

# **FIRM BROCHURE**

(Part 2A of Form ADV)

**March 30, 2024**

## **CONTINUUM ADVISORY, LLC**

**An SEC Registered Investment Adviser**

**CRD # 283155**

### **Principal Office Location**

**873 E. State Street**

**Eagle, ID 83616**

**(208) 481-4170**

**[www.continuumadvisory.com](http://www.continuumadvisory.com)**

## **ITEM 1: COVER PAGE**

Part 2A of Form ADV (the “Brochure”) provides information about the qualifications and business practices of Continuum Advisory, LLC. If you have any questions about the contents of this Brochure, please contact us at (208) 481-4170 and/or at our website at [www.continuumadvisory.com](http://www.continuumadvisory.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Continuum Advisory is registered as an investment adviser with the Securities and Exchange Commission; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.

Additional information about Continuum Advisory and its investment adviser representatives is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2: MATERIAL CHANGES

In this Item, Continuum Advisory is required to discuss any material changes that have been made to the Brochure since the last annual amendment. This Brochure dated March 30, 2024, updates and replaces the Brochure dated March 30, 2023. The following material changes were made:

- **ITEM 4: ADVISORY BUSINESS** (*Use of Wrap Fee Program*) has been removed. We no longer offer Wrap Fee Programs.
- **ITEM 5: FEES AND COMPENSATION** (*Financial Planning and Consulting Fees*) was updated to reflect as of the March 2023 annual update, the decreased lower range of the flat-rate financial consulting fee to \$500.
- **ITEM 5: FEES AND COMPENSATION** (*Amplify Separately Managed Account Manager Fees and Sub-Advisory Service Fees*) was updated to reflect as of the March 2023 annual update, the increased lower range of the Amplify Separately Managed Account Manager Fee ("SMA Manager Fee") to 0.20%.
- **ITEM 12: BROKERAGE PRACTICES** (*The Custodian and Brokers We Use*) has been updated to remove TDAI (TD Ameritrade Institutional) as a "qualified custodian." We currently only recommend that our clients use Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker/dealer, member SIPC, as the qualified custodian for investment management accounts

Continuum Advisory made additional non-material updates to other sections in this Brochure. Each client is encouraged to review the complete Brochure carefully and to call us with any questions.

Pursuant to SEC Rules, Continuum Advisory will ensure that clients receive a summary of any material changes to this Brochure within 120 days of the close of Continuum Advisory's fiscal year, along with a copy of this Brochure or an offer to provide the Brochure. Additionally, as Continuum Advisory experiences material changes in the future, we will send our clients a summary of our "Material Changes" under separate cover. For more information about our firm, please contact our Chief Compliance Officer at (208) 425-6566, or by visiting our website at [www.continuumadvisory.com](http://www.continuumadvisory.com).

Additional information about Continuum Advisory and its investment adviser representatives is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### ITEM 3: TABLE OF CONTENTS

ITEM 1: COVER PAGE.....	1
ITEM 2: MATERIAL CHANGES .....	2
ITEM 3: TABLE OF CONTENTS .....	3
ITEM 4: ADVISORY BUSINESS.....	4
ITEM 5: FEES AND COMPENSATION.....	8
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT.....	13
ITEM 7: TYPES OF CLIENTS.....	13
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS .....	14
ITEM 9: DISCIPLINARY INFORMATION .....	17
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	17
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	19
ITEM 12: BROKERAGE PRACTICES.....	20
ITEM 13: REVIEW OF ACCOUNTS.....	25
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION .....	25
ITEM 15: CUSTODY.....	26
ITEM 16: INVESTMENT DISCRETION .....	27
ITEM 17: VOTING CLIENT SECURITIES.....	27
ITEM 18: FINANCIAL INFORMATION .....	27

## ITEM 4: ADVISORY BUSINESS

Continuum Advisory, LLC (“our/us/we/Firm”) is an SEC registered investment adviser. Our business model consists of a network of investment adviser representatives (“Advisors”) doing business under separate “doing business as” (“DBA”) across the United States. Currently, we have Advisors in Arizona, Arkansas, California, Florida, Hawaii, Idaho, Maryland, Montana, Missouri, Pennsylvania, and Vermont.

We offer a variety of advisory services and programs, which include financial planning, consulting, and investment management services. Before Continuum Advisory provides any of the advisory services mentioned, clients must first sign one or more written agreements with us. These agreements outline the specific terms and conditions of the advisory relationship (“Advisory Agreement”).

Continuum Advisory was formed in February 2016 and is principally owned by Timothy S. Kerrigan, Brian J. Damiani, and Michael A. Kelly (hereafter, “Owners”).

While this brochure generally describes the business of Continuum Advisory, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, owners, directors (or other persons occupying a similar status or performing similar functions), employees, or any other person who provides investment advice on our behalf and is subject to the Firm’s supervision and control.

### Financial Planning and Consulting Services

We offer clients a broad range of financial planning and consulting services, which can include any or all the following functions:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning
- Tax Planning
- Manager Due Diligence

In performing these services, we are not required to verify any information received from clients or from other professionals the client has hired (e.g., attorneys, accountants, etc.) and are expressly authorized to rely on such information. We can recommend clients engage us for additional related services from its Supervised Persons in their individual capacities as insurance agents, registered representatives of a broker/dealer, CPAs or tax preparers, attorneys (JD) and/or other professionals to implement recommendations. Clients are advised that a conflict of interest exists if clients engage us or our affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation of any recommendations and are under no obligation to act upon any of the recommendations made by us under a financial planning or consulting engagement. It is the client's responsibility to promptly notify us of any change in their financial situation or investment objectives to review, evaluate, or revise our recommendations and/or services.

