

**Form ADV Part 2 Brochure**  
**Updated March 21, 2017**

**Column Capital Advisors, LLC**

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Indianapolis, IN 46240

Phone Number (317) 663-6500

[www.columncapital.com](http://www.columncapital.com)

This Form ADV Part 2 (“Brochure”) provides information about the business practices and qualifications of Column Capital Advisors, LLC. Additional information about Column Capital Advisors, LLC is also available on the United States Securities and Exchange Commission’s (“SEC”) website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

If you have any questions about the contents of this Brochure, please contact us at (317) 663-6500.

Column Capital Advisors, LLC is a registered Investment Advisor. While certain representatives of Column Capital have attained certain levels of training and education, the SEC requires us to inform you of the following: *“the general registration as an Investment Adviser does not imply any level of skill or training”*.

While the information in this Brochure has been filed with the United States Securities and Exchange Commission (“SEC”), this document has not been approved or verified by the SEC or by any other state securities authority.

## ITEM 2 - Material Changes

This Firm Disclosure Brochure, dated March 14, 2016, provides you with a summary of Column Capital Advisors, LLC (Column Capital) 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.

*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. If our firm has made revisions that would affect a client's decision making when doing business with us ("material changes"), we will provide our clients with either a summary of any materially revised information with an offer to deliver the fully revised Disclosure Brochure within 120 days of our FYE. Alternatively, we will provide you with our revised Disclosure Brochure that will include a summary of those changes in this Item.

*Non-material* revisions are not delivered to clients, but can be viewed on the SEC investment advisor info site, as noted on the cover sheet of this brochure.

*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 and 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.

To obtain our firm brochure and brochure supplements (information regarding each of our financial advisors), our Code of Ethics or our Privacy Policy, please visit our website at [www.columncapital.com](http://www.columncapital.com), e-mail us at [jeffyu@columncapital.com](mailto:jeffyu@columncapital.com), telephone us at (317) 663-6500 or mail your request to the address below.

Column Capital Advisors, LLC.

Attn: Jeffrey Yu

Office Address: 3815 River Crossing Parkway, Suite 340  
Indianapolis, IN 46240

Main Phone: (317) 663-6500

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The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated March 14, 2016:

Although we have revised various items throughout this disclosure brochure, we do not believe any changes are material to a client's decision to do business with us.

Column Capital Advisors, LLC  
ITEM 3 – Table of Contents

ITEM

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## ITEM 4 – Advisory Business

Column Capital Advisors, LLC is an SEC registered Investment Advisory firm with the following officers: Brian W. Upchurch, President; Frank W. Tinsley, Chief Operating Officer, Kevin D. Sweet, Chief Investment Officer; and Jeffrey J. Yu, Chief Compliance Officer. Column Capital Advisors, LLC is 100% directly owned by Column Capital Group, Ltd. (the holding company), which in turn is owned by Brian Upchurch, Kevin Sweet and Jeffrey Yu.

Formed in 2005, Column Capital Advisors, LLC (“Column Capital”) provides two types of fee-only advisory services for clients: Investment Management and Financial Planning. Both of these separate services are further described below, as well as in the Advisory Contract applicable to each service.

As of December 31, 2016, the firm managed a total of \$671,077,828 in Discretionary assets for client investment accounts and \$44,808,422 in assets for Non-Discretionary client investment accounts.

The term “*fee-only*” means that Column Capital only receives compensation directly from its clients for the investment management (including investment consulting services) and financial planning services provided. Column Capital does not receive any commissions for assistance with the implementation of securities, insurance products or any other products.

Column Capital provides their services primarily to high net worth individuals and their families. However, in some instances Column Capital may provide their services to retirement plans, pension and profit sharing plans, trusts, estates, charitable organizations or other business entities.

### Discretionary Investment Management Services:

The first step in the Investment Management process involves an initial interview and data gathering process. This is designed to help determine the client’s stated individual needs, financial/investment goals, objectives, time horizon and overall risk profile. The Advisor will request input and information from the client including current financial information, past financial history, present financial conditions and the client’s financial and investment goals. These may include planning for short-term goals (such as large asset purchases or college education funding), long-term goals (such as retirement planning) or other segments of an investment plan that may be desired. The information gathered for review and assessment may vary depending upon the individual needs and objectives as stated by the client. Information presented by the client is deemed to be current, reliable and complete. The Advisor may request the names and relationships of other Advisors (*e.g.*, attorney, accountant, banker, etc.), family background and makeup, and anything else which may affect the client’s financial matters based upon the information provided by the client.

Based upon the collected information and with the client’s input, the Advisor will prepare an investment policy statement (IPS) which includes a target investment portfolio allocation. The Advisor may consider various investment programs that may assist the client in meeting the client’s stated investment objectives.

Column Capital prefers that the client implement their recommendations, in whole or in part, through Charles Schwab & Co., Inc. as the custodian. However, a different custodian can be used at the client's request. Column Capital primarily implements trades on a discretionary basis, but will accept non-discretionary accounts.

A client has the ability to leave standing instructions with Column Capital to refrain from investing in particular industries, invest in limited amounts of securities, sell, request third-party checks (sent from the custodian directly to the client's address of record), request electronic fund transfers and re-balance portfolios. Clients will have a direct and beneficial interest in clients' securities rather than an undivided interest in a pool of securities.

In most instances, Column Capital utilizes mutual funds and exchange traded funds (ETFs) for client portfolios. Clients may also own individual stocks and bonds through the use of Third Party managers.

