



J. W. Coons Advisors, LLC
Part 2A of Form ADV
The Brochure

www.coonsadvisors.com

March 19, 2024

This brochure provides information about the qualifications and business practices of J. W. Coons Advisors, LLC ("Coons Advisors" or the "Firm") located at 1151 Bethel Road, Suite 204, Columbus, OH 43220. If you have any questions about the contents of this brochure, please contact us at 614-918-3500. 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.

Coons Advisors is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training. Additional information about Coons Advisors is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

Coons Advisors' most recent update to this brochure was made in March 2023. Since that update, no material changes have been made to the brochure.

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Item 4. Advisory Business

Coons Advisors primarily provides customized investment management services to individuals, trusts, foundations and other legal entities. Coons Advisors generally invests client assets in individual stocks, bonds, exchange traded funds (“ETFs”) and mutual funds.

Coons Advisors prepares a written Investment Policy Statement (IPS) for each client. Each client’s IPS:

- identifies the accounts that comprise the portfolio
- specifies the purpose of the portfolio, the investment objective(s), time horizon and risk tolerance
- describes the investment strategy
- specifies target asset allocations, and
- records other pertinent information related to the management of the portfolio

Coons Advisors was founded in 2003 and is owned by James W. Coons, Robert H. Hoffman and Keith M. Blankemeyer. As of December 31, 2023, Coons Advisors has assets under management totaling \$533,797,997, of which \$480,028,163 on a discretionary basis and \$53,769,834 on a non-discretionary basis.

When Adviser provides investment advice to you regarding your retirement plan account or individual retirement account, Adviser is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way Adviser makes money creates some conflicts with your interests, so Adviser operates under a special rule that requires Adviser to act in your best interest and not put our interest ahead of yours.

Item 5. Fees and Compensation

Coons Advisors charges most of its clients an investment management fee based on the average daily balance of assets under management according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$500 Thousand	1.25%
For the amount in excess of \$500 Thousand & up to \$1 Million	1.00%
For the amount in excess of \$1 Million & up to \$2 Million	0.75%
For the amount in excess of \$2 Million	0.50%

Coons Advisors has negotiated fees below those in the schedule above for certain accounts.

For new clients, fees are charged monthly in arrears and are deducted directly from accounts. Clients may request to receive invoices in lieu of direct fee deductions.

In addition to Coons Advisors’ investment management fees, clients bear trading costs and might incur custodial and trust fees, where applicable. To the extent that clients’ accounts are invested in mutual funds, ETFs or closed-end funds, clients bear additional costs associated with the management, trading and administration of those funds.

Valuations of securities for the purpose of establishing the total market value of the portfolio are obtained from our custodians and based on: (1) listed securities are valued on the basis of the last official traded sales price on the valuation date, (2) over-the counter securities are valued at the NASDAQ official closing price on the valuation date, (3) fixed income securities are valued by third party pricing services provided by our custodian, and (4) if no market price is available, the value of the investment is determined by Coons Advisors at the estimated fair market value. For non-US securities, valuations are determined using the last official traded sales price converted to US Dollars at the last available exchange rate as of noon London-time on the valuation date.

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

Coons Advisors does not charge performance-based fees to new clients. However, Coons Advisors manages one portfolio that is subject to a performance fee. Some investment advisers experience conflicts of interest in connection with the side-by-side management of accounts with different fee structures.

Item 7. Types of Clients

Coons Advisors primarily provides customized investment management services to individuals, high-net-worth individuals and associated trusts, estates, retirement, charitable and other legal entities.

Coons Advisors requests a relationship size of at least \$1 million But makes exceptions for smaller portfolios on a case-by-case basis.

Coons Advisors may also be engaged to provide retirement plan advisory services to assist sponsors of self-directed retirement plans with the selection and/or monitoring of investment alternatives (generally Exchange Traded Funds and open-end mutual funds) from which plan participants choose and self-direct the investments for their individual plan retirement accounts. In addition, to the extent requested by the plan sponsor, Coons Advisors shall provide participant education designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts. The terms and conditions of the engagement shall generally be set forth in a Retirement Plan Services Agreement between Coons Advisors and the plan sponsor.