## Investment Management Services

Continuum Advisory manages client investment portfolios on a discretionary basis. We will provide these services on a non-discretionary basis, if the client requests and upon our agreement. We primarily allocate client assets in accordance with their stated investment objectives among various exchange-traded products (“ETPs”), mutual funds, individual debt, and equity securities. When appropriate, client assets may be managed by one or more unaffiliated Third-Party Asset Managers (“TPAMs”) on a discretionary basis in accordance with clients’ stated investment objectives.

Where appropriate, we can also provide advice about any type of legacy position or other investments held in a client portfolio. Clients can engage us to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as but not limited to variable life insurance, variable annuity contracts (e.g., fee-based variable annuities), and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, we direct or recommend the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company, or the custodian designated by the investment product’s provider. Please refer to Item 8 below for further information on the types of investments used by us, along with the associated risks.

Continuum Advisory tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. We consult with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints, and other related factors relevant to the management of their portfolios. Clients must promptly notify us if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if we determine, in our sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to our management efforts.

### Amplify Platform

We utilize the technology and the Sub-Advisory services of Amplify’s proprietary, automated, and computer algorithms (“Platform”) to provide certain administrative, technological, and back-office operational support services. Such services include, among other things, account reconciliation, fee calculation, billing and processing, client reporting, performance reporting, administration, and trading. In addition, our advisors can access Separately Managed Accounts (“SMAs”) and select one or more as a discretionary investment sub-adviser through the Platform. By doing so, your Advisor can allocate all or a portion of your underlying assets among the different approved SMA Managers available through the Platform.

Continuum Advisory clients authorize us to engage Amplify for its platform and Sub-Advisory Services as described above. SMA Managers available through Amplify will perform discretionary investment management services and shall manage, invest, and reinvest client assets designated by our Advisors. As such, a selected SMA Manager(s) shall be authorized, without prior consultation with the Firm or the underlying client, to buy, sell, trade, or allocate the designated client’s assets in accordance with the stated investment objectives as communicated by our Advisors.

Under this arrangement, our Advisors will retain responsibility for the underlying client relationship, including the initial and ongoing suitability determination and the designation of assets to be managed by an SMA Manager. Our Advisors also have full discretion to select or replace any SMA Manager and furnish information about the selection of SMA Manager to the client. They will also inform the SMA Manager(s) of any underlying client account guidelines and reasonable account restrictions.

Please note: our Advisors are required to utilize the Amplify platform. Additional fees apply for choosing an SMA Manager(s). SMA Manager fees will vary depending on the manager(s) selected.

Please refer to Item 5 for important information related to costs associated with the Amplify platform.

### **Third-Party Asset Managers (TPAMs)**

When appropriate, based on the client's stated investment objectives, guidelines, and restrictions, we can delegate or recommend the active discretionary management of all or part of a client's assets in their managed account(s) to one or more TPAM. Access to TPAM relationships can be structured in two ways: in an advisory capacity or on a referral basis. When in an advisory capacity, your Advisor serves as a co-fiduciary alongside the TPAM. However, in the case of a referral basis, the primary fiduciary is the TPAM.

We evaluate a variety of information about TPAMs, which can include the TPAM's public disclosure documents, materials supplied by the TPAMs and other third-party analyses we believe are reputable and appropriate. To the extent possible, we seek to assess each TPAM's investment strategies, past performance, and risk results in relation to our clients' individual portfolio allocations and risk exposure. We also take into consideration each TPAM's management style, reputation, compliance standards, financial strength, reporting, pricing, and research capabilities, among other factors.

TPAMs maintain discretionary authority over those assets allocated to them for management and they are authorized to buy, sell, and trade securities in accordance with the client's investment objectives.

Our fees might vary if our Advisors allocate a client's assets to one or more TPAM. In such cases, the client will need to sign a separate advisory agreement directly with the chosen TPAM, alongside the applicable agreement(s) they have with us. In some cases, Continuum Advisory and certain Advisors will receive a referral fee from the TPAM when an Advisor refers a client.

Please refer to Item 14 below for further details.

## Summary of Programs Available Through Continuum's Advisors

Amplify Platform Unified Managed Account ("UMA")		Third-Party Asset Managers ("TPAMs")	
(i)		(ii)	(iii)
Advisor Directed Investments	Separately Managed Accounts ("SMA")	Co-Fiduciary Advice and Service	Referral Fee Solicitors Agreement
Advisor Managed Portfolios	Continuum & Third-Party Managed Strategies	Third-Party Advisory Relationships	Third-Party Advisory Relationships

### Retirement Plan Consulting Services

We provide various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing, and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and can include any or all of the following services:

- Plan Design and Strategy
- Plan Review and Evaluation
- Executive Planning & Benefits
- Investment Selection
- Plan Fee and Cost Analysis
- Plan Committee Consultation
- Fiduciary and Compliance
- Participant Education

As outlined in the Advisory Agreement, some of these services are offered by us as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In compliance with ERISA Section 408(b)(2), each plan sponsor receives a written explanation of our fiduciary role, the services to be provided, and all expected direct and indirect compensation under the engagement.

When offering investment advice concerning your retirement plan accounts or individual retirement accounts, we act as a fiduciary under Title I of the Employee Retirement Income Security Act and/or the applicable sections of the Internal Revenue Code, which govern retirement accounts. Although our revenue model may present some conflicts with your interests, we adhere to a special rule obligating us to prioritize your best interests and refrain from prioritizing our own.

Under ERISA 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.

### *Disclosure of Conflict of Interest*

As a fiduciary advisor providing services to both the retirement plan and individual participants, it's important to disclose potential conflicts of interest to ensure transparency and clarity in our relationship. This dual role may present a conflict of interest as the advisor's fiduciary duty to the plan as a whole may sometimes differ from the interests of individual participants. For instance, decisions that benefit the plan overall may not always align perfectly with the specific needs or circumstances of certain participants.