Column Capital encourages frequent client contact (i.e., two to three times per year) but will seek out contact no less than annually depending upon the client's situation or desires. Clients may call the office at any time during normal business hours to discuss investment matters directly with their Advisory Representative. If their Advisory Representative is unavailable, the client can ask for assistance from any Advisory Representative of Column Capital. The Advisor consists of a team of an Executive Director (lead role) and other professional and administrative staff with a common vision of serving Column Capital's clients.

Clients are obligated to promptly notify the Advisor of any changes in the client's financial status in order to give the firm an opportunity to review the current investment strategies designed for the client to ensure they continue to meet the client's changing needs or to determine if there needs to be any changes.

For accounts invested in mutual funds, the direct investment management fees paid to Column Capital are in addition to the indirect management and expense fees charged by mutual funds. Therefore, clients whose assets are invested in shares of mutual funds will incur both an investment management fee paid directly to Column Capital *and* mutual fund management fees/operating expenses collected indirectly through the mutual fund. As a fee only advisor, Column Capital uses no load mutual funds. As a result, Column Capital does not receive any commissions or 12b-1 fees from any mutual fund companies.

#### Use of Third Party Investment Management Firms

If appropriate and of interest to the client, Column Capital will recommend the services of one or more unrelated third-party investment advisory firms (private money manager) that may offer investment advisory services designed to help clients meet their stated goals and objectives. The decision to hire a third-party manager is influenced by the account size, client's circumstances and costs. Column Capital would provide recommendations only as a service to clients and will not receive any direct or indirect compensation for recommendations (no "referral fees"). At the time of the recommendation of any private money manager, Column Capital will deliver to a client the private money manager's Firm Disclosure Brochure and any other information required by securities rules and regulations. Clients are welcome to engage any outside

investment manager of their choice and there would never be an obligation to do so. Any engagement of an outside private money manager would be entered into with a separate contract or agreement between the client and the independent third-party money manager and will include a separate fee arrangement that the client will be paying this third-party advisor. This fee is in addition to the fees paid by the client to Column Capital. Clients are never under any obligation to utilize the third-party products or services that may be recommended.

As a client, you will receive separate documents from these third-party money managers regarding their services. These include a complete description of their programs, services, fees, payment structures and termination features in their separate disclosure brochures, investment advisory contracts and account opening documents. We are available to meet with clients on a regular basis, or as determined by the client, to review the account.

Once we determine the most suitable third-party money manager(s) for the client, we provide the selected manager(s) with the client's information. The third-party money manager then creates and manages the client's portfolio based on the client's individual needs. Clients should refer to the third-party money manager's Firm Disclosure Brochure or other disclosure document for a full description of the services offered. Client meetings are available on a regular basis, or as designated in the contractual agreement with the client and our firm, to review the account.

As your management advisor, we will monitor the performance of the selected third-party money manager(s). If we determine that a particular selected manager(s) is not providing sufficient management services to the client or is not managing the client's portfolio in a manner consistent with the client's goals and objectives, we may suggest that the client contract with a different third-party money manager and/or program sponsor. Under this scenario, our firm assists the client in selecting a new manager and/or program. Alternately, we may determine that the selected manager is not performing consistent with our expectations and select a new manager and/or program sponsor without obtaining the client's prior consent. We will disclose the method of new manager selection in the client's contract.

Column Capital has relationships with one or more unaffiliated third-party investment advisory firms (private money managers) that provide investment advisory services that may be of interest to clients. When it is deemed appropriate, based upon the individual needs of the client, Column Capital may recommend that clients engage one or more third-party private money managers who provide advice regarding the selection of individual securities (i.e., stocks, bonds). In such cases, Column Capital remains the primary Advisor and Investment Manager for its clients and receives no compensation from the referral to the unaffiliated third-party investment managers or Advisors. Any engagement of an unaffiliated third-party investment advisory firm under this type of referral would be undertaken with a separate contract or agreement between the client and the unaffiliated third-party service provider and will include a separate fee arrangement that the client will be paying the third-party investment advisor. This fee is in addition to the fees paid by the client to Column Capital. Clients are never under any obligation to utilize the third-party products or services that may be recommended.

#### Other Investment Consulting:

At the client's specific request, Column Capital will link a client's unaffiliated managed account to our reporting systems in order to provide investment consulting by way of a review of the performance of the non-managed portfolio.. Our firm will provide advice and recommendations to the client, if requested. Although we provide a review of the investments of the specific manager, Column Capital does not perform due diligence of the manager and has not made a recommendation or referral of such manager.

In addition, Column Capital will provide specific consulting services based on a client's needs and requests. These types of engagements are formalized in a written agreement with the client.

### Schwab Institutional Intelligent Portfolios™ Program

Column Capital provides portfolio management services through Schwab's Institutional Intelligent Portfolios™, an automated, online investment management platform for use by independent investment advisors and sponsored by Schwab Wealth Investment Advisory, Inc. (the "Program" and "SWIA," respectively). Through the Program, Column Capital offers clients a range of investment strategies we have constructed and manage, each consisting of a portfolio of exchange traded funds ("ETFs") and a cash allocation. The client may instruct Column Capital to exclude up to three ETFs from their portfolio. The client's portfolio is held in a brokerage account opened by the client at SWIA's affiliate, Charles Schwab & Co., Inc. ("CS&Co"). Column Capital is independent of and not owned by, affiliated with, or sponsored or supervised by SWIA, CS&Co or their affiliates (together, "Schwab"). The Program is described in the Schwab Wealth Investment Advisory, Inc. Institutional Intelligent Portfolios™ Disclosure Brochure (the "Program Disclosure Brochure"), which is delivered to clients by SWIA during the online enrollment process.

