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April 28, 2014

Sawtooth Asset Management, Inc. ("Sawtooth", the "Firm") has provided this Form ADV, Part 2A ("Disclosure Brochure") as required under the rules and regulations of the Investment Adviser Act of 1940 (the "Adviser Act"). The Disclosure Brochure is a very important document between Sawtooth and our Clients which provides information about our qualifications and business practices. If you have any questions about the contents of this brochure, please contact Sawtooth's Bradley Pries, Chief Compliance Officer at 952-831-0039 or bradp@sawtootham.com

We are a registered investment adviser with the United States Securities and Exchange Commission ("SEC"). Our registration as an Investment Adviser does not imply any level of skill or training. Clients should be aware that the term Registered Investment Adviser does not imply any certain level of skill or training. The information in this brochure has not been approved or verified by the SEC or by any State securities authority. Additional information about Sawtooth is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number.

Item 2 - Material Changes

This section discusses material changes that have been made to this Disclosure Brochure. The firm has moved into new offices and the address is reflected on the cover page of this disclosure document. Sawtooth's last annual update occurred on March 31, 2014.

Pursuant to current SEC rules and regulations, Sawtooth is required to provide a summary of any material changes to its clients within 120 days of the close of our business' fiscal year. The Firm may also provide you with other interim disclosures about material changes as necessary. These summaries or a full brochure will be provided free of charge if requested. Sawtooth's Disclosure Brochure can also be found on its website www.sawtootham.com.

In the event of any discrepancy or conflict between the information contained in this Brochure and the Agreement, the Agreement shall control.

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Item 4 - Advisory Business

COMPANY HISTORY AND PRINCIPALS

Sawtooth Asset Management, Inc. (hereafter, "Sawtooth") is a federally registered investment adviser formed in 2009. It has provided portfolio management and investment advisory services from its principal place of business in Minneapolis, Minnesota. The Firm provides these services directly to its own clients as well as to the clients of independent third parties. Its principal shareholder is Bradley E. Pries, Founder, Chief Executive Officer and Chief Compliance Officer.

TYPES OF ADVISORY SERVICES OFFERED

Sawtooth offers the following investment advisory services to individuals, trusts, and independent third parties advisors.

Discretionary Investment Advisory Services	Managed Account Program
Model Portfolio Management Services	Model Manager Due Diligence & Selection
Overlay Portfolio Management Services	Sub-Advisory Services
Financial Planning Services	Data Aggregation Services
Retirement Plan Participant Services	Retirement Plan Sponsor Services

INVESTMENT ADVISORY SERVICES

For those Clients with whom Sawtooth works directly, the Client will enter into a written Investment Management Agreement (the "Agreement") with Sawtooth which describes the nature and extent of Sawtooth's services, the terms and conditions applicable to such services, and the fees to be charged. It should be noted that the services and fees described in this Disclosure Brochure may not all be applicable to a Client's specific Agreement. In the event of any difference between the information in this Brochure and the Agreement, the Agreement shall control. Clients will receive a copy of this Disclosure Brochure prior to the execution of the Agreement.

When a Client signs an Agreement directly with Sawtooth, the Client's account is serviced by either (i) a registered investment adviser representative of Sawtooth, (ii) a third party sub-advisor appointed by Sawtooth, (iii) a third party co-advisor selected by the Client, or (iv) a third party solicitor who introduced the Client to Sawtooth (collectively, the "Advisor"). When servicing a Client's account in coordination with a third party, the Client's Agreement will specify those services to be provided by Sawtooth internally versus those services to be provided by the third party as well as any fees to be charged and collected for the specified services.

Sawtooth also provides investment advisory services to Clients indirectly. In this circumstance, a third party registered investment advisor, a broker/dealer, a bank or a trust company has an "Operation Services Agreement" in place with Sawtooth. Sawtooth provides the independent third party with investment management and investment advisory services for their clients. As per the terms of the Operation Service Agreement, the Client may enter into a written agreement with the independent third party but not necessarily directly with Sawtooth.