### **Assets Under Management**

As of December 31, 2023, the Firm managed \$xx in discretionary assets and \$in non-discretionary assets for total assets under management of \$. xx

## **ITEM 5: FEES AND COMPENSATION**

We provide services for a fee, which may consist of fixed fees or fees calculated as a percentage of assets under management. Additionally, we have certain Advisors in their individual capacities, that can offer securities brokerage services and/or insurance products under a separate commission-based arrangement.

### **Financial Planning and Consulting Fees**

We generally charge a fixed fee for providing financial planning and consulting services. These fees are negotiable but can range from \$500 to \$5,000, depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. If clients engage with our Advisors for additional investment advisory services, we have the option to reduce or waive some or all of their fees for those services based on the amount paid for financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are detailed in the Financial Planning Agreement. Typically, we request half of the Financial Planning fee upon signing the Financial Planning Agreement. The outstanding balance is generally due upon delivery of the financial plan or completion of the agreed upon services. We do not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered. Our Advisors may provide ongoing financial planning services for an annual fee, payable quarterly or monthly, and would terminate upon written request.

### **Total Management Fees**

We offer investment management services for an annual fee based on the amount of a client's assets under the Firm's management (includes cash/cash equivalents). This Total Management Fee is structured in tiers and ranges between 0 and 295 basis points (0.00% – 2.95%). The Total Management Fee is negotiable and will vary depending upon the size and composition of a client's portfolio and the type of services rendered. When calculating the Total Management Fee, the percentage charged will be based on the aggregate of assets in all related accounts that are listed in the Advisory Agreement and accounts of persons living in the same household as the client.



Continuum's Total Management Fee for the Amplify Platform is prorated and charged quarterly, in advance, based upon the market value of the assets (including cash, cash equivalents) being managed by us on the last day of the previous billing period. If assets are deposited into or withdrawn from an account during any month following a billing quarter, we will prorate the fee after the end of the quarter and either bill for the additional amount or issue a credit, as applicable. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client as appropriate.

Additionally, for investment management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, fee-based variable annuities, alternative investments, etc.), Continuum Advisory has in the past, and can in the future negotiate a fee rate that differs from the range set forth above. In addition, for a fee-based variable annuity, the fee is usually calculated by the insurance company issuing the policy and paid in advance or arrears as applicable.

The Owners at Continuum Advisory have an incentive to recommend investments that enable the firm to retain a larger portion of the Total Management Fee. Such recommendations present a conflict of interest in that the owners have a financial incentive to recommend Continuum Capital Management (CCM) models where they will receive additional compensation. To mitigate this conflict, we disclose its existence to clients at the time of solicitation through the delivery of this brochure. Continuum clients are under no obligation to utilize CCM proprietary models.

Refer to the TPAM's ADV and applicable new account opening document(s) for specifics regarding their billing practices.

### **Amplify Separately Managed Account Manager Fees and Sub-Advisory Service Fees**

As discussed in Item 4 above, our Advisors are required to use the Amplify platform to perform certain back-office services. The fees assessed for such back-office services are passed down to our clients. The Amplify Separately Managed Account Manager Fee ("SMA Manager Fee") ranges from 0.20% to 1.50% for accessing managers and is billed quarterly in advance, based upon the market value of the assets on the last day of the prior quarterly billing period. Continuum Advisory will retain a portion of the Amplify SMA Manager Fees ranging from 0.00% to 0.20%.

By way of illustration, should an account have \$500,000 at the end of the prior quarter with an SMA Manager Fee of 0.35%, of which Continuum retains 0.15%, the account will be assessed a fee of \$1,750 annually or \$145.83 per month and Continuum will therefore retain \$750 annually or \$62.50 per month of the SMA Manager Fee.

Should a Continuum Advisory client account use an Amplify SMA Manager(s), the Client's account will have the following fees assessed: SMA Manager Fee and the Advisor Fee to determine the Total Management Fee. Generally, the Total Management Fee should not exceed 2.95% in the aggregate. Note that fees impact the Client's investment amount and should be reviewed carefully by your Advisor.

Continuum Advisory provides various administrative services to our Advisors and retains a portion of the Advisor's fee. By recommending Continuum Advisory's SMA strategies, our Advisors reduce a portion of the fee retained by us thus incentivizing them to use our SMA strategies.

## **Account Additions and Withdrawals**

Clients have the flexibility to make additions to and withdrawals from their managed account at any time, although Continuum Advisory retains the right to terminate an account. Additions may involve +cash or securities, but the Firm reserves the right to liquidate any transferred securities or decline to accept certain securities into a client's account. Clients can withdraw account assets on notice to Continuum Advisory, subject to the usual and customary securities settlement procedures. However, we generally design our portfolios as long-term investments, and the withdrawal of assets can impair the achievement of a client's investment objectives. We can consult with our clients about the options and implications of transferring securities. Clients are advised that when securities are liquidated, they can be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

## **Margin Accounts**

While we do not encourage clients to borrow money for the purpose of building an investment portfolio, there may be times when a client sets up their managed account as a margin account for borrowing purposes. Clients should be aware that borrowing on margin subjects clients to additional costs and risks that should be carefully considered before opening a margin account.

Using a margin account is not suitable for all investors; the use of margin increases leverage in a client's account and therefore increases overall risk. For further information on risks pertaining to margin accounts, please refer to Item 8 below and the Investor Bulletin issued by the SEC at [https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib\\_margin\\_account](https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib_margin_account).

## **Retirement Plan Consulting Fees**

We charge a fixed project-based fee, not to exceed \$40,000, or ongoing asset-based fee that ranges from 0.15% to 1.00%, to provide clients with retirement plan consulting services. Each plan is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the Consulting Agreement. rendered, the complexity of the services, the expertise of the professional providing them, and the size of the retirement plan.