Column Capital, and not Schwab, is the client's investment advisor and primary point of contact with respect to the Program. Column Capital is solely responsible, and Schwab is not responsible, for determining the appropriateness of the Program for the client, choosing a suitable investment strategy and portfolio for the client's investment needs and goals, and managing that portfolio on an ongoing basis. SWIA's role is limited to delivering the Program Disclosure Brochure to clients and administering the Program so that it operates as described in the Program Disclosure Brochure.

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

Financial Planning Services:

Column Capital's Financial Planning Services are comprehensive in nature and cover many areas of financial and tax planning. The services provided to each client are integrated and customized to address their specific issues and help clients meet their financial goals and objectives. Financial Planning Services may address issues relating to the following areas: Goals, Net Worth and Estate Summary, Cash Flow Planning, Income Tax Planning and Projections, Company Benefits, Retirement Planning, Estate and Wealth Transfer Planning, Insurance Analysis and Review, Education Funding, Mortgage and Debt Financing, Charitable Giving and other needs as identified by the client. The Advisor may offer comprehensive planning services, or the client may request advice in a specific financial planning area. Column Capital can tailor services as desired by the client. When Financial Planning Services only focus on certain areas of client interests or needs, the Client must understand that their overall financial situation or needs may not be addressed. The advice provided may include recommendations for regular updates and reviews.

ITEM 5 – Fees and Compensation

Discretionary Investment Management Service Fees:

Fees for Investment Management Services are payable quarterly and in advance. Investment Management fees are computed on a percentage of investment assets under management. The quarterly fee is based upon the portfolio balance as of the last trading day of the preceding month. If services are initiated at any time other than the beginning of a calendar quarter, fees will be pro-rated. The portfolio value is determined by the client's selected custodian. At Column Capital's discretion, a fixed annual retainer payable quarterly may be charged (also payable quarterly and in advance).

The fees for Investment Management Services are based upon the following fee schedule:

<u>Portfolio Size</u>	<u>Annual Fee</u>
First \$1 Million	1.00%
Next \$2 Million	.75%
Next \$2 Million	.50%
Next \$5 Million	.35%
Next \$5 Million	.25%
All Assets Thereafter	.20%

In certain cases, Investment Management fees may be modified based on a pre-existing or employee relationship, the nature of services to be provided, types of investments, portfolio makeup and/or the complexity of the client's situation. Investment Management fees and services to be provided are determined at the time of engagement. The Advisor reserves the right to modify fees with 30 days advance written notice.

Payment of Investment Management fees may be paid directly by the client, or payment of fees may be made through a deduction directly from the client's investment account(s) by the qualified custodian holding the client's funds and securities. However, the following criteria must be met in accordance with the SEC's Investment Advisors Act of 1940 when payment is directly deducted



by a qualified custodian: (1) The client provides written authorization permitting the fees to be paid directly from the client's account held by the independent custodian and the authorization is limited to withdrawing contractually agreed upon investment advisory fees; (2) Custodians do not verify advisory fees; therefore, clients are encouraged to direct any questions or concerns regarding fees to Column Capital by calling the office, and in each instance these inquiries will be reviewed promptly; (3) The frequency of fee withdrawal shall be specified in the written authorization/agreement; (4) The custodian of the account shall be advised in writing of the limitation on the Advisor's access to the account; (5) The custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Column Capital; (6) The client shall be able to terminate the written billing authorization or agreement at any time. Since the custodian does not verify the accuracy of the advisory fee calculation, the client should verify each statement received by the custodian and contact Column Capital if any questions should arise.

Column Capital's fees for services may be higher or lower than at other financial institutions. The client is encouraged to discuss any questions that may arise regarding investment policies, services and fees throughout the course of the relationship. Additionally, the client can request to utilize a financial services provider of their choice when implementing recommendations.

#### Use of Third Party Investment Management Firms Fees:

We either directly bill or direct debit these fees from each client. Our fees typically range from 0.25% to 1.00%, depending on the size and complexity of the client's account(s).

Column Capital does not control the fees or the billing arrangements of any selected asset manager (i.e., third-party private money manager). For a complete description of the fee arrangement, including billing practices, minimum account requirements and account termination provisions, clients should review the third-party private money manager's Firm Brochure or other disclosure document.

Our advisory fees are charged as follows:

- *In advance:* Advisory fees are billed in advance at the beginning of each calendar quarter based upon the asset value (market or fair market value in the absence of market value) of the client's account equity at the end of the previous quarter.

When authorized by the client, fees are debited from the account in accordance with the terms set forth in the Investment Management Agreement.

#### Consulting Fees:

Consulting fees are negotiated separately with the client based on the complexity and size of the specific engagement. The fees are agreed to in a separate written contract the client. Column Capital does not request more than \$1200 in advance of six months from the engagement of the agreement.