In general, Sawtooth and its Advisors provide services to their clients through Sawtooth's **Managed Account Program** as described in this Disclosure Brochure.

SAWTOOTH'S MANAGED ACCOUNT PROGRAM

The investment management and investment advisory services provided by Sawtooth as described below are primarily offered through its **Managed Account Program** (the "Program"). Through the Program, Sawtooth provides its Advisors, either internal and/or independent, with access to the model portfolios of a wide variety of third party investment managers (the "Model Managers") selected by Sawtooth as well as access to Sawtooth's unique supporting services. The Program enables an Advisor to more efficiently serve his/her client base and at the same time grow his/her business.

At the beginning of the relationship, an Advisor, either a direct Advisor or the Advisor of an independent investment adviser, a dually registered broker-dealer/investment adviser or a solicitor firm, will obtain from the Client information regarding the Client's financial situation, investment objectives, financial goals, tolerance for risk, and investment time horizon (all referred to as the "Client Profile"), among other information. If the Advisor determines it appropriate based upon the individual needs and circumstances of the Client, the Advisor will recommend that the Client participate in the Program. Sawtooth will have access to the Client Profile and to any reasonable investment restrictions that the Client imposes on the account.

Clients participating in the Program will establish an account at a recommended custodian with whom Sawtooth has an established institutional relationship who provides at least quarterly reports on all Account holdings. This list is subject to change at any time but Sawtooth will typically only offer discretionary portfolio management services through a recommended custodian. No client is obligated to use any recommended custodian. Currently, Sawtooth preferred custodians include TD Ameritrade Institutional, Charles Schwab Inc., Fidelity Brokerage Services LLC, Pershing Advisor Solutions, Interactive Brokers LLC and U.S. Bank Institutional Trust & Custody.

Program accounts are managed on a discretionary basis. Account supervision is guided by the Client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Sawtooth's investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding exchange-listed securities, like stocks and ETFs, Foreign issuers, corporate debt securities (other than commercial paper), certificates of deposit, municipal securities, mutual funds, United States governmental securities, options contracts on securities and the model portfolios of a variety of third-party investment advisors (the "Model Managers"). Based on the individual needs and circumstances of the Client, Sawtooth and/or the Advisor will determine the allocation of the account among the various investment options and among Model Managers, if deemed appropriate.

On a continuous basis, Sawtooth will monitor the performance of the account, will hire and fire the Model Managers, and allocate and/or reallocate the account among various investment options, according to the individual needs and circumstances of the Client. Sawtooth will have full discretion to allocate and reallocate the account, to increase or decrease the portion of the account allocated to each investment and/or Model Manager, including Sawtooth's own investment strategies, and to hire new Model Managers and fire existing Model Managers. Sawtooth's decisions with respect to the investment options and Model Managers will be based, in part, on Sawtooth's evaluation of the investment styles, strategies, risks, and potential benefits of each investment option and each Model Manager.

Sawtooth will provide advice regarding specific investments for a Program account, and will manage or effect purchases, sales, or other transactions for an account. In addition, Sawtooth will also have the authority and discretion to manage the account in the event a Model Manager ceases to act as manager for the account, in which event Sawtooth shall have authority and discretion to manage account investments not allocated to an existing Model Manager until a new Model Manager is retained or in its entirety in the event no new Model Manager is recommended. In managing the account assets, Sawtooth is specifically permitted to retain all or part of the existing investments or to liquidate such investments, in Sawtooth's discretion.

At or before entering into the Agreement, the Client's Advisor will be available to discuss the Model Manager's Disclosure Documents and answer questions the Client may have regarding Program and the Model Managers. Because the Model Managers may change from time to time, Clients and prospective Clients should consult directly with their Advisor to discuss the currently available selection of Model Managers. Certain Model Managers may not be available to all Clients.