## **Mutual Fund and ETP Fees**

We invest in ETPs as well as mutual funds, both open-end and closed-end interval funds, in client portfolios. Each mutual fund charges fees to shareholders, which are described in their respective prospectus and usually include a management fee, administrative and operations fees, and certain other fees (e.g., 12b-1 fees) and/or redemption fees. These fees are referred to as a fund's "expense ratio" and the fees are deducted at the mutual fund level when calculating the fund's net asset value ("NAV") and have a direct bearing on the fund's performance. Certain mutual funds also charge an up-front or back-end sales charge. In addition, some open-end mutual funds offer different share classes of the same fund, and one share-class can have a higher expense ratio than another share class. The most economical share class will depend on certain factors, including the amount of time the shares are held by a client and the dollar amount a client will be investing. Closed-end interval funds usually don't have 12b-1 fees, but they can charge redemption fees. Mutual fund expense ratios vary by mutual fund, so it is important to read the mutual fund prospectus to fully understand all the fees charged. The fees charged by mutual funds are in addition to the Firm's and other Independent Manager fees. Continuum Advisory will strive to purchase the lowest cost mutual fund

share class for clients when available. There are occasions when we do not have access to lower costs share classes. This typically happens when the client's custodian doesn't offer a lower-cost share class for certain or all of the mutual funds in their accounts, or when the investment amount falls below the minimum requirement for a specific share class. Transaction fees are also a factor in mutual fund investing. Some custodians offer certain higher-cost mutual fund share classes without transaction fees. Therefore, we'll opt for a more expensive share class if, based on the situation, it proves to be the most cost-effective for a client. Additionally, we'll transfer a client to a lower-cost share class later on, if we find it beneficial for them.

### **Fee-Based Variable Annuities**

Clients investing in Fee-Based Variable Annuities will be charged fees by our Advisors and the Product Company. While the Product Company fees are outlined in an annuity's prospectus, they can include, but are not limited to administrative fees, surrender charges, mortality expenses, transfer fees, distribution fees, contract fees, underwriting fees and fees associated with the underlining portfolio investments, such as mutual fund fees. Some of these additional fees are included in the expense ratio and reflected in the per share value of the annuity, while other fees are deducted from the client's assets invested in the annuity.

### **Effect of Fees on Managed Assets**

Clients should review all applicable direct and indirect fees charged, including but not limited to custodian fees, transaction fees, fees associated with all investments (e.g., mutual funds and ETPs, insurance products), and advisory fees to fully understand the total amount of fees to be paid by them and to thereby evaluate the advisory services being provided. It is important that clients understand how all these fees can affect investment returns over time. For further information, please refer to the SEC's Investor Bulletin at <https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor-bulletins/updated>.

Investors can avoid certain fees by making their own decisions regarding the investments made in their accounts. However, in doing that, investors would not have the benefit of receiving experienced investment advice provided by us and our Advisors.

### **Advisor Fee Discretion**

We can, in our sole discretion, negotiate to charge a lesser fee and/or waive the fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, and pro bono activities.

## Transaction Charge Considerations

Clients should understand that the cost to the Advisor of transaction charges can be a factor that the Advisor considers when deciding which securities to select and how frequently to place transactions in these accounts. In particular, our Advisor has a financial incentive, resulting in a conflict of interest, to select No Transaction Fee (“NTF”) funds to avoid paying or to lower the transaction charges. Clients should consider such conflict with monitoring the purchase of NTF funds in recognition of the overall fee and other arrangements with the Advisor for management of the account. All such conflicts can have an impact on the investment performance of the client’s account.

If the Advisor has agreed to pay transaction costs or asset-based fees on behalf of the client, the cost may be a factor that the Advisor considers when deciding which securities, mutual funds or ETPs to select and whether or not to place transactions in the account. The transaction charges borne by the Advisor vary based on the type of transaction (e.g., mutual fund, ETP, equity or fixed income security). The Advisor has a financial incentive to recommend transactions in certain securities that carry lower fees (e.g., transactions involving equity securities may be recommended over transaction fee mutual fund securities because of the lower transaction charge) or to limit the overall number of transactions it recommends to clients. In particular, the Advisor has a financial incentive to select NTF Funds or ETPs to avoid paying or to lower the transaction charges over others that may be more suitable for the client. Clients should consider such conflict when monitoring the purchase of NTF Funds or ETPs.

Continuum does not waive transaction charges, instead we participate in a reimbursement arrangement with Schwab for asset-based fees. We do allow advisors to reimburse clients for ancillary fees charged by the custodian.

## Additional Fees and Expenses

In addition to the advisory fees paid to us, clients can also incur certain charges imposed by other third parties, such as broker/dealers, custodians, TPAMs, mutual funds, trust companies, banks, and other financial institutions (collectively “Financial Institutions”). The additional charges include, but are not limited to, transaction fees, custodial fees, margin interest, fees attributable to alternative assets (including insurance products), fees charged by TPAMs, margin costs, charges imposed directly by a mutual fund or ETP in a client’s account, as disclosed in the fund’s prospectus (e.g., fund management fees and other fund expenses), odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Client assets invested with TPAMs recommended and/or utilized by us will be subject to management fees charged by those TPAMs, as described in each manager’s disclosure brochure (Form ADV Part 2A). These management fees are charged separately by the TPAM and are in addition to our Advisory Fee.

Our brokerage practices are described at length in Item 12 below.

## Direct Fee Debit

Clients provide us and/or certain TPAMs, with the authority to directly debit their accounts for payment of the investment advisory fees, via written client agreements. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to our clients not less than quarterly detailing all account transactions, including any amounts paid to us. We send invoices directly to qualified custodians for debiting and payment of advisory fees.

