

Item 1: Cover Sheet

**FORM ADV PART 2A
INFORMATIONAL BROCHURE**



Business Consulting
& Wealth Management

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This brochure provides information about the qualifications and business practices of Note Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 716-256-1682 or via email at shawn@noteadvisor.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Our registration does not imply a certain level of skill or training.

Additional information about Note Advisors, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Statement of Material Changes

Note Advisors is required to disclose any material changes which have been made to the brochure since the Firm's last amendment on March 29, 2023. There are no material changes to report.

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INFORMATIONAL BROCHURE

NOTE ADVISORS, LLC

Item 4: Advisory Business

Note Advisors, LLC (“Note Advisors”) has been in business since August, 2014. Shawn Glogowski and Thomas Waring are the firm’s principal owners.

Note Advisors provides financial planning, portfolio management, and investment management services. Clients advised may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations. We offer a straightforward approach to building financial strategies focused around you, your schedule, your circumstances, and your objectives. We take the time to understand your needs, explain different options to you and earn your trust before offering possible solutions. At Note Advisors, we are planners first, then managers with the means to help clients. Clients are asked to “rise above the noise of the transaction”, meaning that success is determined by a client meeting their goals, not by chasing a benchmark or looking for the next “it” stock. We believe that a solid investment plan should be based on your financial plan which allows you to dictate your goals for all of your investments. From there you can create asset allocation and diversification strategies for each investment and time horizon.

Financial Planning

In most cases, the client will supply to Note Advisors information including income, investments, savings, insurance, age and many other items that are helpful to the firm in assessing your financial goals. The information is typically provided during personal interviews and supplemented with written information. Once the information is received, we will discuss your financial needs and goals with you, and compare your current financial situation with the goals you state. Once these are compared, we will create a financial and/or investment plan to help you meet your goals.

The plan is intended to be a suggested blueprint of how to meet your goals. Not every plan will be the same for every client. Each one is specific to the client who requested it. Because the plan is based on information supplied by you, it is very important that you accurately and completely communicate to us the information we need. Also, your circumstances and needs may change as your engagement with us progresses. It is very important that you continually update us with any changes so that if the updates require changes to your plan, we can make those changes. Otherwise, your plan may no longer be accurate.

Once you have your financial plan, the decision is yours how to implement it. If you decide to implement your financial plan through Note Advisors, you will become an asset management client.

If you request, Note Advisors may recommend the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional. You retain absolute discretion over all such implementation decisions and are free to accept or reject any recommendation from Note Advisors. If you engage any professional recommended by Note Advisors, and a dispute arises thereafter relative to such engagement, you agree to seek recourse exclusively from and against the engaged professional.

Asset Management

Note Advisors requires each client to place at least \$500,000 with the firm. This minimum may be waived in the discretion of Note Advisors.

Asset management services may be provided on a “discretionary” or on a “non- discretionary” basis. When Note Advisors is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You will receive written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive statements at least quarterly from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Note Advisors.

When a client engages us to provide investment management services on a non-discretionary basis, we monitor the accounts in the same way as for discretionary services. The difference is that changes to your account will not be made until we have confirmed with you (either verbally or in writing) that our proposed change is acceptable to you.

Asset Management – Note Advisors Direct

For some smaller accounts, typically between \$5,000 and \$100,000, we provide portfolio management services through Note Advisors Direct. Note Advisors Direct is an automated investment service used by Note Advisors utilizing Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors offered by Schwab Performance Technologies. (the “Program” and “SPT,” respectively). Through Note Advisors Direct, we offer clients a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange traded funds (“ETFs”) and a cash allocation. Clients may instruct us to exclude up to three ETFs from their portfolio. Each client portfolio is held in a brokerage account opened by the client at SPT’s affiliate, Charles Schwab & Co., Inc. (“CS&Co”). We are independent of and not owned by,

affiliated with, or sponsored or supervised by SPT, CS&Co or their affiliates (together, “Schwab”).

We, and not Schwab, are the client's investment advisor and primary point of contact with respect to the Program. We are solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis.

We have contracted with SPT to provide us with the technology platform and related trading and account management services for the Program. This platform enables us to make the Program available to clients online and includes a system that automates certain key parts of our investment process (the “System”). The System includes an online questionnaire that helps us determine the client's investment objectives and risk tolerance and select an appropriate investment strategy and portfolio. Clients should note that we will recommend a portfolio via the System in response to the client's answers to the online questionnaire. The client may then indicate an interest in a portfolio that is one level less or more conservative or aggressive than the recommended portfolio, but we then make the final decision and select a portfolio based on all the information we have about the client. The System also includes an automated investment engine through which we manage the client's portfolio on an ongoing basis through automatic rebalancing and tax-loss harvesting (if the client is eligible and elects).

Clients do not pay fees to SPT in connection with the Program, but we charge clients a fee for our services as described below. Our fees are not set or supervised by Schwab. Clients do not pay brokerage commissions or any other fees to CS&Co as part of the Program. Schwab does receive other revenues in connection with the Program. We do not pay SPT fees for use of the Platform.