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

Coons Advisors' Chief Investment Officer, Robert J. Hoffman, oversees the investment process of the Firm, including approval of all individual securities purchased in client accounts. Security analysis varies by the type of security. For stocks and bonds the analysis generally includes a review of:

- The issuer's management;
- The amount and volatility of past profits or losses;
- The issuer's assets and liabilities, as well as any material changes from historical norms;
- Prospects for the issuer's industry, as well as the issuer's competitive position within that industry; and
- Any other factors considered relevant.

For mutual funds, closed-end funds and ETFs the analysis generally includes a review of:

- The fund's management;
- The fund's historical risk and return characteristics;
- The fund's exposure to sectors and individual issuers;
- The fund's fee structure; and
- Any other factors considered relevant.

Coons Advisors' Investment Committee is led by Robert J. Hoffman, the Chief Investment Officer, and includes Keith Blankemeyer, James W. Coons, P. Martina Cheung, John P. McCorkle and Frank W. Siegel. The Investment Committee generally meets weekly to discuss developments and trends in the economy and financial markets, existing and

prospective investments and individual portfolios. Investments are evaluated independently, as well as in the context of clients' existing holdings and sector exposures.

Coons Advisors generally intends to hold securities for relatively long time horizons, often for a year or more. However, market developments could cause Coons Advisors to sell securities sooner.

Depending on a client's investment objectives, Coons Advisors might engage in short selling or various options strategies. The use of short selling and option strategies poses risks that are discussed in detail with clients who are considering the use of these investment vehicles. Coons Advisors engages in short selling or option strategies only with explicit permission from clients.

All investing involves a risk of loss that clients should be prepared to bear.

Additional risks involved in the securities recommended by Coons Advisors include, among others:

- *Stock market risk*, which is the chance that stock prices overall will decline. The market value of equity securities will generally fluctuate with market conditions. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices. Prices of equity securities tend to fluctuate over the short term as a result of factors affecting the individual companies, industries or the securities market as a whole. Equity securities generally have greater price volatility than fixed income securities.
- *Sector risk*, which is the chance that significant problems will affect a particular sector, or that returns from that sector will trail returns from the overall stock market. Daily fluctuations in specific market sectors are often more extreme than fluctuations in the overall market.
- *Issuer risk*, which is the risk that the value of a security will decline for reasons directly related to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services.
- *Non-diversification risk*, which is the risk of focusing investments in a small number of issuers, industries or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.
- *Value investing risk*, which is the risk that value stocks not increase in price, not issue the anticipated stock dividends, or decline in price, either because the market fails to recognize the stock's intrinsic value, or because the expected value was misgauged. If the market does not recognize that the securities are undervalued, the prices of those securities might not appreciate as anticipated. They also may decline in price even though in theory they are already undervalued. Value stocks are typically less volatile than growth stocks, but may lag behind growth stocks in an up market.
- *Smaller company risk*, which is the risk that the value of securities issued by a smaller company will go up or down, sometimes rapidly and unpredictably as compared to more widely held securities. Investments in smaller companies are subject to greater levels of credit, market and issuer risk.
- *Foreign (non-U.S.) investment risk*, which is the risk that investing in foreign securities result in the portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies. Risks associated with investing in foreign securities include fluctuations in the exchange rates of foreign currencies that may affect the U.S. dollar value of a security, the possibility of substantial price volatility as a result of political and economic instability in the foreign country, less public information about issuers of securities, different securities regulation, different accounting, auditing and financial reporting standards and less liquidity than in the U.S. markets.
- *Interest rate risk*, which is the chance that prices of fixed income securities decline because of rising interest rates. Similarly, the income from fixed income securities may decline because of falling interest rates.
- *Credit risk*, which is the chance that an issuer of a fixed income security will fail to pay interest and principal in a timely manner, or that negative perceptions of the issuer's ability to make such payments will cause the price of that fixed income security to decline.
- *Exchange Traded Fund (ETF) risk*, which is the risk of an investment in an ETF, including the possible loss of principal. ETFs typically trade on a securities exchange and the prices of their shares fluctuate throughout the day based on supply and demand, which may not correlate to their net asset values. Although ETF shares will be listed on an exchange, there can be no guarantee that an active trading market will develop or continue. Owning an ETF generally reflects the risks of owning the underlying securities it is designed to track. ETFs are also subject to secondary market trading risks. In addition, an ETF may not replicate exactly the performance of the index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain securities in the secondary market, or discrepancies between the ETF and the index with

respect to weighting of securities or number of securities held.