## Commissions and Sales Charges for Recommendations of Securities

Some advisors with Continuum are also registered representatives of Triad Advisors (“Triad”), a broker/dealer registered with FINRA.

Refer to Item 10 for additional information regarding the type of other compensation received.

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

Continuum Advisory does not offer services for a performance-based fee, meaning we do not charge fees based on a percentage of capital gains or asset appreciation for our clients.

## ITEM 7: TYPES OF CLIENTS

We offer services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations, and business entities.

We do not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain TPAMs and SMA Managers do, however, impose investment minimums.

If a client’s account is a pension or other employee benefit plan governed by ERISA, we may be a fiduciary to the plan. In providing our investment management services, we are obligated to adhere to a standard of care that requires us to act with the same level of care, skill, prudence, and diligence that a prudent individual, knowledgeable in such matters, would exercise under similar circumstances in managing a similar enterprise with similar objectives. We will provide certain required disclosures to the “responsible plan fiduciary” (as such term is defined in ERISA) in accordance with Section 408(b)(2), regarding the services we provide, and the direct and indirect compensation received from such clients. These disclosures are normally contained in this Form ADV Part 2A, the Advisory Agreement and/or in separate ERISA disclosure documents and are designed to enable the ERISA plan’s fiduciary to: (1) determine the reasonableness of all compensation received by us; (2) identify any potential conflicts of interests; and (3) satisfy reporting and disclosure requirements to plan participants.

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

### **Methods of Analysis**

Often times we utilize a blend of fundamental and technical analysis methods to manage client assets.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For us, this process typically involves an analysis of an issuer's management team (experience, firm size, corporate structure, compliance history), investment strategies, style drift, past performance, reputation, and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. Relying on fundamental analysis carries a significant risk. Despite a company's overall health and position appearing positive, changes in market conditions can still adversely affect its security.

Technical analysis involves analyzing past market data rather than specific issuer information when making recommendations to clients. Technical analysis may utilize mathematical indicators and charts, like moving averages and price correlations, to identify market patterns and trends influenced by investor sentiment rather than company fundamentals. However, there's a significant risk associated with relying solely on technical analysis: historical trends may not accurately predict future trends. Even if a trend recurs eventually, there's no guarantee of accurately predicting its recurrence.

### **Investment Strategies**

As discussed above, we manage client investment portfolios on a discretionary or non-discretionary basis. With the Firm's supervision, Advisors make recommendations and/or allocations that they feel are in the client's best interest. Client assets are invested in accordance with their stated investment objectives and allocated among various ETPs, mutual funds, individual debt and equity securities as well as placing some or all of their assets in Continuum model portfolios or with Independent Managers. Additional investments available for use include but are not necessarily limited to Real Estate Investment Trusts ("REITs"), Business Development Companies ("BDCs"), and fee-based annuities.

### **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. Prior to entering into an Advisory Agreement with us, a client should carefully consider: (1) that volatility from investing in the stock market can occur; and (2) that over time the client's assets will fluctuate and at any time be worth more or less than the amount invested.

Below is a summary of some of the main risks involved with the types of investments recommended/utilized by us. However, this is not an all-inclusive list, so it is important that clients take time to learn about all the risks involved in their investments, by reading disclosure documents, offering documents, and discussing them with your advisor.

### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The results of our recommendations and/or investment decisions can depend greatly on correctly assessing the future course of price movements of stocks, bonds, and other asset classes. There can be no assurance that we will be able to predict those price movements accurately or capitalize on any such assumptions.

### *Mutual Funds and ETPs*

Investing in mutual funds or ETPs involves risk, including the loss of principal. Mutual fund and ETP shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. For taxable accounts, shareholders are also responsible for paying taxes on any capital gains or income distributed by the funds. Mutual funds and ETPs are legally mandated to distribute capital gains if they sell securities at a profit that cannot be offset by corresponding losses.

Shares of open-end mutual funds are often distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of an open-end mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings.

The trading prices of an open-end mutual fund's shares can differ significantly from the NAV during periods of market volatility, which can, among other factors, lead to the mutual fund's shares trading at a premium or discount to the actual NAV.

Closed-end interval funds can expose investors to liquidity risk. While interval funds periodically offer to repurchase some outstanding shares, clients should view interval fund shares as illiquid investments because they are not publicly traded and have a unique redemption structure. Furthermore, the level of illiquidity in interval funds can vary depending on the liquidity of their underlying investments. Interval funds are not required to provide daily liquidity and only offer to repurchase a certain percentage of outstanding shares at set time periods throughout the calendar year. Shareholders can only redeem at the fund's designated intervals, which are outlined in the fund's prospectus. Importantly, while interval funds make periodic redemption offers, there is no guarantee that all shareholders will be able to sell the number of shares they want, when they want.

Shares of ETPs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Depending on market demand and supply, ETPs shares can trade at a premium or discount to their NAV. Also, there is no guarantee that an active secondary market for such shares will develop or continue to exist. Therefore, if a liquid secondary market ceases to exist for shares of a particular ETP, a shareholder may have to dispose of such shares at a significant discount.

### *Use of Margin Accounts*

Clients with margin accounts should be aware that there are additional risks that need to be considered. The risks associated with having a margin account include, but are not limited to, the following:

- Clients can lose more assets than deposited in the margin account. A decline in the value of securities that are purchased on margin can require the client to provide additional funds to the brokerage firm that has made the loan to avoid the forced sale of securities in the account.
- The lending brokerage firm can force the sale of securities in a client's account. If the equity in a client's account falls below the maintenance margin requirements under the law—or the lending brokerage firm's higher "house" requirements—the brokerage firm can sell the securities in a client's account to cover the margin deficiency. The client will also be responsible for any short fall in their account after such a sale.