Retirement Account Rollovers

Depending on a client's given circumstances, Note Advisors may recommend that a client rollover retirement plan assets to an Individual Retirement Account (IRA) managed by us. As a result of a rollover, Note Advisors may earn fees on those accounts. This presents a conflict of interest, as Note Advisors has a financial incentive to recommend that a client roll over retirement assets into an IRA we will manage. This conflict is disclosed to clients verbally and in this brochure. Clients are also advised that they are under no obligation to implement the recommendation to roll over retirement plan assets. Note Advisors attempts to mitigate this conflict by requiring that all investment recommendations have a sound basis for the recommendation, and by requiring employees to acknowledge their fiduciary responsibility toward each client. When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries 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 we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest

and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

Tax Preparation

Note Advisors offers individual tax preparation services in addition to financial planning and investment management. Shawn Glogowski is an Enrolled Agent (EA) authorized to prepare tax filings submitted to the Internal Revenue Service (IRS). Clients seeking tax preparation services will be asked to provide all information necessary for the timely completion of a tax filing, including prior year tax return information. If a client's tax situation falls outside of the scope of services offered, Note Advisors may provide contact information for accountants or attorneys who specialize in this area if requested. We will participate in meetings or phone calls between you and your tax professional with your approval.

Out of Scope Consulting

From time to time, Note Advisors may be engaged to perform consulting outside the scope of traditional asset management services. Consulting topics by their nature may vary greatly, but may include discussions regarding a client's business, real estate or other personal assets. Clients who engage Note Advisors to provide such consulting services will generally be required to execute a Consulting Agreement.

Wealth Coaching Services

The purpose of wealth coaching services is to provide the Client with information which furthers their defined short-term and long-term goals. This service includes, but is not limited to, brainstorming techniques, identifying action plans, follow-up procedures to maintain Client motivation, educating the Client, as well as asking and answering questions. Please note, Client will be asked to state their goals and both the Coach and Client will work toward those stated goals. Therefore, it is highly recommended, given the stated purpose of wealth coaching, that married clients have their spouse commit to, and partake in, the wealth coaching sessions. When attempting to improve a financial situation, it is crucially important that both spouses agree to take the necessary steps to attain their improved financial goals, as stated. Coaching is an ongoing relationship between a coach and a client. The opportunity for success for the coaching client dramatically increases because shifting thought systems, changing habits, and creating possibilities is a process. Coaching is a structure that facilitates the process of personal, professional and/or spiritual development. Coaching is for individuals who are emotionally and psychologically healthy and who want to make positive changes and move forward in their lives. Coaching is not advice, therapy or counseling. The services will not include legal/tax advice, asset management, or financial planning services. Client as applicable, will retain the

responsibility to arrange for implementation of Coach's recommendations if Client desires. If Client wishes Coach to assist with financial planning or asset management, Client will be required to execute a separate agreement, which will require an additional fee. By entering this relationship, the Coach and Client acknowledge that the Client wants to make significant progress and change in his/her life. Because progress and change happen at rates that are unique to each individual, the Coach and client commit to working with each other for "said period" with the understanding that the working agreement can be extended/renewed. This allows the coaching relationship necessary time to develop and progress through objectives, obstacles and successes that occur. The service is delivered over three or six month intervals and includes multiple monthly coaching sessions, virtual check-ins and task based assignments for clients.

Coaching sessions are conducted by telephone, virtually, or in-office as arranged by the Coach. The Coach and client commit to start and finish each session on time. If the client is more than 15 minutes late for a coaching session, the Coach will assume the session is cancelled and the client will forfeit the session. Rescheduling a coaching session is easily done with appropriate notice. Please allow for at least 24-hour notice to accommodate appointment changes.

Estate Planning Assistance

We offer Estate Planning services as an extension of planning or management services described above that includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. We always recommend clients consult with a qualified attorney when you initiate, update, or complete estate planning services, and we will refer clients to an independent, unaffiliated, third-party estate planning attorney for this service. We do not share in any fees received by the third-party. From time to time, we will participate in meetings or phone calls between you and your attorney with your approval or request. Note Advisors utilizes the services of Trust & Will, a third-party digital estate planning service for clients who have the need for estate planning review, creation or updates. Advisory services will not include paid services with Trust and Will and the client will pay Trust and Will directly should they choose to utilize their services.

Assets Under Management

As of December 31, 2023, Note Advisors has approximately \$292,461,620 in assets under management of which \$292,357,881 is managed on a discretionary basis.

Item 5: Fees and Compensation

A. Fees Charged

All investment management clients will be required to execute an Investment Management Agreement that will describe the type of management services to be provided and the fees, among other items. Clients are advised that they may pay fees that are higher or lower than fees they may pay another advisor for the same services and may in fact pay lower fees for comparable services from other sources. Clients are under no obligation at any time to engage or to continue to engage, Note Advisors for investment services.