## Schwab Institutional Intelligent Portfolios™ Program Investment Management Fees

Investment management fees for the Schwab Institutional Intelligent Portfolios™ Program are payable quarterly and in advance. Investment Management fees are computed on a percentage of investment assets under management. The quarterly fee is based upon the portfolio balance as of the last trading day of the preceding month. If services are initiated at any time other than the beginning of a calendar quarter, fees will be pro-rated. The portfolio value is determined by the client's selected custodian. At Column Capital's discretion, a fixed annual retainer payable quarterly may be charged (also payable quarterly and in advance).

The fees for Investment Management Services are based upon the following fee schedule:

<b><u>Portfolio Size</u></b>	<b><u>Annual Fee</u></b>
First \$1 Million	1.00%
Next \$2 Million	.75%
Next \$2 Million	.50%
Next \$5 Million	.35%
Next \$5 Million	.25%
All Assets Thereafter	.20%

In certain cases, Investment Management fees may be modified based on a pre-existing or employee relationship, the nature of services to be provided, types of investments, portfolio makeup and/or the complexity of the client's situation. Investment Management fees and services to be provided are determined at the time of engagement. The Advisor reserves the right to modify fees with 30 days advance written notice.

Payment of Investment Management fees may be paid directly by the client, or payment of fees may be made through a deduction directly from the client's investment account(s) by the qualified custodian holding the client's funds and securities. Column Capital will obtain written permission in the client's agreement, or subsequent addendum to directly debit fees from client accounts. The client shall be able to terminate the written billing authorization or agreement at any time. Since the custodian does not verify the accuracy of the advisory fee calculation, the client should verify each statement received by the custodian and contact Column Capital if any questions should arise.

Column Capital's fees for services may be higher or lower than at other financial institutions. The client is encouraged to discuss any questions that may arise regarding investment policies, services and fees throughout the course of the relationship. Additionally, the client can request to utilize a financial services provider of their choice when implementing recommendations.

Column Capital's fees are not set or supervised by Schwab. Clients do not pay fees to SWIA or brokerage commissions or other fees to CS&Co as part of the Program. Schwab does receive other revenues in connection with the Program, as described in Schwab's separate Program Disclosure Brochure. Brokerage arrangements are further described below in Item 12 Brokerage Practices

Column Capital does not receive a portion of a wrap fee for our services to clients through the Program. Column Capital does not pay SWIA fees for its services in the Program so long as Column Capital maintains \$100 million in client assets in accounts at CS&Co that are not enrolled in the Program. If Column Capital does not meet this condition, then Column Capital will pay SWIA an annual fee of 0.10% (10 basis points) on the value of Column Capital's clients' assets in the Program. This fee arrangement gives Column Capital an incentive to recommend or require that Column Capital's clients with accounts not enrolled in this Program be maintained with CS&Co.

Financial Planning Services Fees:

Fees for Financial Planning Services are based on a percentage of the Client's Net Worth (defined below) in accordance with the following fee schedule:

<u>Client Net Worth</u>	<u>Annualized Percentage</u>
First \$5,000,000.....	0.20%
Next \$5,000,000.....	0.10%
Over \$10,000,000.....	0.05%

Notwithstanding the foregoing, the minimum annual Financial Planning fee is \$4,000, and the annual Financial Planning fees shall be rounded to the nearest \$100. Financial Planning fees are paid quarterly, in advance, with each quarterly payment equal to one-fourth of the aggregate annual Financial Planning fees payable for the applicable year. The Financial Planning fees for the quarter in which the effective date occurs shall be calculated on a pro-rata basis based on the number of days between the effective date and the end of such calendar quarter.

For purposes of this fee calculation, the "***Client Net Worth***" shall mean the net worth of the client as set forth in the Statement of Net Worth of the client as of December 31 of the year immediately preceding the year to which the Financial Planning fees relate, which shall be prepared by the Advisor and provided to the client. The Client Net Worth set forth in the annual Statement of Net Worth described in this paragraph shall be used for purposes of calculating the Financial Planning fees beginning on April 1 of each year and continuing for the twelve-month period thereafter. Notwithstanding the foregoing, the Client Net Worth for the initial quarterly billing period will be pro-rated and based on the Statement of Net Worth prepared by the Advisor as of the last calendar day of the month immediately preceding the effective date services will be provided.

If a client requests that the advisor perform services which materially deviate from the agreed services, additional fees may apply. In such cases, the Advisor will promptly notify the client of any additional fees that apply. Column Capital will not go forward with providing services that will result in additional fees without the client's authorization.

Column Capital may also be available to provide Financial Planning Consulting Services on an hourly basis. Hourly fees range from \$75 to \$400, depending upon the Advisory Representative engaged for services and the nature or complexity of services. Hourly Consulting Services are typically not ongoing in nature and thus terminate upon the delivery of services. Fees are due at the conclusion of services. In some instances, when a new client is engaging Consulting Services

for the first time and the project time is extensive, Column Capital may request a retainer equal to one-half the total proposed project fee, payable at engagement. In such cases, the balance of the Consulting fees will be due at the conclusion of services.

**Additional Fee Information and Disclosures:** All advisory fees are negotiable between the firm and a client. Investment Management and Financial Planning fees are normally directly deducted from a client's investment accounts. A fee payment authorization to deduct quarterly fees is provided in the agreements and can be authorized by the client. Clients can request at any time to change the method of payment for their account.