- *Management risk*, which is the risk that the investment techniques and risk analyses applied by Coons Advisors may not produce the desired results and that legislative, regulatory, or tax developments, affect the investment techniques available to Coons Advisors. There is no guarantee that a client's investment objectives will be achieved.
- *Real Estate risk*, which is the risk that an investor's investments in Real Estate Investment Trusts ("REITs") or real estate-linked derivative instruments will subject the investor to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses. An investment in REITs or real estate-linked derivative instruments subject the investor to management and tax risks.
- *Investment Companies ("Mutual Funds") risk*, when an investor invests in mutual funds, the investor will bear additional expenses based on his/her pro rata share of the mutual fund's operating expenses, including the management fees. The risk of owning a mutual fund generally reflects the risks of owning the underlying investments the mutual fund holds.
- *Commodity risk*, generally commodity prices fluctuate for many reasons, including changes in market and economic conditions or political circumstances (especially of key energy-producing and consuming countries), the impact of weather on demand, levels of domestic production and imported commodities, energy conservation, domestic and foreign governmental regulation (agricultural, trade, fiscal, monetary and exchange control), international politics, policies of OPEC, taxation and the availability of local, intrastate and interstate transportation systems and the emotions of the marketplace. The risk of loss in trading commodities can be substantial.
- *Cybersecurity risk*, which is the risk related to unauthorized access to the systems and networks of Coons Advisors and its service providers. The computer systems, networks and devices used by Coons Advisors and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach. Cybersecurity breaches can include unauthorized access to systems, networks or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality. Cybersecurity breaches cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or other compliance costs; as well as the inadvertent release of confidential information. Similar adverse consequences could result from cybersecurity breaches affecting issues of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers and other financial institutions; and other parties. In addition, substantial costs may be incurred by those entities in order to prevent any cybersecurity breaches in the future.
- *Closed-End Funds risk*, Closed-end funds typically use a high degree of leverage. They may be diversified or non-diversified. Risks associated with closed-end fund investments include liquidity risk, credit risk, volatility and the risk of magnified losses resulting from the use of leverage. Additionally, closed-end funds may trade below their net asset value.
- *Market risk*. Some structured notes provide for the repayment of principal at maturity, which is often referred to as "principal protection." This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, and/or market volatility.
- *Issuance price and note value*. The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer's estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring and/or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.
- *Liquidity*. The ability to trade or sell structured notes in a secondary market is often very limited, as structured

notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date, or risk selling the note at a discount to its value at the time of sale.

- *Credit risk.* Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

Item 9. Disciplinary Information

Coons Advisors and its employees have never been involved in any legal or disciplinary events that would be material to a client's evaluation of the company or its personnel.

Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations. Currently, Coons Advisors has no other financial industry activities or affiliations.

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

Coons Advisors has adopted a written code of ethics that is applicable to all part-owners and employees ("Covered Persons"). Among other things, the code requires Coons Advisors and its employees to act in clients' best interests, abide by all applicable regulations, of insider trading and pre-clear and report some types of personal securities transactions. Coons Advisors' restrictions on personal securities trading apply to part-owners and employees, as well as employees' family members living in the same household. A copy of Coons Advisors' code of ethics is available upon request by contacting Andrew Armstrong, Chief Compliance Officer, at (513) 832-5385, 255 East Fifth Street, Suite 1900, Cincinnati, OH 45202.

Covered Persons are prohibited by Coons Advisors' Code of Ethics from:

- Timing the purchase or sale of a security in a personal account with the intent of benefiting from or avoiding adverse effects on the price of the security from transactions involving the same security in a client's account (also known as "front-running");
- Making purchase or sale transactions in a client's account with the intent of personal profit;
- Personally selling short a security in a client's account, except as part of a pair trade;
- Purchasing securities in a private placement without prior written approval;
- Purchasing or selling any security based on material, non-public information about that security or the market for that security;
- Personally acquiring securities in an initial public offering without prior written approval; and
- The acceptance of anything of value, either directly or indirectly, from broker-dealers or other persons providing services to Coons Advisor except an occasional meal, ticket to an event, or a gift valued at \$100 or less.