The suitability of a transaction for the Client shall be determined as of the date the transaction was executed for the Client's account. All transactions effected for the Client's account will be deemed to be suitable in light of the Client's financial situation, investment objectives, risk tolerance, and investment time horizon, unless written notice to the contrary is received by the Sawtooth within 10 business days following the Client's receipt of the Custodian's statement reflecting such transactions.

Neither Sawtooth nor any of the Model Managers guarantees the future performance of any Program Accounts, any specific level of performance, the success of any investment decision or strategy that a Model Manager may recommend, or the success of Sawtooth's or the Model Manager's recommendations in the Program Accounts. The investment and other decisions made by Sawtooth for the Program Accounts are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

Sawtooth may make available to a Client access to Client accounts via its password-protected web-based client portal. The Client is responsible for providing all computer hardware, software, and communication lines for such access. Sawtooth may also provide a mobile device application to enable clients and their advisors to access client account information on their Apple or Android devices. Sawtooth does not guarantee the reliability of the access to, or accuracy of, electronic data.

At least annually, Sawtooth or the Advisor will contact the Client to determine whether there have been any changes in the Client's financial situation or investment objectives and whether the Client wishes to impose investment restrictions or modify existing restrictions;

At least quarterly, Sawtooth will provide a report to the client reflecting all activity in the account during the preceding period, including performance calculations for prior periods, all transactions made on behalf of the account, all contributions and withdrawals, all fees and expenses, and the value of the account at the beginning and end of the period;

MODEL PORTFOLIO MANAGEMENT SERVICES AND MODEL MANAGER SELECTION

Sawtooth provides continuous model portfolio management services to clients using a selection of third party model portfolios provided by Model Managers. Each model portfolio is designed to meet a particular investment goal. Many of the model strategies available on the Program are provided by third party Model Managers. Under a written agreement between the Model Manager and Sawtooth (the "Model Portfolio Agreement"), the Model Manager constructs a Model Portfolio based on an asset allocation and selects the underlying investments for each portfolio that is based upon a particular investment strategy and/or philosophy. The Model Manager will provide the buy and sell recommendations for its Model Portfolios. Sawtooth may also perform as a Model Manager by providing a selection of proprietary model portfolios that are available to all clients.

Sawtooth serves as a Manager of Managers due to its ongoing due diligence and review of the Model Managers available through its Program. Sawtooth may at any time hire or fire a Model Manager at its complete discretion. In the event a Model Manager is removed or departs from Sawtooth's Program, in coordination with the Client's Advisor, an appropriate replacement may be recommended for a Client's Account. Sawtooth cannot guarantee the availability of a particular Model Portfolio or particular Model Manager.

Sawtooth then provides an overlay management service for the Model Portfolios selected for a Client's Account by performing all required trades and periodically rebalancing the account to the recommended asset allocation and by executing any buy and sell recommendations for the Model Portfolio as directed by the Model Manager's instructions.

Certain Model Managers may pursue an investment strategy that utilizes underlying mutual funds or exchange trade funds advised by the Model Manager or its affiliates. In such a situation, the Model Manager may receive fees from this proprietary fund for serving as the investment advisor in addition to the management fees Model Manager's receive through Sawtooth for its ongoing management of the Model Portfolios available through Sawtooth's Program. The conflict of interest created by such arrangement should be discussed by the Client with their Advisor.

A Client's Advisor may wish to develop a proprietary Model Portfolio for use with Clients. In this situation, the Advisor will be required to execute a Model Portfolio Agreement with Sawtooth and will be subject to the same due diligence as any other third-party Model Manager. In addition, if the Advisor is accepted as a Model Manager, the Advisor will not be permitted to collect both an advisory fee and a model manager fee for those Client's he puts in his proprietary model portfolios.

