

Part 2A of Form ADV: *Firm Brochure*

Asio Capital LLC

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This brochure provides information about the qualifications and business practices of Asio Capital LLC. If you have any questions about the contents of this brochure, please contact us at 859-785-4130 or rgray@asiocapital.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Asio Capital LLC is also available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 298326.

Item 2 Material Changes

This Firm Brochure provides you with a summary of Asio Capital LLC's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform clients of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates - any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The Firm Brochure is being updated as part of our annual updating amendment. The following changes were made to this Firm Brochure since our last annual amendment filing:

- Item 4: Advisory Business was updated to reflect assets under management as of December 31, 2023.
- Item 4: Advisory Business was updated to include Participant Account Services.
- Item 4: The Chief Compliance Officer was changed from Ryan Gray to Jared Calvert
- Item 17: Voting Client Securities section was updated to reflect current voting policies and procedures.

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Item 4 **Advisory Business**

Asio Capital LLC (“Asio Capital”, “we”, “our”, “us”) is an SEC-registered investment adviser with its principal place of business located in Kentucky. Asio Capital began conducting business in 2018.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- John Carroll Cheshire III, Member
- Ryan Tracy Osborne, Member

Asio Capital’s Chief Compliance Officer (“CCO”) is Jared Calvert.

Asio Capital offers the following advisory services to our clients:

PORTFOLIO MANAGEMENT

Our firm provides asset management for client accounts based on the individual needs of the client. Through personal discussions in which a client’s goals and objectives are established, we develop the client's personal investment policy. We create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

Our services will typically include, to the extent specifically requested by the client, a review of each client's financial situation, including tax planning, education planning, retirement planning, and estate planning. These services are part of our portfolio management services and are not offered on a stand-alone basis.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and we may provide advice regarding any type of securities. However, generally we use the following securities in creating client’s portfolios:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Municipal securities
- Mutual fund shares
- Exchange-traded funds (ETFs)
- United States governmental securities

While we will offer advice on any investment held by a client, recommendations for new investments are typically limited to those listed above.

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity, and suitability.

RETIREMENT PLAN SERVICES

We offer retirement plan sponsors with discretionary management of defined benefit and defined contribution plans, and we provide services to the client as we would under our Portfolio Management offering. Where we agree to provide discretionary Portfolio Management services to a plan covered by ERISA, we acknowledge that we are a “fiduciary” and “investment manager” within the meaning of Sections 3(21) and 3(38) of ERISA, respectively.

We also may serve as consultants to participant-directed retirement plan sponsors in assisting them with their selection of other service providers for their plans. In such engagements, we will generally consult with the plan sponsor and refer the plan to service providers for the provision of recordkeeping, administrative, investment option selection, and other plan services, while remaining available to the plan for ongoing consultative services.

PARTICIPANT ACCOUNT SERVICES

Asio Capital uses a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of a client’s funds since we do not have direct access to the client’s log-in credentials to affect trades. We are not affiliated with the platform and receive no compensation from them for using their platform. A link is provided to the client, allowing them to connect an account(s) to the platform. Once a client’s account(s) is connected to the platform, we will review the current account allocations. When deemed necessary, we will rebalance the account considering client investment goals and risk tolerance.

Assets Under Management: As of 12/31/2023, we managed approximately \$499,551,795 of client assets on a discretionary basis and \$0 of client assets on a non-discretionary basis.

MISCELLANEOUS DISCLOSURES

Limitations of Financial Consulting. To the extent requested by a client, we may provide financial consulting services regarding investment and non-investment related matters, such as estate planning, tax planning, retirement planning, insurance, etc. We do not serve as a law firm, accounting firm, or insurance agency, and no portion of our services should be construed as legal, accounting, or insurance implementation services. Accordingly, we do not prepare estate planning documents, tax returns, or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for implementation purposes (i.e., attorneys, accountants, insurance agents, etc.). Clients are reminded that they are under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by us or our representatives. Please Note: If the client engages any professional, recommended or otherwise, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from the engaged professional. At all times, the engaged licensed professional(s) shall be responsible for the quality and competency of the services provided.

