held in the client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

#### **Long Call Option Purchases**

Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

#### **Long Put Option Purchases**

Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

#### **Option Spreading**

Option spreading usually involves the purchase of a call option and the sale of a call option at a higher contract strike price, both having the same expiration month. The purpose of this type of transaction is to allow the holder to be exposed to the general market characteristics of a security without the outlay of capital to own the security, and to offset the cost by selling the call option with a higher contract strike price. In this type of transaction, the spread holder “locks in” a maximum profit, defined as the difference in contract prices reduced by the net cost of implementing the spread. There are many variations of option spreading strategies; please contact the Options Clearing Corporation for a current Options Risk Disclosure Statement that discusses each of these strategies.

### Concentration Risks

There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

### ITEM 9 – Disciplinary Information

Firms are required to report any legal or disciplinary events that are material to a client's evaluation of our advisory business and the integrity of our management. There are no legal or disciplinary events that are reportable under this Item for either Coyle or any supervised person of Coyle.

### ITEM 10 – Other Financial Industry Activities and Affiliations

#### Broker-Dealer or Representative Registration

Neither Coyle nor its affiliates, employees, or independent contractors are registered broker-dealers and do not have an application to register pending.

#### Futures or Commodity Registration

Neither Coyle nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

#### Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Some related persons of Coyle maintain individual insurance licenses and are qualified to sell Life, Health, Fixed Annuities, and Long-Term Care Insurance products. Should a client purchase an insurance product through one of those licensed individuals, they will pay standard insurance sales commissions. However, clients are under no obligation to do so, and can purchase any recommended insurance product through the agent or company of their choice.

#### Recommendation or Selection of Other Investment Advisors and Conflicts of Interest

Although Coyle may recommend separate account managers, it does not receive any form of referral or solicitor compensation from the separate account manager or client.

Where the client maintains an account with a Custodian, the Custodian (with client direction) will authorize Coyle to execute trades for client accounts through the Custodian. For accounts managed through Sub-Managers, the Sub-Manager may also execute trades through the Custodian (subject to client authorization).

Investment advisory services are provided through direct management of the client's account by Coyle or by allocating client assets (with client direction) to the management of Sub-Managers. The client must establish an account with a Custodian approved by Coyle. Coyle is not affiliated with the Custodians. The Custodian carrying the client accounts will generate a monthly or quarterly account statement for each client.

## ITEM 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

### Code of Ethics Description

In accordance with the Advisers Act, Coyle has adopted policies and procedures designed to detect and prevent insider trading. In addition, Coyle has adopted a Code of Ethics (the “Code”). Among other things, the Code includes written procedures governing the conduct of Coyle's advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of Coyle. Coyle will send clients a copy of its Code of Ethics upon written request.

Coyle has policies and procedures in place to ensure that the interests of its clients are given preference over those of Coyle, its affiliates and its employees. For example, there are policies in place to prevent the misappropriation of material non-public information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

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

Coyle does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, Coyle does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

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

Coyle, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase or sell the same securities as are purchased or sold for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which Coyle specifically prohibits. Coyle has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a client.

Advisory representatives and employees must follow Coyle's procedures when purchasing or selling the same securities purchased or sold for the client.

### Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Coyle, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other Coyle clients. Coyle will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation. It is the policy of Coyle to place the clients' interests above those of Coyle and its employees.

## ITEM 12 – Brokerage Practices

### Factors Used to Select Broker-Dealers for Client Transactions

#### Custodian Recommendations

Coyle may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab" or "custodian"), a FINRA-registered broker-dealers, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Coyle may recommend that clients establish accounts at the custodian, it is the client's decision to custody assets with the custodian. Coyle is independently owned and operated and not affiliated with custodian. For Coyle client accounts maintained in its custody, the custodian generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into custodian accounts.

Coyle considers the financial strength, reputation, operational efficiency, cost, execution capability, level of customer service, and related factors in recommending broker-dealers or custodians to advisory clients.