Financial Planning and Wealth Coaching

Hourly: For clients needing advice with a limited scope, financial planning services can be done on an hourly basis. Hourly rates range from \$150 – \$350 for all investment professionals at Note Advisors. The professional working on the assignment, as well as, the hourly rates is dependent upon a number of factors, most importantly the complexity of the assignment and the availability of professionals. An estimate of total hours to complete the assignment will be determined at the start of the engagement. Generally, fifty percent (50%) of this estimate will be payable upon signing the Financial Planning Agreement. The hourly rates stated are guidelines. Fees may be higher or lower than this range, based on the nature of the engagement. Fees are negotiable and will depend on the anticipated complexity of your plan.

Fixed Fee: For clients requiring a complete financial plan, or desiring wealth coaching, services will be provided on a fixed fee basis. Fixed fees will typically range from \$2,500 to \$50,000, depending upon the nature and complexity of the assignment. For example, a client with complex estate planning issues, multiple sources of investment income, and special needs heirs will have a more complex plan (and therefore a higher fixed fee) than a client with no estate planning issues, a single heir and a single source of income. The fixed fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the assignment.

Asset Management

Generally, fees vary from 0.50% to 2.00% per annum of the market value of a client's assets managed by Note Advisors. The fee range stated is a guide. Fees are negotiable, and may be higher or lower than this range, based on the nature of the account. Factors affecting fee percentages include the size of the account, complexity of asset structures, and other factors.

All clients, but especially those with smaller accounts, should be advised they may receive similar services from other professionals for higher or lower overall costs.

Tax Preparation

Clients who engage Note Advisors for comprehensive and ongoing financial planning services

may additionally request tax preparation services, as described in Item 4 of this brochure. Tax preparation services are also offered as a standalone service for an additional fee. Fees for tax preparation services may be hourly or a fixed fee basis. Our hourly rates range from \$150 - \$350 per hour. Fixed fees will typically be between \$500 and \$5,000. The fee range stated is a guide. Tax preparation fees are negotiable prior to signing of the tax preparation agreement and are calculated based on the overall complexity of the client's tax situation. In the event that we encounter unusual circumstances that would require us to expand the scope of the engagement, we will present our estimate and obtain prior approval before continuing with the engagement. Our fee for any additional services will be based upon the amount of time required at standard billing rates plus out-of-pocket expenses. Upon termination of any engagement, the fee will be prorated, and any unearned fee will be refunded to the client.

Consulting

Consulting fees can be hourly, fixed fee basis, or included with asset management services. Our hourly rates range from \$150 - \$350 per hour. Fixed fees will typically be between \$500 and \$5,000. The fee range stated is a guide. Because of the nature of consulting as a general practice with great variety of assignments and issues, the fees for this service may also vary greatly. Accordingly, fees may be higher or lower than the stated range, based on the nature of the engagement. Fees are negotiable and will depend on the anticipated complexity of the services to be provided.

B. Fee Payment

Financial Planning, Tax Preparation, Out of Scope Consulting, & Wealth Coaching Generally, fifty percent (50%) of the anticipated fee will be payable upon signing the applicable Agreement, with the remainder due upon completion of the financial plan, or as mutually agreed upon by the parties. For hourly engagements, the final amount due will be based upon actual hours expended. For fixed fee engagements, the final amount due will be fifty percent (50%) of the fixed fee. On an ongoing basis, the annual fee will be mutually agreed at the end of the initial engagement and billed according to the specific engagement with the client, which may mean payments are made quarterly, semi-annually, or on intermittent time periods. Payment of fees may be via check or credit card.

Asset Management:

Direct

For clients whose assets are managed directly by the firm, investment advisory fees will be debited directly from each client's account. The advisory fee is paid quarterly, in advance, and the value used for the fee calculation is the net value as of the last market day of the previous quarter. This means that if your annual fee is 1.00%, then each quarter we will multiply the value of your account by 1.00% then divide by 4 to calculate our fee. To the extent there is cash in your account, it will be included in the value for the purpose of calculating fees only if the cash

is part of an investment strategy. If assets are equal to or in excess of \$25,000 are deposited or withdrawn in a single transaction from an account after the inception of a billing period, the fee payable with respect to such assets is prorated based on the number of days remaining in the billing period. Any reduction in fees related to the withdrawal of assets in an account will be credited against the next billing period's investment advisory fees. Once the calculation is made, we will instruct your account custodian to deduct the fee from your account and remit it to Note Advisors. While almost all of our clients choose to have their fee debited from their account, we will invoice clients upon request.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will receive a statement from their account custodian showing all transactions in their account, including the fee.

Third Party Managers

For clients whose assets are managed through third party managers (please see Item 8 for more information regarding the use of third-party managers), the terms of fee payment may vary dependent upon the manager or managers selected. For example, while Note Advisors generally debits fees quarterly, in advance, some managers calculate fees quarterly in arrears, or potentially even monthly. For details on the exact methodology of calculating fees by each of the managers in a client's portfolio, clients should refer to the Form ADV for such managers.