Retirement Plan Rollovers – No Obligation / Conflict of Interest. A client or prospective client leaving an employer has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer’s plan, if permitted; (ii) roll over the assets to the new employer’s plan, if one is available and rollovers are permitted; (iii) roll over to an Individual Retirement Account (“IRA”); or (iv) cash out the account value (which could, depending upon the client’s age, result in adverse tax consequences). If we recommend that a client roll over their retirement plan assets into an account to be managed by us, such a recommendation creates a conflict of interest if we will earn a new (or increase our current) advisory fee as a result of the rollover. No client is under any obligation to roll over

retirement plan assets to an account managed by us.

Portfolio Activity. We have a fiduciary duty to provide services consistent with the client's best interest. As part of our investment advisory services, we will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when we determine that changes to a client's portfolio are neither necessary nor prudent. Clients remain subject to the fees described in Item 5 below during periods of account inactivity.

Cash Positions. We may maintain cash and cash equivalent positions (such as money market funds) for defensive and liquidity purposes. Unless otherwise agreed in writing, all cash and cash equivalent positions will be included as part of assets under management for purposes of calculating our investment advisory fee.

Client Obligations. In performing our services, we shall not be required to verify any information received from the client or from the client's other designated professionals, and we are expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify us if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising our previous recommendations and/or services.

Disclosure Statement. A copy of our written disclosure statement as set forth on Part 2 of Form ADV shall be provided to each client before or at the time they enter an Investment Management Agreement with Asio Capital.

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT FEES

Our annual fees for Portfolio Management are based upon a percentage of assets under management and generally range from 0.50% to 1.15%. We may negotiate our fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, personal or familial relationship, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, reports, among other factors. The client's fee is identified in the Investment Management Agreement between the adviser and each client.

We may aggregate certain related client accounts for the purposes of determining the annualized fee, but that will also be addressed in the Investment Management Agreement or through separate communications.

Fees are billed monthly, in arrears, based upon the month-end account balance of the previous billing period. We rely on the values provided by our portfolio reporting software, and not the values provided by your account's custodian in determining the market value of your account. These values are typically very close in value but may differ due to the methodologies used by your account custodian and our portfolio reporting software.

Fees will be directly debited from the account in accordance with the client authorization in the Investment Management Agreement. A client's initial fee will be prorated based on the amount of days remaining in the calendar month. For accounts terminated mid-month, the management fee will be pro-rated based on the number of days that the account was open during the month.

RETIREMENT PLAN SERVICES FEES

For retirement plans that engage Asio Capital for asset management, we work with each retirement plan sponsor and negotiate our fee rate.

For participant-directed plans where we are engaged to serve as a consultant, we will be compensated for our services through an annual asset-based fee. Such fee will generally be collected by the engaged service provider, who will then send our fee to us.

Retirement plan clients could pay diverse fees based upon the market value of their plan, the complexity of the engagement, and the level and scope of the services being provided. The fee will be documented in a written agreement.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason, upon written receipt of notice. Upon termination of any account, any earned, unpaid fees will be due and payable.

Recommended Investable Assets: Asio Capital recommends that individual or family clients have \$1 million or more in investable assets. We can accept and have accepted clients with less assets on a case-by-case basis, and will accept such clients, at our sole discretion, if we determine that our services are consistent with the client's individual needs and circumstances.

Mutual Fund and ETF Fees: All fees paid to Asio Capital for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other expenses, and a possible distribution fee. A client could invest in a mutual fund or ETF directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which securities are most appropriate for the client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Firm Brochure for additional information.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other investment advisers for lower (or higher) fees.

Sales Compensation: Neither Asio Capital nor its representatives accept compensation from the sale of securities or other investment products.

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

Asio Capital does not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

Asio Capital provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Banking or thrift institutions
- Pension and profit-sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above.

We have a requirement for minimum investable assets, which is discussed above in Item 5.

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

METHODS OF ANALYSIS

We generally apply fundamental analysis to determine attractiveness of individual securities or asset classes. We believe that fundamental value is the determinant of long-term investment returns. Value can be found in many different and unique ways, rendering analysis a complex and dynamic art.

Fundamental Analysis

Fundamental Analysis is conducted considering many factors, tangible and intangible, including: economic cycle; industry trends; traditional balance sheet; and cash flow analysis, as well as the management of the company. We believe that many factors can make a company or security attractive, and that the process of portfolio construction and security selection is an art form in judgment and prudence.