It is important that clients take time to learn about the risks involved in having a margin account and should consult with their Advisor regarding any concerns they have with their margin accounts.

### *Use of TPAMs*

As stated above, Continuum Advisory makes available certain TPAMs to manage a portion of our clients' assets. Once an initial detailed analysis of a TPAM has been completed, we conduct ongoing due diligence, but such recommendations rely to a great extent on the TPAMs ability to successfully implement their investment strategies. In addition, we may not have the ability to supervise the TPAMs on a day-to-day basis.

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

Our Advisors can suggest investing in or allocating assets among different REITs, which are represented by publicly traded securities. REITs are collective investment vehicles that pool funds into portfolios comprised primarily of real estate and mortgage related holdings. Many REITs primarily invest heavily in commercial and/or residential developments, exposing REIT investors to risks associated with downturns in the real estate market. Investments in regions with higher volatility in local real estate markets can lead to significant fluctuations in the value of the vehicle's shares. Additionally, mortgage-related holdings raise concerns related to interest rates, inflation, liquidity, and counterparty risk.

### *Use of Business Development Companies (BDCs)*

Our Advisors can recommend an investment in, or allocate assets among, various BDCs. Some risks of investing in BDCs include: (i) limited liquidity and a redemption plan that is subject to suspension, modification and/or termination at any time; (ii) liquidations at less than the original amount invested; (iii) distributions that are not guaranteed in frequency or amount and can be paid from other sources than earnings; (iv) limited operating history and reliance on the advisor to the BDC, conflicts of interest, and payment of substantial fees to the advisor, the BDC, and its affiliates. The prospectus for the BDC will outline its specific risks.

### *Investment in Fee-Based Variable Annuities*

Fee-Based Variable Annuities are subject to the risks related to the operations of the issuing life insurance company, including insurance pricing, asset liability management, interest rate risk, and other operational risks. Additionally, they are exposed to risks associated with the investments in the annuity's underlining



portfolio (referred to as a “sub-account”). For example, an annuity that has mutual funds in the sub-account is subject to the risks of investing in a mutual fund.

In addition, for some annuities, the allowable investments in a sub-account may be limited and, in some cases, certain riders can cause additional restrictions.

Risks and restrictions are outlined in each respective annuity’s prospectus and statement of additional information and should be read carefully. Also refer to the SEC’s Investor Bulletin at [https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib\\_variableannuities#Annuity\\_Fees](https://www.sec.gov/oiea/investor-alerts-and-bulletins/ib_variableannuities#Annuity_Fees).

## **ITEM 9: DISCIPLINARY INFORMATION**

We have not been involved in any legal or disciplinary events that could impact a client’s assessment of our advisory business or the integrity of our management.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Registered Representatives and Investment Adviser Representatives with Another Firm**

Certain of the Firm’s Supervised Persons are registered representatives of Triad and can provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described in Item 5 and below.

### **Commissions or Sales Charges for Recommendations of Securities**

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of Triad. These Supervised Persons are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker/dealer unless Triad provides written consent. Therefore, clients are advised that certain Supervised Persons can be restricted to conducting securities transactions through Triad if they have not secured written consent from Triad to execute securities transactions through a different broker/dealer. Absent such written consent or separation from Triad, these Supervised Persons are prohibited from executing securities transactions through any broker/dealer other than Triad under its internal supervisory policies. We are cognizant of our duty to obtain best execution and have implemented policies and procedures designed in such pursuit.

In their separate capacity as registered representatives of Triad, some of our Supervised Persons can sell, for commissions and other compensation, investment products such as stocks, bonds, mutual funds, ETPs, alternative investments, and variable annuity and variable life products to clients. These Supervised Persons can suggest that their clients open brokerage accounts with Triad. If a client does so and carries out the recommended transactions, our Supervised Person will earn commissions and potentially other compensation, depending on the investment product. While opening a brokerage account and paying commissions may initially result in higher compensation for the Supervised Person, over time these fees typically become lower compared to those associated with an advisory account. Advisory accounts involve ongoing advice and thus incur recurring fees. This difference in compensation structures can create a conflict of interest.

Clients are not obligated to open brokerage accounts with Triad or follow the recommended transactions. They are free to choose brokers, advisors, or representatives who are not affiliated with us. Commissions charged by Triad can be higher or lower than at other broker/dealers. There is a conflict of interest in having advisory clients purchase securities products through Triad in that the higher the registered representative's production is with Triad, the greater potential the representative has for obtaining a higher pay-out on commissions earned. It's important to note that both Continuum Advisory and our Supervised Persons are fiduciaries, meaning we are legally obligated to make recommendations that we believe are in the best interest of the client.

We address the conflict of interest by requiring our Supervised Persons to always act in the best interest of their clients, including when acting as a registered representative, investment adviser representative, and/or an insurance agent (see below). We periodically review recommendations made to our clients by our Supervised Persons to assess whether they are based on an objective evaluation of each client's risk profile and investment objectives rather than on the receipt of any commissions or other benefits. In addition, we disclose, mainly via our Form ADV Part 1, Part 2A, Part 2Bs and Form CRS, how we and our Supervised Persons are compensated, along with the conflicts of interest involving any advice or service provided.

### **Licensed Insurance Agents**

Several of our Supervised Persons are licensed insurance agents and can offer certain insurance products on a fully disclosed commissionable basis. A conflict of interest exists to the extent that we recommend the purchase of insurance products where our Supervised Persons can be entitled to insurance commissions or other additional compensation. We have procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

### **Tax Preparation Work**

One of our Advisors, Mark Allen, is an Enrolled Agent who is an active tax preparer with a tax planning firm by the name of Allen Tax Planning. Mark spends a considerable amount of time during the week on tax preparation work in addition to providing investment advice to clients.