C. Other Fees

There are a number of other fees that can be associated with holding and investing in securities. You will be responsible for fees including transaction fees for the purchase or sale of a mutual fund or Exchange Traded Fund, or commissions for the purchase or sale of a stock. Expenses of a fund will not be included in management fees, as they are deducted from the value of the shares by the mutual fund manager. When selecting mutual funds that have multiple share classes for recommendation to clients, Note Advisors will take into account the internal fees and expenses associated with each share class, and it is Note Advisors' policy to choose the lowest-cost share class available, absent circumstances that dictate otherwise. For complete discussion of expenses related to each mutual fund, you should read a copy of the prospectus issued by that fund. Note Advisors can provide or direct you to a copy of the prospectus for any fund that we recommend to you.

As described in Item 4 above, clients do not pay fees to SPT or brokerage commissions or other fees to CS&Co as part of the Program. Schwab may receive other revenues in connection with the Program. Brokerage arrangements are further described in Item 12 below.

Please make sure to read Item 12 of this informational brochure, where we discuss broker-dealer and custodial issues.

D. *Pro-rata Fees*

If you become a client during a month, you will pay a management fee for the number of days left in that month. If you terminate our relationship during a month, you will be entitled to a refund of any management fees for the remainder of the month. Once your notice of termination is received, we will assess pro-rated fees for the number of days between the end of the prior billing period and the date of termination to be paid in whatever way you direct (check, wire). Note Advisors will cease to perform services, including processing trades and distributions, upon termination. Assets not transferred from terminated accounts within 30 (thirty) days of termination may be “de-linked”, meaning they will no longer be visible to Note Advisors and will become a retail account with the custodian.

E. *Compensation for the Sale of Securities.*

This is not applicable. Neither Note Advisors nor its advisory affiliates receive compensation or commissions for the sale of securities.

Item 6: Performance-Based Fees

Note Advisors will not charge performance-based fees.

Item 7: Types of Clients

Clients advised may include individuals, families, trusts, charitable organizations and foundations, pensions and corporations. Note Advisors requires each client to place at least \$500,000 with the firm for the discretionary program and \$100,000 for the non-discretionary program. This minimum may be waived in the discretion of Note Advisors. Additionally, the minimum investment required to open an account in Note Advisors Direct or the Institutional Intelligent Portfolios Program is \$5,000. The minimum account balance to enroll in the tax-loss harvesting feature is \$50,000. Clients eligible to enroll in the Institutional Intelligent Portfolios Program include individuals, IRAs, and revocable living trusts. Clients that are organizations (such as corporations and partnerships) or government entities, and clients that are subject to the Employee Retirement Income Security Act of 1974, are not eligible for the Program.

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

It is important for you to know and remember that all investments carry risks. **Investing in securities involves risk of loss that clients should be prepared to bear.**

At the onset of the relationship, Note Advisors relies on a disciplined three step process which is a strategic approach to helping our clients. Understanding our clients' goals, dreams, wishes, and core values is key to helping them reach their investment objectives. Once we have clarity on those items, we can provide education and advice on all available options and how each

decision will affect the outcome of their financial plans. We first establish and define the client-planner relationship, gather personal confidential data, and begin our three-step process which entails:

- 1) We conduct a holistic audit of your current estate, investment and business situation (if applicable) and analyze every component of your finances. Based on this information, we develop a comprehensive financial model of your current situation, including cash flow, income tax and estate distribution illustrations. Clear goals are clarified with our clients.
- 2) From this analysis we identify any obstacles or potential problem areas that may create gaps between your current situation and your goals. We then offer alternative strategies and identify solutions that best fit your situation. These personalized recommendations form the basis of your financial plan.
- 3) The final step of our process is *implementation*. The client is free to implement the plan recommendations with whomever he/she chooses. When executing your plan, we ensure that each component is coordinated and integrated to help provide the maximum financial benefit. We are committed to keeping your plan current by providing periodic reviews.

If you decide to implement your financial plan with Note Advisors, each client's portfolio will be invested according to that client's investment objectives. We determine these objectives by interviewing the client and/or asking the client to put these objectives in writing. Once we ascertain your objectives for each account, we will develop a set of asset allocation guidelines. An asset allocation strategy is a percentage-based allocation to different investment types. For example, a client may have an asset allocation strategy that calls for 40-60% of the portfolio to be invested in equity securities, with 20% of that allocated to international equities and the remaining balance in fixed income. Another client may have an asset allocation of 50-60% in fixed income securities and the remainder equities. The percentages in each type that we recommend are based on your financial goals, the timeline to get you to those goals, your current financial situation, the typical behavior of that security type, individual securities we follow, and current market conditions. Because we develop an investment strategy based on your personal situation and financial goals, your asset allocation guidelines may be similar to or different from another client's. Once we agree on allocation guidelines, risk tolerance, time horizon, and how to achieve these results, we will develop a written investment policy statement to guide all parties involved in the execution of these goals, including but not limited to, Note Advisors, the client, the custodian, and the investment managers.

Upon creation of the asset allocation guidelines, we will periodically recommend securities transactions in your portfolio to meet the guidelines of the asset allocation strategy. It is important to remember that because market conditions can vary greatly, your asset allocation guidelines are not necessarily strict rules. Rather, we review accounts individually, and may deviate from the guidelines as we believe necessary.