Factors that we think can have a bearing upon understanding an individual company's valuation and may render it attractive may include but is not limited to: the company's valuation in relation to all factors considered, quality of industry, quality of underlying business, quality of management and its leaders, the company's culture, how the company can be affected by the current or future economic cycle, financial strength and history, insider buying and selling, ownership of the company's securities, past and future potential growth of sales and earnings, dividend history and dividend growth, interest rates and their effect on capital structure, all traditional financial metrics and ratios, and liquidity.

Factors that we believe that can have an effect on asset class selection may include but is not limited to: economic cycle and future probable direction, interest rate environment and trend, both institutional and retail money flows, asset class valuation relative to its history, asset class valuation relative to its alternatives,

prudence of diversification, potential long term returns, and liquidity.

INVESTMENT STRATEGIES

Portfolios are custom created to client's individual needs and preferences. In general, an asset allocation range will be established with consultation of the client and their needs, then securities and asset classes are selected to meet the client's objectives. Investment selections may include but are not limited to individual securities such as common and preferred stocks, US Treasuries, agency and corporate bonds, municipal securities, MLPS, REITs, mutual funds, and ETFs.

The Investment Committee will approve the selection of individual securities to represent the acceptable universe of securities. For each client account, the investment team will construct a portfolio from that universe, considering the client's needs and economic circumstances. The Investment Committee will ratify the universe, any changes and approve broad thematic or philosophical changes no less than quarterly.

Risk of Loss

Investing in general entails risk for which investors must be aware and willing to bear. The concept of portfolio creation and design is to attempt to not only achieve attractive long-term returns, but also control risk exposure. Investment instruments such as common and preferred stocks, US Treasuries, agency and corporate bonds, municipal securities, MLPS, REITs, mutual funds, and ETFs each bear risks unique to its asset class and structure. Risks that an investor should be aware of, could include, but not be limited to:

Market Risk: Issuer, political, global health conditions, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. In the short term, equity prices can fluctuate dramatically in response to these developments. Different parts of the market and different types of equity securities can react differently to these developments. For example, large-cap stocks can react differently from small-cap or mid-cap stocks, and "growth" stocks can react differently from "value" stocks.

Equity Market Risks: Investing in stocks and other equity securities are subject to the risks of the stock market. These risks include, without limitation, the risk that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods due to general market declines in the stock prices for all companies, regardless of any individual security's prospects.

Fixed Income Risks: Investing in fixed income is generally less volatile than investing in stock (equity) markets. Fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

ETF Risks: The risk of owning an ETF generally reflects the risks of owning the underlying securities of the ETF. The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs have a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

Mutual Fund Risks: The risk of owning a mutual fund generally reflects the risks of owning the underlying securities the mutual fund holds. The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

Inflation/Deflation Risk: Inflation risk is the risk that the present value of assets or income of an Account will be worth less in the future as inflation decreases in the present value of money. Deflation risk is the risk that prices throughout the economy decline over time creating an economic recession, which could make issuer default more likely and may result in a decline in the value of an Account's assets.

Index Fund Risk: The risk that a fund's performance will not correspond to its benchmark index for any period of time and may underperform the overall stock market.

Interest Rate Risk: Interest rate risk is the risk that fixed income securities may decline in value because of changes in interest rates. As nominal interest rates rise, the value of certain fixed income securities held in an account is likely to decrease. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate. Interest rate changes can be sudden and unpredictable, and an account may lose money as a result of movements in interest rates. Fixed income securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations.

Liquidity Risk: Liquidity risk exists when particular investments are difficult to purchase or sell and may be particularly pronounced for long-term investments. An account's investments in illiquid securities may reduce the returns of the account because it may be unable to sell the illiquid securities at an advantageous time or price. Additionally, the market for certain investments or types of investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer.

Political Risk: The risk that an investment's return could suffer as a result of political changes or instability in a country. Instability affecting investment returns could stem from a change in government, legislative bodies, other foreign policy makers, or military control. Political risk is also known as "geopolitical risk" and becomes more of a factor as the time horizon of an investment gets longer.

Currency Risk: If an account invests in securities that trade in, and receive revenues in, non-U.S. currencies, it will be subject to the risk that those currencies will decline in value relative to the U.S. dollar. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks, or supranational entities such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United States or abroad. As a result, an account's investments in non-U.S. currencies and/or non-U.S. currency-denominated securities may reduce the returns of the account.