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

Continuum Advisory has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. Our Code of Ethics contains written policies designed to prevent certain unlawful practices such as the use of material non-public information by us or any of our Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires all Supervised Persons to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, our Supervised Persons can buy or sell securities it also recommends to clients if done fairly and consistent with our policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions can be made to the policies stated below.

When we are engaging in or considering a transaction in any security on behalf of a client, no Supervised Person who has access to this information can knowingly effect for themselves or for their immediate family (*i.e.*, spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients can contact us to request a copy of our Code of Ethics.

## ITEM 12: BROKERAGE PRACTICES

### The Custodian and Brokers We Use

While we do not maintain custody of your assets that we manage, we may be deemed to have custody of client assets because you give us authority to withdraw assets from your account (*see Item 15 Custody, below*). We recommend that our clients use Charles Schwab & Co., Inc. (“Schwab”), a FINRA-registered broker/dealer, member SIPC, as the qualified custodian for investment management accounts. Client assets must be maintained in an account at a “qualified custodian,” generally a broker/dealer or bank. We are independently owned and operated and not affiliated with Schwab. This is not applicable to our TPAM relationships as they can use a different custodian. The Custodian will hold our clients’ assets in a brokerage account and buy and sell securities when we instruct it to. While we recommend that clients use Schwab as custodian/broker, clients will decide whether to do so when they open an account with Schwab by entering into an account agreement directly with them. Schwab offers independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from Schwab through our participation in the program.

### How We Select Custodians/Brokers

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

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody);
- capability to execute, clear and settle trades (buy and sell securities for your account);
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.);
- breadth of investment products made available (stocks, bonds, mutual funds, ETPs, etc.);
- availability of investment research and tools that assist us in making investment decisions;
- quality of services;
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them, including many mutual funds without transaction charges and other securities at nominal transaction charges (the commissions and/or transaction fees charged by the Custodians can be higher or lower than those charged by other Financial Institutions);
- reputation, financial strength and stability of the custodian/broker;
- the custodian/broker’s prior service to us and our other clients; and
- availability of other products and services that benefit us, as discussed below (*see “Products and Services Available to Us from Schwab”*).

### Custody and Brokerage Costs

The Custodian generally does not charge our client accounts separately for custody services but is compensated by charging clients commissions or other fees on trades that it executes or that settle into your account. For Continuum Advisory investment management accounts, the Custodian has the ability to charge clients a percentage of the dollar amount of assets in the account in lieu of commissions.

The Custodians' asset-based fees applicable to our client accounts were negotiated based on our commitment to maintain Continuum client assets in accounts at Schwab. This commitment benefits our clients because the overall asset-based fees they pay are lower than they would be if we had not made the commitment. In addition to asset-based fees, Schwab charges a flat dollar amount as a "trade away" fee for each trade that we execute by a different broker/dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation clients pay the executing broker/dealer. Because of this, in order to minimize trading costs, we exclusively use Schwab to execute trades for our clients' Schwab accounts.

## **Products and Services Available to Us from Schwab**

Schwab Advisor Services is Schwab's business serving independent investment advisory firms like Continuum Advisory. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. 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. In most cases, Schwab's support services are available on an unsolicited basis (*i.e.*, we do not have to request them), and at no charge, as long as we keep a total of at least \$10 million of our clients' assets in accounts at Schwab. Below is a detailed description of Schwab's support services:

### *Schwab 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 our clients and their accounts.

### *Schwab Services that May Not Directly Benefit You.*

Schwab also makes available to us other products and services that benefit us but may not directly benefit our clients or their accounts. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all, some or a substantial number of our clients' accounts. 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; and
- assist with back-office functions, recordkeeping and client reporting.

### *Schwab 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;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

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

The fees paid by our clients to the Custodians comply with the Firm's duty to obtain "best execution." Clients can pay fees that are higher than another qualified Financial Institution might charge to affect the same transaction where we determine that the fees are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, and responsiveness. We seek competitive rates but may not necessarily obtain the lowest possible fees for our clients.

Transactions can be cleared through other broker/dealers with whom the Firm and its custodian(s) have entered into agreements for prime brokerage clearing services. Should an account make use of prime brokerage, our clients can be required to sign additional agreements, and additional fees are likely to be charged.

Consistent with obtaining best execution, brokerage transactions can be directed to certain broker/dealers in return for investment research products and/or services which assist Continuum Advisory in its investment decision-making process. Such research will be used to service the Firm's clients, but brokerage fees paid by one client can be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Continuum Advisory does not have to produce or pay for the products or services. Continuum Advisory periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions to fulfill its duty to obtain best execution.

### **Continuum's Beneficial Interest in Schwab's Services**

We can avoid certain fees if we maintain a combined total of \$10 million or more in client assets with Schwab. This requirement might lead us to recommend Schwab to clients not solely for their benefit, but because it benefits our business. This situation raises concerns about potential conflicts of interest.

However, we firmly believe that selecting Schwab as a custodian/broker is in the best interests of our clients. Our decision is primarily based on the breadth, quality, and cost-effectiveness of Schwab's services, rather than just our own gains. With approximately \$XXX billion in client assets under management, we view maintaining at least \$10 million at Schwab to avoid service fees as a minimal conflict of interest."