If we are managing the account directly, the specific securities we recommend for your account will depend on market conditions and our research at the time. Generally, we recommend a mix of mutual funds, index funds, exchange traded funds, stocks, and bonds. Specific funds are chosen based on where its investment objective fits into the asset allocation recommended by Note Advisors, its risk parameters, past performance, peer rankings, fees, expenses, and any other aspects of the fund Note Advisors deems relevant to that particular fund. We base our conclusions on predominantly publicly available research, such as regulatory filings, press releases, competitor analyses, and in some cases research we receive from our custodian or other market analyses. We will also utilize technical analyses, which means that we will review the past behaviors of the security and the markets in which it trades for signals as to what might happen in the future.

Most mutual funds offer different share classes with vary fee structures, including share classes with sales load, sales charges, or 12B-1 fees. 12B-1 fees are deducted from the mutual funds' assets on an ongoing basis and are paid to broker-dealers and registered representatives whose clients own those shares to cover fund distribution and shareholder services. This receipt of fees presents a potential conflict of interest, as Note Advisors has an incentive to recommend more expensive share classes to clients based on the compensation received, rather than based upon the client's needs. However, it is Note Advisors' policy that when specific funds offer more than one share class, Note Advisors will select the lowest-cost share class available to the client, absent circumstances that dictate otherwise.

Additionally, part of the Note Advisors process includes, where appropriate, involving multiple generations in order to facilitate family financial planning. This can increase the financial education of the later generations and manage expectations. However, potential for conflicts of interest exist with the exchange of intergenerational information. Note Advisors attempts to minimize these conflicts by treating each household as its own fiduciary relationship. Information can only be shared across generations with each household's consent.

As assets are transitioned from a client's prior advisers to Note Advisors, there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by Note Advisors. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. If a client transitions mutual fund shares to Note Advisors that are not the lowest-cost share class, and Note Advisors is not recommending disposing of the security altogether, Note Advisors will attempt to convert such mutual fund share classes into the lowest-cost share classes the client is eligible for, taking into account any adverse tax consequences associated with such conversion. In the event an investment in a client account is unable to be unwound for a period of time, Note Advisors will monitor the investment as part of its services to the client. Note Advisors may suggest that a given investment be moved to a separate account.

Third Party Managers

We may recommend that certain portions of a client's portfolio be managed by independent third-party managers or recommend direct investment with independent third-party managers, typically when those managers demonstrate knowledge and expertise in a particular investment strategy.

Note Advisors will obtain appropriate due diligence on all independent third-party managers, making reasonable inquiries into their performance calculations, policies and procedures, code of ethics policies and other operational and compliance matters to account for performance and risk management. We examine the experience, expertise, investment philosophies and past performance of third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks. Note Advisors also confirms that each recommended adviser is either registered or exempt from registration as an investment adviser.

Based on a client's individual circumstances and needs, we will determine which selected money manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance and the investment philosophy of the selected money manager. We encourage clients to review each third-party manager's disclosure document regarding the particular characteristics of any program and managers selected by us.

We will regularly and continuously monitor the performance of the selected money managers. If we determine that a particular selected money manager is not providing sufficient management services to the client or are not managing the client's portfolio in a manner consistent with the client's investment objectives, we will remove the client's assets from that selected money manager and place the client's assets with another money manager at our discretion and without prior consent from the client.

When clients' assets are allocated to a third-party manager, the manager will always collect client's advisory fee, and remit a portion of that fee back to Note Advisors. The fees remitted to Note Advisors are a portion of the manager's fee, and clients will not be charged an additional advisory fee. This fee is not in compensation for a client referral. Rather, it is Note Advisors' compensation for the ongoing diligence of that manager as it is part of client's portfolio.

Risk of Loss

There are always risks to investing. Clients should be aware that all investments carry various types of risk including the potential loss of principal that clients should be prepared to bear. It is impossible to name all possible types of risks. Among the risks are the following:

- **Political Risks.** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **General Market Risks.** Markets can, as a whole, go up or down on various news releases or for no understandable reason at all. This sometimes means that the price of specific securities could go up or down without real reason and may take some time to recover any lost value. Adding additional securities does not help to minimize this risk since all securities may be affected by market fluctuations.
- **Currency Risk.** When investing in another country using another currency, the changes in the value of the currency can change the value of your security value in your portfolio.
- **Regulatory Risk.** Changes in laws and regulations from any government can change the value of a company and its accompanying securities. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Tax Risks Related to Short Term Trading:** Clients should note that Note Advisors may engage in short-term trading transactions. These transactions may result in short term gains or losses for federal and state tax purposes, which may be taxed at a higher rate than long term strategies. Note Advisors endeavors to invest client assets in a tax efficient manner, but all clients are advised to consult with their tax professionals regarding the transactions in client accounts.
- **Purchasing Power Risk.** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply.
- **Business Risk.** This can be thought of as certainty or uncertainty of income. Management comes under business risk. Cyclical companies (like automobile companies) have more business risk because of the less steady income stream. On the other hand, fast food chains tend to have steadier income streams and therefore, less business risk.
- **Financial Risk.** The amount of debt or leverage determines the financial risk of a company.
- **Default Risk.** This risk pertains to the ability of a company to service their debt. Ratings provided by several rating services help to identify those companies with more risk. Obligations of the U.S. government are said to be free of default risk.
- **Margin Risk.** "Margin" is a tool used to maximize returns on a given investment by using securities in a client account as collateral for a loan from the custodian to the client. The proceeds of that loan are then used to buy more securities. In a positive result, the additional securities provide additional return on the same initial investment. In a negative result, the additional securities provide additional losses. Margin therefore carries a higher degree of risk than investing without margin. Any client account that will use margin will do so in accordance with Regulation T. Note Advisors may utilize margin on a limited basis for clients with higher risk tolerances.
- **Risks specific to private placements, sub-advisors and other managers.** If we invest some of your assets with another advisor, including a private placement, there are additional risks. These include risks that the other manager is not as qualified as we believe them to be,