In certain instances and subject to approval by Coyle, Coyle will recommend to clients certain other broker-dealers and/or custodians based on the needs of the individual client, and taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by Coyle will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

#### How We Select Brokers/Custodians to Recommend

Coyle seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear, and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)

- breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength, and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below

#### Client's Custody and Brokerage Costs

For client accounts that the firm maintains, the custodian generally does not charge clients separately for custody services but is compensated by charging either transaction fees or custodian asset-based fees on trades that it executes or that settle into the custodian's accounts. The custodian's commission rates applicable to the firm's client accounts were negotiated based on the firm's commitment to maintain a certain minimum amount of client assets at the custodian. This commitment benefits the client because the overall commission rates paid are lower than they would be if the firm had not made the commitment. In addition to commissions, the custodian charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that the firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's custodian account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize the client's trading costs, the firm has the custodian execute most trades for the account.

#### Soft Dollar Arrangements

Coyle does not utilize soft dollar arrangements. Coyle does not direct brokerage transactions to executing brokers for research and brokerage services.

#### Institutional Trading and Custody Services

The custodian provides Coyle with access to its institutional trading and custody services, which are typically not available to the custodian's retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a certain minimum amount of the advisor's clients' assets are maintained in accounts at a particular custodian. The custodian's brokerage services include the execution of securities transactions, 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.

#### Other Products and Services

Custodian also makes available to Coyle other products and services that benefit Coyle but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Coyle's accounts, including accounts not maintained at custodian. The custodian may also make available to Coyle software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data

- facilitate payment of Coyle's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

The custodian may also offer other services intended to help Coyle manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

The custodian may also provide other benefits such as educational events or occasional business entertainment of Coyle personnel. In evaluating whether to recommend that clients custody their assets at the custodian, Coyle may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

#### Independent Third Parties

The custodian may make available, arrange, and/or pay third-party vendors for the types of services rendered to Coyle. The custodian may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to Coyle.

#### Additional Compensation Received from Custodians

Coyle may participate in institutional customer programs sponsored by broker-dealers or custodians. Coyle may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between Coyle's participation in such programs and the investment advice it gives to its clients, although Coyle receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may include the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations
- Research-related products and tools
- Consulting services
- Access to a trading desk serving Coyle participants
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts)
- The ability to have advisory fees deducted directly from client accounts
- Access to an electronic communications network for client order entry and account information
- Access to mutual funds with no transaction fees and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to Coyle by third-party vendors

The custodian may also pay for business consulting and professional services received by Coyle's related persons, and may pay or reimburse expenses (including client transition expenses, travel, lodging, meals and entertainment expenses for Coyle's personnel to attend conferences). Some of the products and services made available by such custodian through its institutional customer programs may benefit Coyle but may not benefit its client accounts. These products or services may assist Coyle in managing and administering client accounts, including accounts not maintained at the custodian as applicable. Other services made available through the programs are

intended to help Coyle manage and further develop its business enterprise. The benefits received by Coyle or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

Coyle also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require Coyle to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, Coyle will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by Coyle's related persons, and reimbursement of expenses (including travel, lodging, meals and entertainment expenses for Coyle's personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, Coyle endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Coyle or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Coyle's recommendation of broker-dealers for custody and brokerage services.

#### The Firm's Interest in Custodian's Services

The availability of these services from the custodian benefits the firm because the firm does not have to produce or purchase them. The firm does not have to pay for the custodian's services so long as a certain minimum of client assets is kept in accounts at the custodian. Custodian's services may give the firm an incentive to recommend that clients maintain their accounts with the custodian based on the firm's interest in receiving the custodian's services that benefit the firm's business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of client transactions. This is a potential conflict of interest. The firm believes, however, that the selection of the custodian as custodian and broker is in the best interest of clients. It is primarily supported by the scope, quality, and price of the custodian's services and not the custodian's services that benefit only the firm.

#### Brokerage for Client Referrals

Coyle does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

#### Directed Brokerage

##### **Coyle Recommendations**

Coyle typically recommends Schwab as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf.