We believe that consideration of risk is extremely important, not only in the obvious context of the return expectations, but also in context of liquidity and time horizon. Risk is a multi-faceted concept, and all investments entail some form of risk. Most of the time risk is easily identifiable looking backwards in time,

or post event, and may not be apparent prior to their occurrence. We believe that creative investment work, deep thought, and long-term market experience help identify the many forms of risk that each individual asset or investment may face, as well as how they interrelate in portfolio construction.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

As a registered investment adviser, we are required to disclose information regarding our business activities, other than giving investment advice, our other activities in the financial industry and any arrangements with related persons that are material to our advisory business or clients. Currently, Asio Capital and its related persons have no material financial industry activities or affiliations related to Asio Capital's advisory business or clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Asio Capital and our personnel owe a duty of loyalty, fairness, and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transaction reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement, and recordkeeping provisions.

Asio Capital's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. All employees are reminded that such information may not be used in a personal or professional capacity.

Asio Capital and individuals associated with our firm are prohibited from engaging in principal transactions and agency cross transactions.

Our Code of Ethics is designed to ensure that the personal securities transactions, activities, and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell securities in their personal accounts which are identical to or different from those securities recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

We may aggregate our employee trades with client transactions where possible and when compliant with

our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts can be included in the pro-rata allocation.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by sending an email to jcalvert@kbc.team or by calling our CCO at 859-287-1657.

Item 12 Brokerage Practices

Brokerage

Asio Capital will endeavor to select those brokers or dealers which provide “best execution”. In most, if not all instances, we will execute transactions through the broker-dealer where a client maintains their account.

Asio Capital considers the reasonableness of commissions based on a variety of factors, including the broker's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services which will help us in providing investment management services to clients. Asio Capital may, therefore recommend or use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was affected.

Directed Brokerage

Clients may direct us to use a particular broker-dealer for all trades in the client's account. When directing the use of any broker, it should be understood that Asio Capital will not have authority to negotiate commissions or to obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients.

Aggregation and Allocation

While as a general matter Asio Capital executes transactions for each account independently, from time to time it will perform block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Our block trading policy and procedures are designed to treat all participating clients in a fair and equitable manner.

Recommended Custodian

Asio Capital recommends that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although we recommend that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Asio Capital is independently owned and operated and not affiliated with Schwab.

Schwab provides Asio Capital with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment

advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon our firm committing to Schwab a specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction- related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Certain trades (for example, many mutual funds and ETFs) may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. In addition to commissions and transaction fees, Schwab charges clients a flat dollar amount as a "prime broker" or "trade away" fee for each trade that Asio Capital executes through a different broker-dealer but where the securities bought or the funds from the securities sold are deposited or settled in the client's 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, Asio Capital has Schwab execute most trades for client accounts.

Schwab Advisor Services™ is Schwab's business serving independent investment advisers like Asio Capital. Schwab Advisor Services™ makes available to our firm other products and services that benefit us but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- i. provide access to client account data (such as trade confirmations and account statements);
- ii. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. provide research, pricing, and other market data;
- iv. facilitate payment of our fees from clients' accounts; and
- v. assist with back-office functions, recordkeeping, and client reporting.

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

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

In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a conflict of interest. To address this conflict, Asio Capital periodically reviews the transaction and custody services provided by Schwab to determine if our recommendation of Schwab continues to be in our clients' best interest.

Lastly, in limited instances (generally when a client needs to divest of a concentrated position in a thinly traded security) and when Asio Capital reasonably determines that it is in the client's best interest, we may determine to execute one or more transactions through a broker-dealer other than Schwab. In such event, the client will generally incur both the transaction fee charged by the executing broker-dealer and a separate

“trade-away” fee charged by Schwab. In return for effecting securities transactions through a designated broker-dealer, we can also receive certain investment research products or other services which assist us in our investment decision-making process for the client. This arrangement presents an inherent conflict of interest because we are incentivized to recommend that a client execute trades through the designated broker-dealer based on our ongoing receipt of these benefits, rather than based on client’s needs. Investment research products or services received by us may include, but are not limited to, analyses pertaining to specific securities, companies, or sectors; gratis or discounted attendance at industry conferences; market, financial and economic studies, and forecasts; financial publications, portfolio management systems, and statistical and pricing services. Although the commissions paid by our clients shall comply with our duty to seek best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where we determine, in good faith, that the commission is 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 broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, we may not necessarily obtain the lowest possible commission rates for client account transactions. Although the investment research products or other services that can be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client’s account. With respect to investment research products or services obtained by us that have a mixed use of both a research and non-research (i.e., administrative, etc.) function, we shall make a reasonable allocation of the cost of the product or service according to its use. The brokerage commissions or transaction fees charged by the designated broker-dealer, and any applicable trade-away fees charged by Schwab, are exclusive of, and in addition to, our investment management fee.