that the investments they use are not as liquid as we would normally use in your portfolio, or that their risk management guidelines are more liberal than we would normally employ.

- **Information Risk.** All investment professionals rely on research in order to make conclusions about investment options. This research is always a mix of both internal (proprietary) and external (provided by third parties) data and analyses. Even an adviser who says they rely solely on proprietary research must still collect data from third parties. This data, or outside research is chosen for its perceived reliability, but there is no guarantee that the data or research will be completely accurate. Failure in data accuracy or research will translate to a compromised ability by the adviser to reach satisfactory investment conclusions.

- **Small Companies.** Some investment opportunities in the marketplace involve smaller issuers. These companies may be starting up or are historically small. While these companies sometimes have potential for outsized returns, they also have the potential for losses because the reasons the company is small are also risks to the company's future. For example, a company's management may lack experience, or the company's capital for growth may be restricted. These small companies also tend to trade less frequently than larger companies, which can add to the risks associated with their securities because the ability to sell them at an appropriate price may be limited as compared to the markets as a whole. Not only do these companies have investment risk, if a client is invested in such small companies and requests immediate or short-term liquidity, these securities may require a significant discount to value in order to be sold in a shorter time frame.

- **Concentration Risk.** While Note Advisors selects individual securities, including mutual funds, for client portfolios based on an individualized assessment of each security, this evaluation comes without an overlay of general economic or sector specific issue analysis. This means that a client's equity portfolio may be concentrated in a specific sector, geography, or sub-sector (among other types of potential concentrations), so that if an unexpected event occurs that affects that specific sector or geography, for example, the client's equity portfolio may be affected negatively, including significant losses.

- **Transition Risk.** As assets are transitioned from a client's prior advisers to Note Advisors there may be securities and other investments that do not fit within the asset allocation strategy selected for the client. Accordingly, these investments will need to be sold in order to reposition the portfolio into the asset allocation strategy selected by Note Advisors. However, this transition process may take some time to accomplish. Some investments may not be unwound for a lengthy period of time for a variety of reasons that may include unwarranted low share prices, restrictions on trading, contractual restrictions on liquidity, or market-related liquidity concerns. In some cases, there may be securities or investments that are never able to be sold. The inability to transition a client's holdings into recommendations of Note Advisors may adversely affect the client's account values, as Note Advisors' recommendations may not be able to be fully implemented.

- **Restriction Risk.** Clients may at all times place reasonable restrictions on the management of their accounts. However, placing these restrictions may make managing the accounts more difficult, thus lowering the potential for returns.

- **Risks Related to Investment Term & Liquidity.** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not an accurate measure of its value. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value. Further, some investments are made with the intention of the investment appreciating over an extended period of time. Liquidating these investments prior to their intended time horizon may result in losses.

- **REITs:** Note Advisors may recommend that portions of client portfolios be allocated to real estate investment trusts, otherwise known as "REITs". A REIT is an entity, typically a trust or

corporation that accepts investments from a number of investors, pools the money, and then uses that money to invest in real estate through either actual property purchases or mortgage loans. While there are some benefits to owning REITs, which include potential tax benefits, income and the relatively low barrier to invest in real estate as compared to directly investing in real estate, REITs also have some increased risks as compared to more traditional investments such as stocks, bonds, and mutual funds. First, real estate investing can be highly volatile. Second, the specific REIT chosen may have a focus such as commercial real estate or real estate in a given location. Such investment focus can be beneficial if the properties are successful but lose significant principal if the properties are not successful. REITs may also employ significant leverage for the purpose of purchasing more investments with fewer investment dollars, which can enhance returns but also enhances the risk of loss. The success of a REIT is highly dependent upon the manager of the REIT. Clients should ensure they understand the role of the REIT in their portfolio.

