

# Item 1: Cover Page



**GTS Financial, LLC**

**DBA**

**TruMix Advisors**

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**Form ADV Part 2A – Firm Brochure**

Dated: March 12, 2024

This Brochure provides information about the qualifications and business practices of TruMix Advisors. If you have any questions about the contents of this Brochure, please contact us at (952) 222-8286. 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.

TruMix Advisors is registered as an Investment Adviser with the SEC. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about TruMix Advisors is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), which can be found using the firm's identification number, 310222.

## Item 2: Material Changes

The last annual update of this Brochure was filed on September 21, 2023, the following material changes have been made:

- Item 1: Cover Page - Advisor updated to disclose the business DBA name as TruMix Advisors.

From time to time, we may amend this Brochure to reflect changes in our business practices, changes in regulations, and routine annual updates as required by securities regulators. Either this complete Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of TruMix Advisors.

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# Item 4: Advisory Business

## **Description of Advisory Firm**

TruMix Advisors (“TruMix”) is a Minnesota limited liability company founded in 2020 and initially registered with the SEC in March of 2024. Tyler J. Engbrecht, Grant A. Meyer, and Stacey Stelter are the principal owners of TruMix. Tyler J. Engbrecht is our Chief Compliance Officer.

The information contained in this brochure describes our investment advisory services, practices, and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our services to the needs of our clients. As used throughout this firm brochure, the words “TruMix,” “we,” “our,” “firm,” “Advisor,” and “us” refer to TruMix Advisors, and the words “you,” “your,” and “Client” refer to you as either a client or prospective client of our firm.

## **Types of Advisory Services**

### **Investment Management**

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a Client regarding the investment of Client funds based on the individual needs of the Client. Through personal discussions in which goals and objectives based on a Client's particular circumstances are established, we develop a Client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation targets. We will also review and discuss a Client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the Client (e.g., maximum capital appreciation, growth, income, or growth, and income), as well as tax considerations, time horizon, and risk tolerance. We manage these accounts on a discretionary basis. More information about our discretionary authority can be found in Item 16 of this Brochure.

If requested by the Client and upon mutual agreement, we also provide investment management services for held away accounts, such as 529 Plans, 401(k) and other employer sponsored tax qualified accounts, as well as other brokerage accounts that the Client maintains at other financial institutions. Clients who choose to have our firm manage their held-away accounts will be required to connect those accounts to a third-party trading and management platform which allows us to manage their investments without maintaining custody of their held away accounts. We will under no circumstances accept client log-in credentials to access or effect trades in Client's held-away accounts.

### **Ongoing Comprehensive Financial Planning**

This service involves working one-on-one with a financial planner (“planner”) over an extended period of time. By paying an annual fee, billed in monthly increments, Clients get to work with a planner who will work with them to develop and implement their financial plan (the “plan”). The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon desiring a comprehensive plan, a Client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, employee benefit, retirement planning, insurance, investments, college planning, and estate planning. Once the Client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the Client. The plan and the Client's

financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the Client to confirm that any agreed upon action steps have been carried out. On an annual basis, there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

In general, financial plans will address any or all of the following areas of concern. The Client and planner will work together to select specific areas to cover. These areas may include, but are not limited to, the following:

**Business Planning:** We provide consulting services for Clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.

**College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

**Employee Benefits Optimization:** We will provide analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.

**Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts, and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

**Financial Goals:** We will help Clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.

**Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home, and automobile.

**Investment Analysis:** This may involve developing an asset allocation strategy to meet Clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

**Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

**Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).

**Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with the consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

**Philanthropic Planning:** Philanthropic planning services typically include a discovery of your charitable inclinations and advice on how best to incorporate those into your overall financial plan. For clients who wish to dedicate a portion of their financial resources to charitable giving, TruMix will work with them to develop tax-efficient giving strategies to achieve your charitable and estate goals.

### **Project-Based Financial planning**

We provide project-based financial planning services on a limited scope one-time engagement. Project-Based Financial Planning is available for Clients looking to address specific questions or issues. The Client may choose from one or more of the above topics to cover or other areas as requested and agreed to by TruMix.

### **SIMPLE IRA Investment Management**

Our firm provides employee benefit plan services to plan participants and plan sponsors.

*Plan Participants.* For Plan participants, TruMix will have discretionary authority to determine a target asset allocation between various asset classes available in the Client’s Simple IRA plan designed to be consistent with the Client’s investment objectives and risk tolerance. The Simple IRA plan will be monitored on an ongoing basis.