The aforementioned advisory fees represent fees for advisory services of Column Capital only; clients pay transaction and brokerage fees to broker/dealers, service fees (if applicable on accounts), Third Party manager's fees and fees for other services provided by unaffiliated third-party providers. All fees paid to Column Capital for Advisory services are separate from the fees and expenses charged to shareholders of mutual funds shares by the fund companies or by the investment advisor managing the fund portfolios. A complete explanation of the expenses charged by mutual funds is contained in each fund's prospectus. Investors are strongly encouraged to read any offering document or prospectus before investing funds. Column Capital receives no portion of these fees.

**ERISA Disclosures:** If an account is subject to the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), the Advisor acknowledges that Advisor is a fiduciary within the meaning of the Act and the ERISA client is a named fiduciary with respect to the control or advisory of the assets in the Account. In each instance, the client will agree to obtain and maintain a bond satisfying the requirements of Section 412 of ERISA and to include the Advisor and the Advisor's principals, agents and employees under those insured under that bond and will deliver to the Advisor a copy of the governing plan documents. If the Account assets for which the Advisor provides services represent only a portion of the assets of an employee benefit plan, client will remain responsible for determining an appropriate overall diversification policy for the assets of such plan.

**Termination of Services:**

Investment Management and Financial Planning Services are continuous, but either party may terminate the Agreement upon receipt of written notice to the other party's last known legal address. Clients will only be invoiced for services provided prior to termination and will receive a prompt refund of unearned fees.

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

**Limited Prepayment of Fees:** Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

## ITEM 6 – Performance-Based Fees and Side-By-Side Management

Column Capital does not charge any performance-based fees of any kind (those fees that are based upon a share of capital gains or capital appreciation of client assets).

## ITEM 7 – Types of Clients

Column Capital's Investment Management and Financial Planning services are generally provided to high net worth individuals and their families. However, in some instances Column Capital may provide their services to retirement plans, pension and profit sharing plans, trusts, estates, charitable organizations or other business entities.

Column Capital generally requires a minimum relationship size of \$1 million for Investment Management engagements. Column Capital reserves the right to decline services to any person or firm for any reason at the Column Capital's discretion. At their discretion, Column Capital also reserves the right to reduce and/or waive minimum conditions based upon special client circumstances, a pre-existing relationship (e.g., family), the ability to achieve a portfolio size within an agreed upon time frame or for other unique situations.

## ITEM 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

Investing in securities of any kind involves risk of loss that clients must be aware of and prepared to bear.

When providing Investment Management Services, Column Capital analyzes information provided by the client and attempts to identify and evaluate an investor's goals, risk tolerance and time horizon through an interview process in an effort to determine a plan/portfolio that appears to be the best fit the client's profile. Therefore, the client's active participation in the review and analysis process is critical. Investment strategies may be based upon a number of concepts and are determined by the type of investor. Investment advice and recommendations are based upon a client's stated goals, objectives, investment time horizon and risk tolerance. Investment strategies used to implement investment advice are generally long-term in nature. However, investment strategies may include short-term purchases depending upon the individual needs and objectives of the client and if a particular investment meets the objective in a short time frame.

The basis for Column Capital's investment philosophy is the Nobel Prize winning investment strategy called "Modern Portfolio Theory" ("MPT"). MPT is a sophisticated investment decision approach that permits an investor to classify, estimate and control both the kind and the amount of expected risk and return. Fundamental to MPT is the ability to statistically quantify the relationship between risk and return, thus determining the extent of compensated risk.

Column Capital believes that risk reduction is a key element to long-term investment success. Therefore, Column Capital implements investment plans by using a diversified strategic asset

allocation. Strategic Asset Allocation is an investment approach where selected asset classes and the weightings of these asset classes are based on the overall investment objective and risk tolerance of the client. The concept of asset allocation or spreading investments among a number of asset classes (stocks versus bonds, U.S. versus foreign; large cap stocks versus small cap stocks; growth stocks versus value stocks; corporate bonds versus government bonds) is Column Capital's guiding strategy. Correlation (the measure of the degree of movement between investments) of the varying asset classes within the portfolio is carefully analyzed to help reduce volatility without sacrificing the effectiveness of the portfolio in an effort to achieve expected returns.

Strategic Asset Allocation is an approach that typically places a great emphasis on minimizing portfolio turnover and trading/transaction costs. At its heart, strategic asset allocation seeks to achieve the most efficient portfolio possible through diversification of assets. The end result is an investment portfolio where statistically long-term investment return is enhanced while the overall risk of the portfolio is mitigated. Since risk reduction is a key element to long-term investment success, asset allocation principles are a key part of Column Capital's overall approach in preparing advice for clients.

Column Capital will provide ongoing portfolio advisory service which includes periodically recommending that client portfolios are re-balanced. Fairly wide latitude is given to re-balancing, as taxes and transaction costs influence the decisions made.

Column Capital respects the well-publicized studies revolving around efficient markets, the long-term performance histories of growth stocks versus value, large capitalization stocks versus small capitalization stocks, and active versus passive management. Column Capital objectively applies this historical and ongoing research to build client's portfolios for relative and absolute performance. More importantly, each client's portfolio is designed to meet that client's stated specific objectives.

Recommendations for, or purchases of, investments will be based on publicly available reports and analysis. In the case of mutual funds, recommendations will be based on reports and analysis of performance and managers, and certain computerized and other models for asset allocation and re-balancing. Column Capital utilizes many sources of public information, including financial news and research materials. Column Capital also utilizes an independent third-party consultant (Rogerscasey, a Division of Segal Marco Advisors) for investment research.