FINANCIAL PLANNING

Sawtooth and its Advisors may provide financial planning services to its Clients. Clients seeking financial planning services will enter into a Financial Planning Agreement which describes the services the Advisor will provide and the financial planning fees for such services. In providing financial planning services, the Advisor will typically ask the Client to provide detailed information with respect to the Client's personal and family situation, financial condition, investment objectives, risk tolerance, investment time horizon, estate and retirement plans, trust agreements, wills, investment, insurance, personal and family obligations, and other pertinent information. Based on this information, the Advisor will prepare a written financial plan which will include recommendations to assist the Client in achieving his or her financial goals and objectives, such as obtaining insurance or revising existing coverage, establishing an individual retirement account, increasing or decreasing funds held in savings accounts, or investing in securities. Financial planning services will usually address a broad range of financial issues.

Clients who receive financial planning services may choose to implement their financial plans by purchasing securities or insurance products offered through an Advisor who is also a registered Advisor of an independent broker-dealer (a "Broker-Dealer") or is an appointed agent of an insurance carrier (an "Insurance-Carrier"). In those circumstances, the Advisor will be acting as the Broker-Dealer's Representative or the Insurance Carrier's Agent, and the Broker-Dealer or Insurance Carrier and the Advisor will receive commissions or other compensation (including 12b-1 fees, as described below) as a result of those investments. Consequently, Clients should be aware that in those situations, there exists a conflict between the interests of the Client and the interests of the Advisor as a result of the potential additional compensation to be earned if the Client chooses to purchase securities or insurance products. Clients are under no obligation to purchase any products or follow any course of action recommended by an Advisor. Sawtooth does not receive commissions from any custodial relationship or from any insurance product.

Financial planning services terminate upon completion of the services described in a Financial Planning Agreement. A Client may terminate a Financial Planning Agreement at any time, and will receive a prorated refund of the Fee based on the proportion of the total services that the Advisor has performed through the date Sawtooth receives written notice of such termination.

RETIREMENT PLAN SPONSOR AND PARTICIPANT SERVICES

Sawtooth may offer fiduciary advisory services to benefit plan sponsors and to the individuals who participate in those plans. All benefit plans that contract with Sawtooth for ERISA advisory services must be administered by an independent third-party plan administrator using independent third-party custodians of plan assets. Participants in such plans will have the option, but are not required, to utilize portfolios comprised of multiple asset class allocations that are designed and managed by Sawtooth for their benefit plan advisory relationships. Such advised plans typically experience a reduced cost, based on the plan's balances and other factors, than any prior incumbent advised or unadvised benefit plan. The Plan Sponsor determines whether advisory services fees for the Plan are to be paid by the Sponsor or to be passed on to the Plan Participant. Plan Participants have the option to obtain from Sawtooth advice about their benefit plan investment options typically no

additional cost to the Plan Participant. For a Plan Participant who chooses to invest in a self-directed brokerage account, in benefit plans where that feature is available, Sawtooth disclaims any fiduciary obligation for those assets and does not charge an advisory fee on those assets to the Plan Sponsor or a Plan Participant.

PORTFOLIO DESIGN SERVICES

Sawtooth may provide Portfolio Design and investment management services to the clients of various RIA's and Independent Broker/Dealers under a sub-advisory asset management agreement. Under the terms of this agreement, Sawtooth, as Sub-Advisor, may be appointed to act as investment manager for the accounts of specific clients ("Clients") and assume responsibility for the investment and reinvestment of assets within the client's accounts in addition to existing Program Services.

Sawtooth would be granted discretionary authority to open securities accounts and to make purchases and sales of securities consistent with each Client's investment objectives, as those objectives are determined to be appropriate by the RIA or the Broker/Dealer. Each RIA or Broker/Dealer Client's portfolio selection will be determined by the client's individual objectives, time horizons, risk tolerance and liquidity needs. Sawtooth's investment recommendations are not limited to any specific product or service offered by a broker/dealer or insurance company and will generally include advice regarding the securities and Model Portfolios available in the Program described above.