*Plan Sponsors.* For Plan Sponsors, TruMix services consist of assisting plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure, and participant education.

In providing employee benefit plan services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”).

## **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all of our Clients. However, specific Client financial plans and their implementation are dependent upon the Client Investment Policy Statement which outlines each Client's current situation and is used to construct a Client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients are able to specify, within reason, any restrictions they would like to place as it pertains to individual securities and/or sectors that will be traded in their account. All such requests must be provided to TruMix in writing. TruMix will notify Clients if they are unable to accommodate any requests.

## **Wrap Fee Programs**

We do not participate in wrap fee programs.

## **Assets under Management**

As of December 31, 2023, TruMix has \$112,294,556 in discretionary and \$23,641 in non-discretionary assets under management.

# **Item 5: Fees and Compensation**

Please note, unless a Client has received the firm's Disclosure Brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the Client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

**Investment Management** The fee for Investment Management Services consists of an ongoing fee that is paid monthly, in arrears, starting at \$600 per month, based on complexity and needs of the Client, and may be negotiable in certain cases. The fee for this service may increase or decrease annually as complexity and/or needs of the Client change. The annual adjustment will occur within 30 days of the end of the calendar year, upon receipt of a signed fee schedule addendum with both parties agreeing to the updated fee. The Client will need to respond within 30 days with the signed addendum agreeing to the new fee for the current year to avoid billing delays.

Fees may be directly debited from account(s) managed by TruMix, via electronic funds transfer, or paid by check. This service may be terminated with 30 days' written notice. In the event of termination, Clients will be billed for the amount of time services were provided in the billing period.

For Clients utilizing our Investment Management Services, Ongoing Comprehensive Financial Planning will be included at no additional charge.

**Ongoing Comprehensive Financial Planning** Ongoing Financial Planning consists of an ongoing fee that is paid monthly, in arrears, starting at \$600 per month. Fees are based on complexity and needs of the Client, and may be negotiable in certain cases. The fee for this service may increase or decrease annually as complexity and/or needs of the Client change. The annual adjustment will occur within 30 days of the end of the calendar year, upon receipt of a signed fee schedule addendum with both parties agreeing to the updated fee. The Client will need to respond within 30 days with the signed addendum agreeing to the new fee for the current year to avoid billing delays.

Fees may be directly debited from account(s) managed by TruMix, via electronic funds transfer, or paid by check. This service may be terminated with 30 days' written notice. In the event of termination, Clients will be billed for the amount of time services were provided in the billing period.

**Project-Based Financial Planning** Project-Based Financial Planning is offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work and can range between \$1,200 and \$10,000, depending on complexity and the needs of the Client, and may be negotiable in certain cases. The fee is either due upon the completion of the service or a deposit may be collected with the remainder due upon delivery of the plan. TruMix will not bill an amount above \$1,200 more than 6 months in advance. In certain circumstances, project-based financial plans may be billed at an hourly rate of \$300 per hour. The hourly fee may be negotiable in certain cases and is due upon completion of the engagement.

Fees for this service may be paid by electronic funds transfer or by check. In the event of early termination any prepaid but unearned fees will be refunded to the Client and any completed deliverables of the project will be provided to the Client and no further fees will be charged.

**SIMPLE IRA Investment Management** Our SIMPLE IRA Investment Management services advisory fee is calculated for each quarterly period ending the last business day of February, May, August, and November and shall be the product of 0.75% applied to the average daily net asset value of the plan participant's assets during the quarter; divided by the number of days in the year multiplied by the number of days in the quarter. The fees shall be paid within thirty (30) days following the end of the quarter for which such fees are payable. Advisory fees will be directly debited from plan participant accounts held through American Funds Distributors, Inc. ("American Funds") or paid via electronic funds transfer.

For Plan sponsors, our fee includes the above described fee for each plan participant, in addition to an annual fee of \$2,195, paid monthly in arrears by the Plan Sponsor.

This service may be terminated with 30 days' written notice. In the event of termination, plan participants may be billed for the amount of time services were provided in the billing period.

### **Other Types of Fees and Expenses**

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the Client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer, and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees, and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for Client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.



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

We do not offer performance-based fees and do not engage in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, high net-worth individuals and corporations or other businesses.

We do not have a minimum account size requirement.