As an independent advisor, Column Capital has access to a wide range of investment products, including the following:

- Separate account municipal, corporate and government bond managers
- Separate account equity managers
- Exchange Traded Funds (ETFs)
- Active and passive mutual funds
- Alternative investments

Generally, the firm provides advice on the following types of securities: mutual funds and exchange traded funds (ETFs). In limited instances, at specific client request, Column Capital

may review offering documents for limited partnerships or alternative investments for content or appropriateness of investment. However, the Advisor does not provide investment management or due diligence services for these types of investments. Clients should be aware that sales of investments, including transactions that result to maintain the client's desired asset allocation, may result in taxable gain(s) or loss(es) to the client. Clients are encouraged to consult their personal tax advisor about tax consequences as a result of transactions or any particular investment held in their account.

*Third-Party Money Manager Analysis.* Column Capital may employ the use of third-party private money managers in the pursuit of client objectives and with the client's direction. Our independent third-party consultant, Rogerscasey, examines the experience, expertise, investment philosophies and past performance of independent third-party private money managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. Rogerscasey also monitors the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of their due-diligence process, they survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

*Risks for all forms of analysis:* Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## ITEM 9 – Disciplinary Information

Firms are required to report any legal or disciplinary events that are material to a client's evaluation of Column Capital's advisory business and the integrity of its management. There are no legal or disciplinary events that are reportable under this Item for either Column Capital or any supervised person of Column Capital.

## ITEM 10 – Other Financial Industry Activities and Affiliations

As noted in Item 4 above, Column Capital is a fee only advisor. Neither the firm nor any individual associated with the firm is registered with any other investment advisor, brokerage firm, insurance agency or company of any kind.

Column Capital does not render accounting advice or tax preparation services to clients. However, Advisory Representatives of Column Capital are also associated with Column Family Office, LLC and therefore provide accounting, tax consultation and preparation services to the general public, including clients of the investment advisory firm. Clients are welcome to, but are never under any obligation to, engage Advisory Representatives for accounting services or any other outside business activity. All accounting and tax preparation services are provided under a separate verbal or written agreement with Column Family Office, LLC. This written agreement will also include any fees that the client will pay to Column Family Office, LLC and is in addition to any fees paid to Column Capital.

### ITEM 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

#### Code of Ethics:

Column Capital maintains a Code of Ethics that requires every aspect of its business to be conducted in a fair, lawful and professional manner. Strict compliance with all laws and regulations governing the securities industry is paramount. It is an obligation to respect and protect the right to privacy of its clients. Confidential or proprietary information, obtained in the course of doing business, will not be used for personal gain or shared with others for their personal benefit. All efforts are made to avoid actual or potential conflicts of interest and to ensure disclosure of any actual or potential conflict of interest. In addition, the Code requires that certain transactions by Column Capital's employees be pre-approved, and that firm employees must report all reportable holdings and transactions to firm management on a regular basis. A copy of Column Capital's Code of Ethics is available to existing and prospective clients upon request at our main office, listed on the Cover Page of this Brochure.

#### Participation or Interest in Client Transactions and Personal Trading:

At times, the interests of a Column Capital Advisor Representative or a related person's account may coincide with the interests of a client's account. However, at no time will the Advisor Representative or any related person receive an added benefit or advantage over clients with respect to these transactions. All applicable rules of the Investment Advisors Act of 1940 (the "Act") will be strictly enforced. Column Capital will not permit insider trading. The Advisor requires that all supervised personnel pre-clear all reportable securities transactions (such as initial public offerings (IPO), private placements or other limited offerings) with Jeffrey Yu, the Chief Compliance Officer, prior to execution. The Chief Compliance Officer is responsible for monitoring all personal trading of access personnel. In every case, the interests of clients will be placed ahead of any Column Capital employee and their beneficial relationships.

Column Capital does not conduct 'Principal' transactions, does not engage in Cross-Trades between advisory clients and does not participate in Agency Cross Transactions of any kind.



## ITEM 12 – Brokerage Practices

### The Custodian and Brokers Used

Column Capital does not maintain physical custody of the client's assets that it manages. A client's assets must be maintained in an account at a "qualified custodian," generally a broker/dealer or a bank. Column Capital recommends that its client uses Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker/dealer, member of SIPC, as the qualified custodian. Column Capital is independently owned and operated and not affiliated with Schwab. Schwab will hold a client's assets in a brokerage account and buy and sell securities when Column Capital or the client instructs them to do so. While Column Capital recommends that the client use Schwab as custodian/broker, it is the client's decision whether to do so. If the client chooses to open an account with Schwab, he/she will be entering into an account agreement directly with Schwab (by completing and signing a Schwab account application form).

### How a Broker/Custodian is Selected

Column Capital seeks to recommend a custodian/broker who will hold a client's assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. Column Capital considers a wide range of factors, including, among others, the following:

- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- Capability to execute, clear and settle trades (buy and sell securities for client accounts)
- Capabilities to facilitate transfers and payments to and from accounts (i.e., wire transfers, distribution requests)
- Breadth of investment products made available
- Availability of investment research and tools that assist Column Capital in making investment decisions
- Quality of services
- Competitiveness of the price of those services and willingness to negotiate them
- Reputation, financial strength and stability of provider
- Their prior service to Column Capital and its clients.
- Availability of other products and services that benefit Column Capital as discussed below

Column Capital periodically reviews other alternatives that are available to the Advisor market. However, Column Capital believes that the excellent customer service and trade execution provided by Schwab Institutional is superior to most non-service oriented, deep-discount and internet-based brokers that may otherwise be available to the public. As noted herein, a client has the ability to specifically request, in writing, his/her desire to utilize another custodian/brokerage (financial services firm). In such cases, the client understands that Column Capital cannot necessarily offer best execution or negotiate commissions in terms of its trading transactions because of limitations that may be in place by the client's requested service provider. A "directed brokerage" disclosure is found in the Client Investment Advisory Agreement.