- **MLPs:** Note Advisors may recommend that portions of client portfolios be allocated to master limited partnerships, otherwise known as “MLPs”. An MLP is a publicly traded entity that is designed to provide tax benefits for the investor. In order to preserve these benefits, the MLP must derive most, if not all, of its income from real estate, natural resources and commodities. While MLPs may add diversification and tax favored treatment to a client’s portfolio, they also carry significant risks beyond more traditional investments such as stocks, bonds and mutual funds. One such risk is management risk-the success of the MLP is dependent upon the manager’s experience and judgment in selecting investments for the MLP. Another risk is the governance structure, which means the rules under which the entity is run. The investors are the limited partners of the MLP, with an affiliate of the manager typically the general partner. This means the manager has all of the control in running the entity, as opposed to an equity investment where shareholders vote on such matters as board composition. There is also a significant amount of risk with the underlying real estate, resources or commodities investments. Clients should ask Note Advisors any questions regarding the role of MLPs in their portfolio.

- **Market Disruption, Health Crisis, Terrorism and Geopolitical Risk.** Investments are subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events increase short-term market volatility and may have adverse long-term effects on world economics and markets generally. These risks have previously led and may lead in the future to adverse effects on the value of client’s investments.

Item 9: Disciplinary Information

There are no disciplinary items to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-dealer

Neither the principal of Note Advisors, nor any related persons are registered, or have an application pending to register, as a broker dealer or as an associated person of the foregoing entities.

B. Futures Commission Merchant/Commodity Trading Advisor

Neither the principal of Note Advisors, nor any related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

C. Relationship with Related Persons

Shawn Glogowski and Mario Riccadonna are enrolled agents with the Internal Revenue Service ("IRS"). An enrolled agent is a person who has earned the privilege of representing taxpayers before the Internal Revenue Service by either passing a three-part comprehensive IRS examination, or through experience as a former IRS employee. Accordingly, Mr. Glogowski and Mr. Riccadonna provide individual tax preparation services. The fees for the tax preparation services are separate from investment management and financial planning fees. Clients are under no obligation to use Mr. Glogowski or Mr. Riccadonna as their tax preparer.

D. Recommendations of Other Advisers

Note Advisors occasionally recommends other advisers and Note Advisors may be compensated by the independent manager for referring clients. For more information regarding Note Advisors' use of third-party managers please see response to Item 8 for a full discussion. A conflict of interest exists for Advisers who recommend the services of a third-party manager who has agreed to share a portion of its management fee with the Adviser as opposed to other managers who have not agreed to pay compensation to the Adviser. Compensation paid to the Adviser from various third-party managers may vary; therefore, there is a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Fees for such programs may be higher or lower than if client directly obtained services of the third-party manager or if client obtained advisory services separately.

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

A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.

B. Not applicable. Note Advisors does not recommend to clients that they invest in any security in which Note Advisors or any principal thereof has any financial interest.

C. On occasion, an employee of Note Advisors may purchase for his or her own account securities which are also recommended for clients. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in

one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

D. On occasion, an employee of Note Advisors may purchase for his or her own account securities which are also recommended for clients at the same time the clients purchase the securities. Our Code of Ethics details rules for employees regarding personal trading and avoiding conflicts of interest related to trading in one's own account. To avoid placing a trade before a client (in the case of a purchase) or after a client (in the case of a sale), all employee trades must be reviewed by the Compliance Officer. All employee trades must either take place in the same block as a client trade or sufficiently apart in time from the client trade so the employee receives no added benefit. Employee statements are reviewed to confirm compliance with the trading procedures.

Item 12: Brokerage Practices

A. Recommendation of Broker-Dealer

Note Advisors does not maintain custody of client assets; though Note Advisors may be deemed to have custody if a client grants Note Advisors authority to debit fees directly from their account (see Item 15 below). Assets will be held with a qualified custodian, which is typically a bank or broker-dealer. Note Advisors recommends that investment accounts be held in custody by Charles Schwab & Co., Inc. ("CS&Co." or "Schwab"), which is a qualified custodian. Note Advisors is independently owned and operated and is not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when Note Advisors instructs them to, which Note Advisors does in accordance with its agreement with you. While Note Advisors recommends that you use CS&Co. as custodian/broker, you will decide whether to do so and will open your account with CS&Co. by entering into an account agreement directly with them. Note Advisors does not open the account for you, although Note Advisors may assist you in doing so. For accounts not managed through the Program, even though your account is maintained at CS&Co., we can still use other brokers to execute trades for your account as described below (see "Your brokerage and custody costs").

Client accounts enrolled in the Program are maintained at, and receive the brokerage services of, CS&Co, a broker-dealer registered with the Securities and Exchange Commission and a member of FINRA and SIPC. While clients are required to use CS&Co as custodian/broker to enroll in the Program, you will decide whether to do so and will open your account with CS&Co. by entering into an account agreement directly with them. We do not open the account for you. If you do not wish to place your assets with CS&Co, then we cannot manage your account through the Program. CS&Co. may aggregate purchase and sale orders for ETFs across accounts enrolled in the Program, including both accounts for our clients and accounts for clients of other independent investment advisory firms using the Program.

How we select brokers/custodians

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services. We consider a wide range of factors, including both quantitative (Ex: costs) and qualitative (execution, reputation, service) factors. We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to Note Advisors as part of our evaluation of these broker-dealers.

Your brokerage and custody costs

For our clients' accounts that are not managed through the Program and that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, 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 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").