## **Software and Support Provided by Financial Institutions**

Continuum Advisory can receive without cost from the Custodians computer software and related systems support, which allows us to better monitor client accounts maintained at the Custodians. We can take advantage of the custodian's platform and related support without cost because the Firm renders investment management services to clients that maintain assets at the Custodians. The platform and support are not provided in connection with securities transactions of clients (i.e., not "soft dollars"), but can be based on the assets being managed by the firm at the specific Custodian. The platform and related systems support can benefit us, but not our clients directly. In fulfilling our duties to our clients, prioritize the interests of our clients first. Clients should be aware, however, that our receipt of economic benefits from a custodian creates a conflict of interest since these benefits can influence the Firm's choice of one custodian over another that does not furnish similar software, systems support or services.

Specifically, Continuum Advisory can receive the following benefits from the Custodians:

- Credits to be used toward qualifying third-party service providers used in connection with the initial set up of our research, technology and software platforms;
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

## **Brokerage for Client Referrals**

Continuum Advisory does not consider in selecting or recommending custodians, whether the Firm receives client referrals from the Financial Institutions or other third party.

## **Directed Brokerage**

The client can direct Continuum Advisory in writing, to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and we will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by us (as described above). As a result, the client can pay higher commissions or other transaction costs, greater spreads or can receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, we can decline a client's request to direct brokerage if, in our sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker/dealers (as further discussed below).

## Trade Aggregation

Transactions for each client will be affected independently unless Continuum Advisory decides to purchase or sell the same securities for several clients at approximately the same time. Continuum Advisory can (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our client's differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among our client's pro rata to the purchase and sale orders placed for each client on any given day. To the extent that we determine to aggregate client orders for the purchase or sale of securities, including securities in which Continuum Advisory's Supervised Persons can invest, we generally do so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. We do not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which can include: (i) when only a small percentage of the order is executed, shares can be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations can be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares can be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations can be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm can exclude the account(s) from the allocation; the transactions can be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares can be allocated to one or more accounts on a random basis.



## ITEM 13: REVIEW OF ACCOUNTS

### Account Reviews

We monitor client portfolios on a continuous and ongoing basis while conducting regular account reviews at least annually. These reviews are carried out by our Advisors. We urge all clients to engage in discussions with us regarding their needs, goals, and objectives, and to keep us informed of any changes. We reach out to clients at least annually to review past services and recommendations and to address any impacts stemming from changes in their financial situation or investment objectives.

### Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, clients can also receive written or electronic reports from us and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from us or an outside service provider.

## ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Continuum Advisory has entered into referral arrangements with certain non-affiliated third-party investment advisers ("TPAMs"). Under the arrangements, the TPAM pays us and/or certain advisory personnel a referral fee when our client that is referred to the TPAM by Continuum Advisory, opens an account with the TPAM. Continuum Advisory and its advisory personnel only refer clients to TPAMs when we believe that the advisory services to be provided by the TPAM are consistent with each referred client's investment objectives and financial circumstances and believed to be in the best interest of the referred clients. The referral fee is a percentage of the total annual investment advisory fee paid by each client to the TPAM.

Continuum Advisory can enter into solicitation agreements to which it compensates third-party intermediaries for client referrals that result in the provision of investment services by an Advisor with Continuum Advisory. We will disclose these solicitation arrangements to affected investors, and any cash solicitation agreements will comply with Rule 206(4)-3 under the Advisers Act. Solicitors introducing clients to Continuum Advisory Advisors can receive compensation such as a retainer, a flat fee per referral and/or a percentage of introduced capital. Such compensation will be paid pursuant to a written agreement with the solicitor and may be terminated by either party from time to time. The cost of any such fees will be borne entirely by the Advisor and not by any affected client.

Certain Continuum Advisory Supervised Persons also are registered representatives with Triad. Some Supervised Persons are also independent insurance agents. As such, they receive certain additional compensation.

Please refer to Items 5 & 10 for further details.

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

Some service providers or TPAMs sponsor Continuum's education and training meetings for our Advisors. A service provider or TPAM may reimburse Continuum for up to 100% of the cost of these meetings. These contributions and reimbursements create a conflict of interest because participating sponsors have more opportunities to provide Advisors with education on their products, services, and investment programs.

## ITEM 15: CUSTODY

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorizes Continuum Advisory and/or the Independent Managers to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to us.

Pursuant to federal regulations, Continuum is deemed to have custody of client assets if clients authorize us to instruct the Custodians to deduct our advisory fees directly from their account. The Custodians maintain actual custody of client assets. Clients will receive quarterly account statements directly from the Custodians, sent to the email or postal address provided. Promptly review these statements upon receipt. In addition, as discussed in Item 13, Continuum Advisory can also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from us.

Additionally, Continuum Advisory is deemed to have custody of the assets in any account for which clients have signed a third-party standing letter of authorization ("SLOA") for the purpose of allowing the Firm to direct specific distributions or receipts of cash to or from your account(s) with the Firm. An SLOA is a standing letter of instruction or other similar asset transfer authorization arrangement established by a client with a qualified custodian. The client instructs the qualified custodian that maintains the client's account to transfer assets, either on a specified schedule or from time to time, to a designated third party upon the future request of the client's authorized adviser in accordance with the limited authority the client grants to the adviser. Such disbursements can be made by any method, such as wires, checks, or electronic funds transfers (ACH).

## **ITEM 16: INVESTMENT DISCRETION**

Continuum Advisory can be given the authority to exercise discretion on behalf of clients. When we have the authority to make transactions that can affect or direct the account without seeking their prior consent, we exercise investment discretion over a client's account. Continuum Advisory is given this authority through a power-of-attorney included in the Advisory agreement between us and the client. Clients can request a limitation on this authority (such as certain securities not to be bought or sold). We take discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

## **ITEM 17: VOTING CLIENT SECURITIES**

Continuum Advisory does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are held. If clients have any questions regarding issuer solicitations or need assistance with voting proxies, they can contact us using the contact information provided on the cover of this brochure.

## **ITEM 18: FINANCIAL INFORMATION**

Continuum Advisory is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.