##### **Client-Directed Brokerage**

Occasionally, clients may direct Coyle to use a particular broker-dealer to execute portfolio transactions for their account or request that certain types of securities not be purchased for their account. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage Coyle derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. Coyle loses the ability to aggregate trades with other Coyle advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

## Aggregating Securities Transactions for Client Accounts

### Best Execution

Coyle, pursuant to the terms of its investment advisory agreement with clients, has discretionary authority to determine which securities are to be bought and sold, and the amount of such securities. Coyle recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. Coyle will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, Coyle seeks to ensure that clients receive best execution with respect to clients' transactions by blocking client trades to reduce commissions and transaction costs. To the best of Coyle's knowledge, these custodians provide high-quality execution, and Coyle's clients do not pay higher transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, Coyle believes that such commission rates are competitive within the securities industry. Lower commissions or better execution may be able to be achieved elsewhere.

### Security Allocation

Since Coyle may be managing accounts with similar investment objectives, Coyle may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by Coyle in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

Coyle's allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. Coyle will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

Coyle's advice to certain clients and entities and the action of Coyle for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines and circumstances. Thus, any action of Coyle with respect to a particular



investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of Coyle to or on behalf of other clients.

#### Order Aggregation

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, “strategy” trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if Coyle believes that a larger size block trade would lead to best overall price for the security being transacted.

#### Allocation of Trades

All allocations will be made prior to the close of business on the trade date. In the event an order is “partially filled,” the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client’s allocation, clients’ liquidity needs and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is “over-filled.”

Coyle acts in accordance with its duty to seek best price and execution and will not continue any arrangements if Coyle determines that such arrangements are no longer in the best interest of its clients.

#### Trading Errors

It is Coyle’s policy to attempt to detect all trade errors as they occur and take steps to immediately correct the error so that the client is “made whole.” In the case of a trading error whereby the account loses money, the firm will credit the client account with the amount lost due to a trading error. In the case of a trading error that results in a “net positive” amount, the firm will forward that amount to a 501(c) (3) organization chosen by the firm. Neither the client account nor Coyle will retain any “net positive” trade correction proceeds.

If the gain does not remain in client’s account and Schwab is the custodian, Schwab will donate the amount of any gain \$100 and over to charity. If a loss occurs greater than \$100, Coyle will pay for the loss. Schwab will maintain the loss or gain (if such gain is not retained in client’s 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 client’s account, they may be “netted.”

### ITEM 13 – Review of Accounts

A principal of the firm reviews each account annually. The frequency of reviews may increase in certain situations, such as changes in client's investment objectives or goals, by an imbalance in a portfolio asset allocation or by changes in economic or market conditions.

Reviewers will update clients on the status of their accounts and on an annual basis reaffirm the client's Investment Approach Designations (investment objectives, risk tolerance and other suitability information).

Coyle prepares quarterly reports reflecting current positions and valuations which are provided to all clients for managed accounts. Third party custodians also provide monthly or quarterly reports. Wealth Advisory clients may also receive various reports specific to their particular situation.

All investment advisory clients are encouraged to discuss their needs, goals and objectives with Coyle and to keep Coyle informed of any changes thereto.

For those clients for whom Coyle provides Wealth Advisory services, reviews are conducted on an "as needed" basis.

### ITEM 14 – Client Referrals and Other Compensation

Coyle has entered into investment sub-management arrangements whereby the Sub-Managers may directly manage client assets. Sub-Managers will be compensated by Coyle out of the fee paid to Coyle by its client, (or for clients who choose an itemized service, the client will be billed separately for the sub-advisor's fee), based on the services rendered.

Coyle receives an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above in Item 12: Brokerage Practices. The availability of Schwab's products and services to us is not based on our giving particular investment advice, such as buying particular securities for our clients.

#### SmartAsset

Coyle pays a fee to participate in an online adviser matching program, SmartAsset, which seeks to match prospective advisory clients who have expressed an interest in finding an investment adviser with investment advisory firms. The adviser matching program provides the name and contact information of such persons to the advisory firms as potential leads. For our participation in the program, we pay a fixed fee per matched lead based upon the investment assets attributable to such matched lead.