Covered Persons are required to report to Coons Advisors' Chief Compliance Officer all personal securities holdings and transactions. In order to uphold the Code of Ethics, Covered Persons are prohibited from purchasing or selling, directly or indirectly, any reportable security knowing that it has been or will be purchased or sold in one or more client accounts on the same day. Covered Persons generally are permitted to participate in block trades, or orders that are grouped together, provided that they receive the average price that is applicable to clients and pay their share of any transaction costs. Covered Persons are not allowed to participate in partially filled orders until all clients' orders have been filled. The Chief Investment Officer monitors employee trading, relative to client trading, to guard against improper

transactions.

Item 12. Brokerage Practices

Coons Advisors does not maintain custody of your assets that we manage/on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15—Custody, below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We generally recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we/you instruct them to. While we generally recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. Conflicts of interest associated with this arrangement are described below as well as in Item 14 (Client referrals and other compensation). You should consider these conflicts of interest when selecting your custodian.

We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, and we anticipate that most trades will be executed through Schwab, we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

How we select brokers/custodians

We recommend Schwab, a custodian/broker, to hold your assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products (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 the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from Schwab")

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions.

Your brokerage and custody costs

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions (ticket charges) or other fees on trades that it executes or that settle into your Schwab account. Certain trades (for example, mutual funds and ETFs) do not incur Schwab commissions (ticket charges) or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. Schwab's ticket charges applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$ of their assets in accounts at Schwab. This commitment benefits you because the overall ticket call rates you pay are lower than they would be otherwise. In addition to ticket charges, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see "How we select brokers/custodians"). By using another broker or dealer you may pay lower transaction costs.

Products and services available to us from Schwab

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may be able to get institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

Services that benefit you.

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that do not directly benefit you.

Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements)
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping, and client reporting

Services that generally benefit only us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology and business needs
- Consulting on legal and compliance related needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pays all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel. If you did not maintain your account with Schwab, we would be required to pay for those services from our own resources.

Our interest in Schwab's services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services. Schwab has also agreed to pay for certain technology, research, marketing, and compliance consulting products and services on our behalf once the value of our clients' assets in accounts at Schwab reaches certain thresholds. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The fact that we receive these benefits from Schwab is an incentive for us to recommend the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. In some cases, the services that Schwab pays for are provided by affiliate of ours or by another party that has some pecuniary, financial or other interests in us. This creates an additional conflict of interest. We believe, however, that taken in the aggregate our selection/recommendation of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How we select brokers/ custodians") and not Schwab's services that benefit only us.

We place trades for our clients' accounts subject to its duty to seek best execution and its other fiduciary duties. Schwab's execution quality could be different than other broker-dealers.

We will aggregate trades for ourselves or our associated persons with the client's trades, providing that the following conditions are met:

- Our policy for the aggregation of transactions shall be fully-disclosed separately to our existing clients (if any) and the broker/dealer(s) through which such transactions will be placed
- We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for the client and is consistent with the terms of our investment advisory agreement with the client for which trades are being aggregated
- No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction
- We will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients
- If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation
- Notwithstanding the foregoing, the order could be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account
- We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and

- Individual advice and treatment will be accorded to each advisory client

Soft Dollar Benefits

Coons Advisors does not have any soft dollar benefit agreements in place.

Best Execution Reviews

Coons Advisors will periodically review its arrangements with Schwab and other broker-dealers against other possible arrangements in the marketplace as it strives to achieve best execution on behalf of its clients. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including, but not limited to, the following:

- a broker-dealer's trading expertise, including its ability to complete trades, execute and settle difficult trades, obtain liquidity to minimize market impact and accommodate unusual market conditions, maintain anonymity, and account for its trade errors and correct them in a satisfactory manner;
- a broker-dealer's infrastructure, including order-entry systems, adequate lines of communication, timely order execution reports, an efficient and accurate clearance and settlement process, and capacity to accommodate unusual trading volume;
- a broker-dealer's ability to minimize total trading costs while maintaining its financial health, such as whether a broker-dealer can maintain and commit adequate capital when necessary to complete trades, respond during volatile market periods, and minimize the number of incomplete trades;
- a broker-dealer's ability to provide research and execution services, including advice as to the value or advisability of investing in or selling securities, analyses and reports concerning such matters as companies, industries, economic trends and political factors, or services incidental to executing securities trades, including clearance, settlement and custody; and
- a broker-dealer's ability to provide services to accommodate special transaction needs, such as the broker-dealer's ability to execute and account for client-directed arrangements and soft dollar arrangements, participate in underwriting syndicates, and obtain initial public offering shares.