Item 13 Review of Accounts

PORTFOLIO MANAGEMENT SERVICES

REVIEWS: While the underlying securities within Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least annually, based on the nature of the client’s account and any arrangement with the client. Accounts are reviewed in the context of each client’s stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client’s individual circumstances, or the market, political or economic environment.

These accounts are reviewed by a member of Asio Capital.

REPORTS: Clients will receive transaction confirmations and account statements (on at least a quarterly basis) from their custodians. Clients may contract with Asio Capital for additional reports, the nature of which will be determined by the client and our firm.

Item 14 Client Referrals and Other Compensation

It is Asio Capital’s policy not to engage unaffiliated solicitors or promoters for referring potential clients to our firm.

It is Asio Capital’s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services we provide to our clients. However, employees are not prohibited from participating in usual and customary

entertainment or educational events with others in the financial services industry subject to our Code of Ethics.

As indicated in Item 12 above, Asio Capital can receive from Schwab without cost (and/or at a discount), support services and/or products. Our clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. We can also receive research products and other services from certain broker-dealers in exchange for executing securities transactions through such broker-dealers.

Asio Capital has also received, and may again in the future receive, complementary travel, accommodations, and attendance at professional investor educational conferences hosted by unaffiliated mutual fund sponsors, recordkeepers, research providers, or other vendors.

There is no corresponding commitment made by Asio Capital to Schwab, or to any other entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products as a result of the above arrangements.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement. Clients may elect to establish standing letters of authorization (SLOAs) that allow us to assist the client in disbursing funds from their custodial accounts to third parties. This practice results in Asio Capital having custody over those clients' cash and securities within the meaning of the Investment Advisers Act of 1940, but Asio Capital is not required to subject those accounts to a surprise examination by an independent public accountant based on guidance issued by the SEC.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to determine the following without contacting the client:

- the security to buy or sell;
- the amount of the security to buy or sell;
- the broker or dealer to be used; and
- the commission to be paid.

Clients give us discretionary authority when they sign a discretionary agreement with our firm and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

We vote proxies for client accounts; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account. We will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to deciding how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies.

Asio Capital has engaged Broadridge Financial Solutions, Inc. ("Broadridge") to provide proxy voting and consulting services. Asio Capital will generally follow Management Proposals when voting proxies. Asio Capital can instruct Broadridge to vote either for or against a particular type of proposal on a case-by-case basis. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and vote proxies in accordance with the Management Proposal. Clients may obtain a copy of our complete proxy voting policies and procedures by contacting us by telephone, email, or in writing.

Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

For clients who do not opt into having Broadridge Financial Solutions file class action claims on their behalf (discussed below), we will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Asio Capital by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting us by mail at 220 Lexington Green Circle, Suite 420 Lexington, KY 40503, by phone at 859-785-4130, or by e-mail at rgray@asiocapital.com.

In an effort to continue to provide value-added service to you, we have engaged Broadridge Financial Solutions to file class action claims on our clients' behalf. Clients are not obligated to provide Asio Capital with the authority to permit Broadridge to process any claims and have the right to opt out of this service at any time.

Class action recoveries, less the contingency fee, shall be deposited directly by Broadridge into the account holding the shares subject to the class action. Asio Capital does not receive any portion of the contingency fee invoiced by Broadridge.

In the event a Fair Funds recovery is made, Broadridge will deposit funds directly into the end investors' account in full. However, since claim filing providers cannot take contingency fees prior to remitting to clients, Broadridge will then invoice Asio Capital for the contingency fees which will then be charged to applicable

client accounts.

Item 18 Financial Information

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Asio Capital has no such financial circumstances to report.

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

Asio Capital has not been the subject of a bankruptcy petition.