TAX OVERLAY SERVICES

Sawtooth offers an optional tax overlay service to assist in mitigating the impact of taxes on the Client's Accounts. The primary cost of taxes in client portfolios is in the form of realized short-term capital gains, and Sawtooth's tax overlay services seek to minimize or, if possible, to eliminate short-term capital gains realization. When rebalancing client accounts, Sawtooth weighs the tax impact of transactions against the risk of not complying with the manager's sell recommendation. If selling a security based on a Model Manager's recommended model portfolio change will result in a substantial short-term capital gain, Sawtooth will typically seek to offset that gain with existing realized losses, harvest new short-term losses, or potentially defer the sale until it reaches long-term capital gains status or an offsetting loss can be harvested. The Tax Overlay Service is described in an addendum to the Investment Management Agreement signed by the Client.

DATA AGGREGATION

Sawtooth offers optional Data Aggregation Services to allow Clients to monitor Client's accounts not managed by Sawtooth. Clients are able to examine their holdings, allocation of assets and portfolio performance across the full spectrum of a specific Client's in-house and heldaway Accounts. Through the use of a data aggregation system, Sawtooth has the ability to generate performance reporting which is calculated according to industry standards and applied to each account or combination of several related accounts on a household or family level.

ASSETS UNDER MANAGEMENT

As of February 28, 2014, Sawtooth has \$728,165,009 in total platform assets. Of the total platform assets listed, Sawtooth offers investment advisory and/or portfolio management services for \$186,001,129 on a discretionary basis and \$34,640,812 on a non-discretionary basis.

Item 5 – Fees and Compensation

SAWTOOTH'S MANAGED ACCOUNT PROGRAM SERVICES FEES AND FEES PAID TO MODEL MANAGERS

Clients in the Program pay a program fee (each, a "Program Fee") from which Sawtooth pays the Model Managers. The Program Fee also includes investment management services comprised of client profiling assistance, asset allocation assistance, research and evaluation of Model Managers, ongoing monitoring of Model Managers and account performance, Model Manager hiring and termination, account rebalancing, account reporting, and other operational and administrative services.

The Program Fee assessed by Sawtooth ranges from 0.10% to 1.55% per annum. The fee charged depends on the Model Portfolio(s) selected. Fees are calculated on a per account basis. Mutual funds, ETF's and alternative investments charge their own fees for investing the pool of assets in the respective investment vehicles. Please see the prospectus or related disclosure document for information regarding these fees. As stated, both the Model Manager and Sawtooth are paid out of the Program Fee. Sawtooth requires a minimum per account fee of \$90.00 per year.

Certain fees are not included in the Program Fee. The Program Fee does NOT include any fee charged by Advisors to their individual Clients for advisory services. Client should separately refer to the Advisor's disclosure documentation or Part 2a of their Form ADV. The Program Fee may not include certain fees charged by a broker or custodian used by that Client's Advisor. The Program Fees shown below do NOT include brokerage, clearing and custody fees for Client's assets held in the Program. These fees are separate and can vary depending upon which custodian a Client utilizes. Clients, through coordination with their Advisor, may utilize transaction-based pricing or asset based pricing for clearing and custody services. In either case, these fees will be disclosed separately to the Client in the applicable custodians clearing and custodial paperwork.

Program Fees charged are calculated as an annual percentage of assets based on the market value of the account at the end of a fee billing period. Typically, Program Fees are charged on a quarterly basis in advance and prorated to the end of the fee billing period upon inception of the account. The Program Fee may vary with the amount of assets under management and the particular investment styles and investment options chosen or recommended. Clients may receive comparable services from other sources for fees that are lower or higher than those charged by Sawtooth.

Program Fees are subject to change at any time. It should be noted that a change in the allocation amongst the model portfolios and other assets utilized in the Client's Account may change the overall Program Fee that will be charged to the Client's Account. The Program Fee is reflected in the Initial Investment Strategy Allocation Form which outlines the initial allocation of assets in the Client's Account. The Initial Investment Strategy Allocation Form is typically completed by the Client's Advisor and must be delivered to the Sawtooth in order for the initial trades to be executed in the Client's Account. In the event a change in the allocation causes a change in the Program Fee, Sawtooth, to the best of its ability, will communicate the Fee change in writing to the Client and/or their Advisor as soon as possible upon trading the Account but will do so no later than ten (10) business days after the trades are executed. Delivery of such notice will be made as permitted by the Agreement.