Trade Errors

Coons Advisors goal is to execute trades seamlessly and in the best interests of the client. In the event a trade error occurs, Coons Advisors endeavors to identify the error in a timely manner, correct the error so that the client's account is in the position it would have been had the error not occurred, and, after evaluating the error, assess what action(s) might be necessary to prevent a recurrence of similar errors in the future.

Trade errors generally are corrected through the use of a "trade error" account or similar account at Schwab, or another BD, as the case may be. In the event an error is made in a client account custodied elsewhere, Coons Advisors works directly with the broker in question to take corrective action. In all cases, Coons Advisors will take the appropriate measures to return the client's account to its intended position.

Item 13. Review of Accounts

Accounts under Coons Advisors' management are monitored on an ongoing basis by the respective Portfolio Manager, the Chief Investment Officer and the Chief Compliance Officer. The Investment Committee reviews each account on at least an annual basis. While investment management accounts are monitored on an ongoing basis, Coons Advisors' investment advisor representatives seek to have at least one annual meeting with each client to conduct a formal review of the clients' accounts. Accounts are reviewed for consistency with the investment strategy and other parameters set forth for the account and to determine if any adjustments need to be made.

Written brokerage statements are generated no less than quarterly and are sent directly from the qualified custodian. These reports list the account positions, activity in the account over the covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. Coons Advisors may also send a quarterly investment letter and more detailed report and analysis of portfolios to clients each quarter and/or meets in-person with clients at the time and place of their choosing. Clients are urged to carefully review all custodial account statements and compare them to any statements or reports provided by Coons Advisors. Coons

Advisor statements and reports may vary from custodial statements based on accounting procedures, reporting dates, valuation methodologies of certain securities.

Item 14. Client Referrals and Other Compensation

Other than the previously described products and services that Coons Advisors receives from Schwab, Coons Advisors does not receive any other economic benefits from non-clients in connection with the provision of investment advice to clients.

From time to time, Coons Advisors has referral fee arrangements with solicitors who introduce clients to the Firm. Any solicitor is required to provide prospective clients with a copy of this document (The Brochure) and a separate disclosure statement. Clients referred by a solicitor to Coons Advisors do not pay a higher fee as a result of the referral.

Item 15. Custody

All clients' accounts are held in custody by unaffiliated broker/dealers, trust companies or banks, but Coons Advisors can access many clients' accounts through its ability to deduct advisory fees. In this sense, Coons Advisors is considered to have custody of client assets. Account custodians send statements directly to the account owners on at least a quarterly basis. Coons Advisors urges clients to carefully review these statements and compare these statements to any account information provided by Coons Advisors.

Additionally, Coons Advisors is considered to have custody as a result of standing letters of authorization ("SLOA") in place from clients that allow Coons Advisors to direct the custodian to send client funds based on the SLOA. Advisers relying on SLOAs to make certain disbursements on behalf of a client may avoid obtaining a surprise asset verification if each such client provides written instructions to the custodian regarding specific transactions that the client authorizes the custodian to disburse upon request of Coons Advisors and provides Coons Advisors with written instructions that explicitly describe the specific transactions that the client authorizes Coons Advisors to disburse. Further, the custodian must verify these instructions when executing each transaction and confirm these instructions at least annually with Coons Advisors. Coons Advisors has no ability to change any routing information regarding such disbursements and the client can terminate such relationship at any time.

Item 16. Investment Discretion

Coons Advisors has investment discretion over most clients' accounts. Clients grant Coons Advisors trading discretion through the execution of a limited power of attorney included in Coons Advisors' advisory agreement.

Clients can place restrictions on Coons Advisors' investment discretion. For example, clients can ask Coons Advisors not to buy securities issued by companies in certain industries, or not to sell certain securities with a low cost basis.

Item 17. Voting Client Securities

Coons Advisors will not exercise proxy voting authority over client securities. The obligation to vote client proxies shall rest with clients.

Item 18. Financial Information

Coons Advisors does not require or solicit the prepayment of more than \$1200 in fees six months or more in advance. In addition, Coons Advisors is required to disclose any financial condition that is reasonable likely to impair its ability to meet contractual commitments to clients. Coons Advisors has never been the subject of a bankruptcy petition.