### Aggregation and Allocation

## ***Aggregation***

The aggregation of client transactions allows our firm to execute transactions in a more timely, equitable, and efficient manner.

Our firm's policy is to aggregate client transactions, where possible, and when advantageous to clients. In these instances clients participating in any aggregated transactions will receive an average share price and transaction costs will be shared equally and on a pro-rata basis.

In the event transactions for an Advisor, its employees or principals ("proprietary accounts") are aggregated with client transactions, Column Capital will ensure that no employee transaction is favored over any client accounts that were traded on the same day.

## ***Allocation***

As a matter of policy, an Advisor's allocation procedures must be fair and equitable to all clients with no particular group or client(s) being favored or disfavored over any other clients.

Column Capital's policy prohibits any allocation of trades in a manner that our firm's proprietary accounts, affiliated accounts, or any particular client(s) or group of clients receive more favorable treatment than other client accounts.

## **Client Custody and Brokerage Costs**

For the client accounts that Column Capital maintains, Schwab generally does not charge separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into the client's Schwab account. In addition to commissions, Schwab charges the client a flat dollar amount as a "prime broker" or "trade away" fee for each trade that is executed by a different broker/dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's Schwab account. These fees are in addition to the commissions or other compensation the client pays the executing broker/dealer. Because of this, in order to minimize client trading costs, Column Capital has Schwab execute most trades for its client accounts.

## **Products and Services Available to Column Capital from Schwab**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like Column Capital. They provide Column Capital and its clients with access to Schwab's institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help Column Capital manage or administer its clients' accounts, while others help Column Capital manage and grow its business. Schwab's support services are generally available on an unsolicited basis and at no charge as long as Column Capital keeps a total of at least \$10 million of its clients' assets in accounts at Schwab. If there is less than \$10 million in client assets at Schwab, then Column Capital may be charged a quarterly service fee of \$1,200.

## **Services that Benefit the Client**

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

#### Services that May Not Directly Benefit the Client

Schwab also makes available to Column Capital other products and services that benefit Column Capital but may not directly benefit the client or his/her account. These products and services assist Column Capital in managing and administering its clients' accounts. They include investment research, both Schwab's own and that of third parties. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of an advisor's fees from client accounts; and
- assist with back-office functions, recordkeeping and client reporting.

#### Services that Generally Benefit Only Column Capital

Schwab also offers other services intended to help Column Capital manage and further develop their people and company. These services include:

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

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

#### Column Capital Interest in Schwab's Services

The availability of these services from Schwab benefits Column Capital because the company does not have to produce or purchase them. Column Capital does not have to pay for Schwab's services so long as it keeps a total of at least \$10 million of client assets in accounts at Schwab. (Beyond that, these services are not contingent upon committing any specific amount of business to Schwab in trading commissions or assets in custody). The \$10 million minimum may give Column Capital incentive to recommend that a client maintain his/her account with Schwab based on the company's interest in receiving Schwab's services that benefit the company rather than based on the client interest in receiving the best value in custody services and the most favorable execution of his/her transactions. This is a potential conflict of interest. Column Capital believes, however, that its selection of Schwab as custodian and broker is in the best interests of its clients. It is primarily supported by the scope, quality and price of Schwab's services (based on the factors discussed above) and not Schwab's services that benefit only the company. Column Capital has approximately \$715 million in regulatory assets under management and does not believe that

maintaining at least \$10 million of those assets at Schwab in order to avoid paying Schwab quarterly service fees presents a material conflict of interest.

Column Capital is a fee-only, independent investment advisory firm. Advisory Representatives are not Registered Representatives of any broker/dealer firm. The Advisor has no written or verbal agreements with any service provider to receive soft dollars.

Column Capital receives traditional benefits from the custodian such as fee deduction, customized statements and reports, receipt of duplicate client confirmations and bundled duplicate statements. The Advisor does not consider the receipt of these traditional services of a nature that would impair the Column Capital's independence.

#### Schwab Institutional Intelligent Portfolios™ Program

With respect to this Program, as described above under *Item 4 Advisory Business*, Column Capital does not pay SWIA fees for its services in connection with the Program so long as Column Capital maintains \$100 Million in client assets in accounts at CS&Co that are *not* enrolled in the Program. In light of Column Capital's arrangements with Schwab, Column Capital may have an incentive to recommend that clients maintain their accounts with CS&Co based on Column Capital's interest in receiving Schwab's services that benefit Column Capital's business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of transactions. This is a potential conflict of interest. Column Capital believes, however, that the selection of CS&Co as custodian and broker is in the best interests of Column Capital's clients. It is primarily supported by the scope, quality and price of CS&Co's services and not Schwab's services that benefit only Column Capital. Column Capital has adopted policies and procedures designed to ensure that Column Capital's use of Schwab's services is appropriate for each client.