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

Methods we use for investment analysis are the following:

**Technical analysis** involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

### **Modern Portfolio Theory**

The underlying principles of MPT are:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related and an increase in risk requires an increased expected return.
- Markets are efficient. The same market information is available to all investors at the same time. The market prices every security fairly based upon this equal availability of information.
- The design of the portfolio as a whole is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.

- Investing for the long-term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.
- Increasing diversification of the portfolio with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.

Investment strategies we may use include:

### **Passive and Active Investment Management**

We may choose investment vehicles that are considered passive, active, or a combination of both styles.

Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio.

Active investing involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Actively managed funds are also designed to reduce volatility and risk.

We may engage in both passive and active investing in your portfolio. However, we strive to construct portfolios of funds and individual securities that we believe will have the greatest probability for achieving our clients' personal financial goals with the least amount of volatility and risk rather than attempt to outperform an arbitrary index or benchmark.

Specific investment selections are based on a number of factors that we evaluate in order to select, what we believe to be, the highest quality funds or individual securities for our clients. These factors include but are not limited to underlying holdings of funds, percentage weighting of holdings within funds, liquidity, tax efficiency, bid/ask spreads, and other smart/strategic beta factors. These factors may or may not result in the lowest cost ETFs and mutual funds available when utilizing funds in a client's portfolio, but we strive to keep internal fund expenses as low as possible.

### **Socially Responsible Investing**

TruMix may utilize various socially conscious investment approaches. TruMix may construct portfolios that utilize mutual funds or ETFs with the purpose of incorporating socially conscious principles into a client's portfolio. These portfolios may sometimes also be customized to reflect the personal values of each individual, family, or organization. This allows the Firm's clients to invest in a way that aligns with their values. TruMix may rely on mutual funds and ETFs that incorporate Environmental, Social and Governance ("ESG") research as well as positive and negative screens related to specific business practices to determine the quality of an investment on values-based merits.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, we may be unable to sell or liquidate investments at prices we consider reasonable or favorable or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Socially Responsible Investing:** When constructing a portfolio that is invested according to socially conscious principles, you should note that returns on investments of this type may be limited and because of the socially conscious principles you may or may not be able to be as well diversified among various asset classes. The number of publicly traded companies that meet socially conscious investment parameters is also limited, and due to this limitation, there is a probability of similarity or overlap of holdings, especially among socially conscious mutual funds or ETFs. Therefore, there could be a more pronounced positive or negative impact on a socially conscious portfolio, which could be more volatile than a fully diversified portfolio.

**Inflation:** Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

## **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on factors such as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which the Clients invest.

**Mutual Funds:** When a Client invests in open-end mutual funds or ETFs, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

## Item 9: Disciplinary Information

### **Criminal or Civil Actions**

TruMix and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

TruMix and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

TruMix and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective Client's evaluation of TruMix or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

No TruMix employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No TruMix employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

TruMix does not have any related parties. As a result, we do not have a relationship with any related parties.

TruMix only receives compensation directly from Clients. We do not receive compensation from any outside source.

### **Recommendations or Selections of Other Investment Advisers**

TruMix does not recommend Clients to other investment advisers to manage their accounts.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each Client. Our Clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

## **Code of Ethics Description**

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory Clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to Clients.
- Competence - Associated persons shall provide services to Clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to Clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential Client information without the specific consent of the Client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matters shall reflect the credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We periodically review and amend our Code of Ethics to ensure that it remains current, and we require all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Our firm will provide a copy of its Code of Ethics to any Client or prospective Client upon request.

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

Neither our firm, its associates or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

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

Our firm and its “related persons” may buy or sell securities similar to, or different from, those we recommend to Clients for their accounts. In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates’ transactions in specific reportable securities transactions. Any exceptions or trading pre-clearance must be approved by the firm principal in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

### **Trading Securities At/Around the Same Time as Client’s Securities**

From time to time, our firm or its “related persons” may buy or sell securities for themselves at or around the same time as Clients. It is our policy that neither our firm nor persons associated with our firm shall have priority over Client’s accounts in the purchase or sale of securities.

## **Item 12: Brokerage Practices**

### **Factors Used to Select Custodians and/or Broker-Dealers**

In recommending Custodian/Broker-Dealers, we have an obligation to seek the “best execution” of transactions in Client accounts. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the broker-dealer’s services. The factors we consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer’s:

- Execution capability;
- Commission rate;
- Financial responsibility;
- Responsiveness and customer service;
- Custodian capabilities;
- Research services/ancillary brokerage services provided; and
- Any other factors that we consider relevant.