Products and services available to us from Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like Note Advisors. Through Schwab Advisor Services, CS&Co provides us and our clients, both those enrolled in the Program and our clients not enrolled in the Program, with access to its institutional brokerage services – trading, custody, reporting and related services – many of which are not typically available to CS&Co retail customers. CS&Co 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. CS&Co's support services described below are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. The availability to us of CS&Co's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Here is a more detailed description of CS&Co's support services:

Services that benefit you

CS&Co.'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 CS&Co. include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. CS&Co.'s services described in this paragraph generally benefit you and your account.

Services that may not directly benefit you.

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

CS&Co. 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, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

CS&Co. may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. CS&Co. may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. CS&Co. may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our interest in Schwab's services

The availability of services from CS&Co benefits us because we do not have to produce or purchase them. We don't have to pay for these services, and they are not contingent upon us committing any specific amount of business to CS&Co in trading commissions or assets in custody. With respect to the Program, as described above under Item 4 Advisory Business, we do not pay SPT fees for its services in connection with the Program so long as we maintain \$100 Million in client assets in accounts at CS&Co that are not enrolled in the Program. In light of our arrangements with Schwab, we may have an incentive to recommend that our clients maintain their accounts with CS&Co based on our interest in receiving Schwab's services that benefit our

business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. We believe, however, that our selection of CS&Co as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality and price of CS&Co's services and not Schwab's services that benefit only us.

We do not consider whether Schwab or any other broker-dealer/custodian, refers clients to Note Advisors as part of our evaluation of these broker-dealers.

B. Aggregating Trades

Commission costs per client may be lower on a particular trade if all clients in whose accounts the trade is to be made are executed at the same time. This is called aggregating trades. Instead of placing a number of trades for the same security for each account, we will, when appropriate, execute one trade for all accounts and then allocate the trades to each account after execution. If an aggregate trade is not fully executed, the securities will be allocated to client accounts on a *pro rata* basis, except where doing so would create an unintended adverse consequence (For example, if a *pro rata* division would result in a client receiving a fraction of a share, or a position in the account of less than 1%.)

Item 13: Review of Accounts

All accounts will be reviewed by a senior professional on at least a quarterly basis. However, it is expected that market conditions, changes in a particular client's account, or changes to a client's circumstances will trigger a review of accounts.

The annual report in writing provided by Note Advisors is intended to review asset allocation. All clients will receive statements and confirmations of trades directly from Schwab. Additionally, all clients will receive quarterly itemized bills from Note Advisors. Please refer to Item 15 regarding Custody.

Item 14: Client Referrals and Other Compensation

A. Economic Benefit Provided by Third Parties for Advice Rendered to Client.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us. These products and services, how they benefit us, and the related conflicts of interest are described above in Item 12 Brokerage Practices. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

B. Compensation to Non-Advisory Personnel for Client Referrals.

Note Advisors does not compensate any non-advisory personnel for client referrals.

Item 15: Custody

Note Advisors deducts fees from client accounts, but would not have custody of client funds otherwise. Clients will receive statements directly from Schwab, and copies of all trade confirmations directly from Schwab.

Clients whose fees are directly debited will provide written authorization to debit advisory fees from their accounts held by a qualified custodian chosen by the client. The client will receive a statement from their account custodian showing all transactions in their account, including the fee. This is the case for accounts in the Institutional Intelligent Portfolio Program as well.

We encourage clients to carefully review the statements and confirmations sent to them by their custodian, and to compare the information on your quarterly report prepared by Note Advisors against the information in the statements provided directly from Schwab. Please alert us of any discrepancies.

Item 16: Investment Discretion

When Note Advisors is engaged to provide asset management services on a discretionary basis, we will monitor your accounts to ensure that they are meeting your asset allocation requirements. If any changes are needed to your investments, we will make the changes. These changes may involve selling a security or group of investments and buying others or keeping the proceeds in cash. You may at any time place restrictions on the types of investments we may use on your behalf, or on the allocations to each security type. You may receive at your request written or electronic confirmations from your account custodian after any changes are made to your account. You will also receive monthly statements from your account custodian. Clients engaging us on a discretionary basis will be asked to execute a Limited Power of Attorney (granting us the discretionary authority over the client accounts) as well as an Investment Management Agreement that outlines the responsibilities of both the client and Note Advisors.

When a client engages Note Advisors to provide investment management services on a non-discretionary basis, the accounts are monitored by Note Advisors. The difference is that changes to your account will not be made until Note Advisors has confirmed with you (either verbally or in writing) that the proposed change is acceptable to you.

Item 17: Voting Client Securities

From time to time, shareholders of stocks, mutual funds, exchange traded funds or other securities may be permitted to vote on various types of corporate actions. Examples of these actions include mergers, tender offers, or board elections. Clients are required to vote proxies related to their investments, or to choose not to vote their proxies. Note Advisors will not accept authority to vote client securities. Clients will receive their proxies directly from the custodian for the client account. Note Advisors will not give clients advice on how to vote proxies.

Item 18: Financial Information

Note Advisors does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.