### ITEM 13 – Review of Accounts

#### Investment Management Accounts

Column Capital continues to provide ongoing Investment Management Services by monitoring the portfolio and by providing continuous advice and recommendations to the Client. Managed portfolios are generally reviewed on a quarterly basis; however, reviews could also occur at the time of significant new deposits/withdrawals, material changes in client's financial information, changes in the market, as often as the client may prefer or at the Advisor's discretion. The review process includes analyzing client portfolios for allocations consistent with targets, unusual additions/withdrawals, sensitivity to overall markets, economic changes, investment results and any other parameters set forth in the investment policy statement or other stated directives. The purpose of the ongoing services between Column Capital and a client is ultimately to help ensure the investment strategies and expectations are structured and modified in such a way to meet the client's needs and objectives.

Clients receive regular monthly or quarterly account statements from the custodian or brokerage firm they have selected. Column Capital may also prepare reports based upon the informational needs of the client and post-meeting communications at the discretion of the Advisor. If requested, the Advisor can arrange for the client to receive quarterly performance reports. Clients

can also review their monthly performance reports via Black Diamond (independent performance reporting firm).

#### Selection and Monitoring of Third Party Managers & Consulting Services

Client accounts should refer to the third-party money manager's Firm Disclosure Brochure for information regarding the nature and frequency of reviews provided by that independent registered investment advisor.

Monitored portfolios are generally reviewed on a quarterly basis, however, reviews could also occur at the time of significant new deposits/withdrawals, material changes in client's financial information, changes in the market, as often as the client may prefer or at the Advisor's discretion. Reviews are generally conducted by the Account Representative.

While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for consulting services clients unless otherwise contracted. Such reviews will be conducted by the client's Account Representative.

Reports: Portfolio Monitoring and Consulting Services clients will not typically receive reports due to the nature of the service unless those reports are specifically included in the Advisory Agreement.

#### Financial Planning Services

While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted. Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted.

### ITEM 14 – Client Referrals and Other Compensation

Column Capital does not utilize or permit payment in any manner to any solicitors or third parties and receives no payment for any client referrals or solicitations.

Column Capital does receive an economic benefit from Schwab in the form of the support products and services it makes available to independent investment advisors through their Schwab Advisor Services Business. These products and services, how they benefit Column Capital and the related conflicts of interest are described above. (See Item 12 – Brokerage Practices.) The availability to Column Capital of Schwab's products and services is not based on Column Capital giving particular investment advice, such as buying particular securities for its clients.

## ITEM 15 – Custody

Under SEC regulations, Column Capital is deemed to have custody of a client's assets as described below.

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. Direct debiting is considered a form of custody. 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. They will be sent to the email or postal mailing address you provided to the custodian.

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.

In addition to the periodic statements that clients receive directly from their custodians, we may also send account statements directly to our clients. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

On some accounts, Column Capital may have authority to review client accounts utilizing a sign-on that also permits the user to send out funds or change the address of record. In these instances, under Rule 206(4)2 of the Investment Advisors Act of 1940, Column Capital is deemed to have custody of accounts for which it has obtained specific passwords and identification.

These accounts will be custodied at an unaffiliated qualified custodian, Fidelity or Schwab, in a Third Party for the client under the client's name. The client will be notified in writing that an account has been opened. Account statements will be sent by the qualified custodian to the client at least quarterly.

Advisors deemed to have custody of client's fund or securities are required to obtain a surprise annual examination of client assets by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB"). Column Capital has entered into an agreement with an approved PCAOB independent public accountant to complete a surprise audit on an annual basis. The independent accountant must file its certificate on Form ADV-E with the SEC within 120 days of the commencement of the examination.

## ITEM 16 – Investment Discretion

Column Capital does maintain limited discretionary authority in client investment accounts. Column Capital may execute trades as documented in the Investment Advisory Agreement. The Advisor will never have full power of attorney and will not have authority to withdraw funds or

securities except where the client authorizes the deduction of advisory fees via their qualified custodian.

Clients have the ability to leave standing instructions with Column Capital to refrain from investing in particular industries, invest in limited amounts of securities, sell, request third-party checks (sent from the custodian directly to the client's address of record), request electronic fund transfers and re-balance portfolios ("limited discretion").

### ITEM 17 – Voting Client Securities

Except for SWIA accounts, clients retain the authority to vote proxies and will be responsible for ensuring that all proxy materials are sent directly to them. Column Capital does not and will not vote proxies on behalf of the client. However, the client may delegate proxy voting authority to unaffiliated third-party investment advisors (i.e., private money managers). This delegation will be documented in a separate contract between the client and the unaffiliated third-party investment advisors. Clients must ensure that proxy materials are sent directly to them or their designee. Column Capital will not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

As described in the Schwab Institutional Intelligent Portfolios™ Program Disclosure Brochure, clients enrolled in this Program designate SWIA to vote proxies for the ETFs held in their accounts. Column Capital has directed SWIA to process proxy votes and corporate actions through and in accordance with the policies and recommendations of a third party proxy voting service provider retained by SWIA for this purpose. Additional information about this arrangement is available in the SWIA Program Disclosure Brochure. Clients who do not wish to designate SWIA to vote proxies may retain the ability to vote proxies themselves by signing a special CS&Co form available.

### ITEM 18 – Financial Information

Column Capital does not require prepayment of more than \$1,200 in fees per client six months or more in advance. As such, a Balance Sheet is not required and therefore not attached. There is also no known financial condition that is reasonably likely to impair this firm's ability to meet contractual commitments to clients, and the firm has not been the subject of a bankruptcy proceeding.