### **Custodians We Utilize**

TruMix utilizes Charles Schwab & Co., Inc., Altruist Financial LLC, American Funds, and/or Nationwide Advisory Services (formerly known as Jefferson National) as the custodian for client accounts depending on the needs of the client. TruMix has chosen to utilize these custodians based on customer service, quality and timely execution of trades, investment options, and cost. TruMix always ensures the decision to use a specific custodian is in the client's best interest and will review these custodians periodically to ensure they are still in the best interest of the client.

*Charles Schwab & Co., Inc.*

We recommend that our clients use Schwab, a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Although clients may request us to use a broker-dealer of their choosing, we generally recommend that clients open brokerage accounts with Schwab. The Client will ultimately make the final decision of the Custodian to be used to hold the Client’s investments by signing the selected broker-dealer’s account opening documentation.

### *Altruist Financial, LLC*

Additionally, for the benefit of no commissions or transaction fees, fully digital account opening, a large variety of security options and complete integration with software tools, TruMix recommends Altruist Financial LLC, an unaffiliated SEC-registered broker dealer and FINRA/SIPC member, as the introducing broker to Apex Clearing Corporation, an unaffiliated SEC-registered broker dealer and FINRA/SIPC member, as the clients' custodian. TruMix does not receive any research or other soft-dollar benefit by nature from its relationship with Altruist Financial LLC, nor does TruMix receive any referrals in exchange for using Altruist Financial LLC as a broker dealer.

### *American Funds and Nationwide Advisory Services*

TruMix occasionally uses and recommends other financial companies to help clients meet their goals. These financial companies are only used in certain specific circumstances, as described below.

**SIMPLE IRA and 529 Plans** - For SIMPLE IRA investment management services and 529 plans, TruMix utilizes American Funds. These funds are custodied at Capital Bank and Trust Company, the parent of American Funds. Clients receive quarterly statements with performance returns directly from Capital Bank and Trust Company.

**Investment Only Variable Annuity** - We recommend clients use Nationwide Advisory Services (formerly known as Jefferson National) in order to manage low-cost and commission-free variable annuities. These products typically allow us to manage investments or make policy changes with discretion, allow for AUM billing on cash values, and allow us to upload data to our performance software.

### **Research and Other Soft-Dollar Benefits**

We do not participate in a soft dollar program.

### **Brokerage for Client Referrals**

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **Clients Directing Which Broker/Dealer/Custodian to Use**

Investment Management services are available when using Schwab as the custodian. At the discretion of the firm, TruMix may recommend Clients use an additional custodian in certain cases.

### **Aggregating (Block) Trading for Multiple Client Accounts**

Generally, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as “block trading”). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.



## Item 13: Review of Accounts

TruMix will work with Clients to obtain current information regarding their assets and investment holdings and will review this information as part of our financial planning services. TruMix does not provide specific reports to financial planning Clients, other than financial plans.

Investment Management clients will have their accounts regularly reviewed and rebalanced by TruMix. The account is reviewed with regards to the Client's investment policies and risk tolerance levels. Clients will meet with TruMix no less than annually to review and discuss their portfolio and any changes to their goals and objectives.

Events that may trigger a special review would be unusual performance, addition or deletions of Client imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest. TruMix will provide written reports to Investment Management Clients on an annual basis. We urge Clients to compare these reports against the account statements they receive from their custodian.

## Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly, from any third party for advice rendered to our Clients. Nor do we, directly or indirectly, compensate any person who is not advisory personnel for Client referrals.

## Item 15: Custody

TruMix does not accept custody of Client funds except in the instance of withdrawing Client fees.

For Client accounts in which TruMix directly debits their advisory fee:

- i. The custodian will send at least quarterly statements to the Client showing all disbursements for the account, including the amount of the advisory fee.
- ii. The Client will provide written authorization to TruMix, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains Client's investment assets. We urge Clients to carefully review such statements and compare

such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

For those Client accounts where we provide Investment Management Services, we maintain discretion over Client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to Clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the Client will execute a Limited Power of Attorney, which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the Client.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the Client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to Clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of Client funds or securities or require or solicit prepayment of more than \$1,200 in fees per Client six months in advance.