## ITEM 15 – Custody

Coyle is considered to have custody of client assets for purposes of the Advisers Act for the following reasons:

- The client authorizes us to instruct their custodian to deduct our advisory fees directly from the client's account. The custodian maintains actual custody of clients' assets.
- Our authority to direct client requests, utilizing standing instructions, for wire transfer of funds for first-party money movement and third-party money movement (checks and/or journals, ACH, Fed-wires). The firm has elected to meet the SEC's seven conditions to avoid the surprise custody exam, as outlined below:
  1. The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
  2. The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
  3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
  4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
  5. The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
  6. The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
  7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

All funds are held by the Custodial firm (Schwab). The Custodial firm sends monthly or quarterly statements directly to clients on a regular basis. These statements must be carefully and thoroughly reviewed by clients. Coyle encourages all clients to carefully compare quarterly reports provided by this firm to custodial statements issued by the applicable custodial firm(s).

## ITEM 16 – Investment Discretion

Coyle maintains Discretionary authority in some client accounts. Clients choose at the beginning of the relationship whether they wish their account to be managed on a Discretionary or Non-Discretionary basis, and can change this authority at any time in writing.

The limitations on Coyle or Sub-Manager authority to purchase and sell securities for the client's account consist of the investment guidelines established in the Investment Approach Disclosure Statement for each client account. These guidelines are general in nature. Coyle or the Sub-

Manager, as the case may be, has broad discretion within those guidelines as to the types and amounts of securities to be bought or sold. Coyle does *not* accept instructions from clients for the direction of brokerage and will use its best efforts to obtain best execution for all client transactions.

Coyle generally requires clients to authorize Coyle to execute client securities transactions through Schwab. Coyle executes those transactions through Schwab by transmitting the order via an automated system to the custodial firm for execution and clearance. Similarly, Coyle (with client authorization) generally requires the Sub-Managers to execute their transactions for Coyle's clients through Schwab because Coyle believes this is the most cost-effective way for Coyle and the Sub-Managers to buy and sell securities for Coyle clients.

For accounts held at Schwab, clients pay all transaction costs to the Custodian by selecting either a transaction-based (per trade fee) or asset-based (percentage of account fee) alternative.

### ITEM 17 – Voting Client Securities

Coyle provides a proxy-voting option as part of its discretionary management of client securities. Coyle has designed and implemented written policies and procedures reasonably expected to comply with regulatory requirements and ensure all voting or other proxy matters are conducted in the clients' best interest. The processes used to vote proxies may vary from client to client, however, in general, in most cases Coyle will follow management recommendations when voting proxies. If management is against a proposal, Coyle will typically abstain from voting in that instance.

If management of the account is delegated to a Sub-Manager, the Sub-Manager's proxy voting policies will apply. See such Sub-Manager's ADV Part 2A for information on their proxy voting policies.

#### Conflicts of Interest:

Coyle will adhere to the voting guidelines detailed in its Proxy Voting Policies and Procedures. In situations where an actual or potential conflict of interest arises between the interest of Coyle and those of its clients with respect to proxy matters, Coyle will analyze the facts and circumstances to ensure any proxy voting decisions are based on the clients' best interest and not the product of the conflict. As a general policy, the Compliance Officer will notify the client of the conflict and obtain the client's consent before voting. The notification will contain sufficient information regarding the proxy matter and the nature of the conflict to enable the client to make an informed decision in consenting to Coyle's vote.

Clients may obtain information on how their securities were voted by contacting their account manager at Coyle in writing or via e-mail. Any request for this information will be forwarded to Compliance that will ensure that the requesting client is promptly provided information on how Coyle voted their proxies. At a minimum, responses to a client's request for information will contain:

- The name of the mutual fund or security
- The ticker symbol
- Date of the proxy
- Date of shareholder meeting
- Brief description of the item(s) voted

- How Coyle voted
- Whether Coyle voted for or against management

For clients who expressly retain the right to vote any proxies related to the securities held in his/her account, as provided for under Coyle's Investment Management Agreement, Provision 9, Coyle will take no responsibility for voting client proxies and will instruct the custodian of record for the client's account to mail proxy materials directly to the client.

A copy of Coyle's Proxy Voting Policies and Procedures are available upon written request to the firm, attention Compliance Department, at the home office of the firm, as listed on the Cover Page of this Brochure.

#### ITEM 18 – Financial Information

Coyle does not require prepayment of more than \$1,200 in fees per client six months or more in advance – as such, a Balance Sheet is not required. There is no known financial condition that would impair the firm's ability to meet contractual commitments to clients. The firm has not been the subject of a bankruptcy proceeding.