If the change in allocation causes a change in fees, the effective date of any increase or decrease in Fees will be as of the beginning of the next billing period during the regular fee billing process.

Fees are not charged on the basis of a share of capital gains upon or capital appreciation of the account or any portion of the account. The fee schedule above is in effect as of the date of this Brochure. Client will provide the Custodian with such documentation as Custodian requests authorizing and directing the Custodian to deduct the Fees from the account and to pay Sawtooth and the Model Managers their respective shares of the Fees upon submission of a Fee invoice (which may be electronic) to the Custodian. The value of the account and the value of any asset in the account shall be the value reflected on the Custodian's statements (or on the Custodian's internal system, for valuations other than as of the close of a billing period (monthly or quarterly)). In the event the Custodian does not value any asset, the asset shall be valued by Sawtooth in such

manner as it shall determine in good faith to reflect its fair value, in accordance with generally accepted industry standards. Money market accounts and bank accounts, if any, shall be valued as of the valuation date.

Client may make additions to or withdrawals from the account at any time, subject to Sawtooth's right to terminate the account if it falls below the minimum account size stated in this Brochure. Assets deposited into the account after the beginning of a billing period shall be charged a prorated Fee based upon the number of days remaining in the quarter, and such prorated Fee shall be payable upon deposit of such assets. Client may withdraw account assets upon notice to the Sawtooth, subject to usual and customary securities settlement procedures. No Fee adjustments shall be made for partial withdrawals or for account appreciation or depreciation within a billing period. A prorated refund of Fees charged shall be made if the account is closed within a billing period.

Sawtooth billing systems allow for flat fees, tiered fees, billing in advanced or arrears, bill calculation on end of period or average daily balances, the ability to bill on contributions or refund fees for withdrawals, to bill at the account or household level and for the direct debit of fees from Client accounts. The billing system also allows for monthly or quarterly billing and the quarterly billing can be done on calendar quarter-ends or rolling three-month periods.

FINANCIAL PLANNING FEES

Each Advisor establishes the fee schedule for financial planning services he or she provides. The fee schedule will be provided to the Client before entering into a Financial Planning Agreement. Financial planning services may be charged on an hourly or fixed fee arrangement. The hourly rates for financial planning may vary between \$150.00 to \$450.00 per hour. Fees are negotiable and will vary depending upon the particular Advisor who provides the services, the complexity of the Client situation and services to be provided, prior or anticipated relationships, as well as the size of the Client's assets, and the possibility for additional business with the Client. All financial planning agreements must be approved by Sawtooth. Similar financial planning services may be available elsewhere at lower cost to the Client.

PORTFOLIO DESIGN FEES

In the event, a third-party chooses to have Sawtooth provide the Portfolio Design Services as described in this Disclosure Brochure for a particular Client, the fee payable may range from 0.10% to 0.20% per annum on the total value of assets to be reviewed by Sawtooth. This is in addition to the fees for the Program services described above as well as any other Additional Services that a Client or the Client's Advisor may select.

TAX OVERLAY SERVICE FEES

In the event, an Advisor's Client chooses to have Sawtooth provide Tax Overlay Services as described in this Disclosure Brochure, the fee payable to be applied to the Client's Accounts may range from 0.05% to 0.10% per annum. This is in addition to the fees for the Program Services described above as well as any other Additional Services that a Client or the Client's Advisor may select. If the Client elects to have Tax Overlay Services provided, the negotiated fee will be outlined in an Addendum to the Client's IMA as a separate fee on the Client's Accounts.

DATA AGGREGATION FEES

In the event, an Advisor's Client chooses to have Sawtooth provide Data Aggregation Services as described in this Disclosure Brochure, the fee payable applied to the Client's Accounts will be \$40.00 per account, per annum monitored through the data aggregation service utilized by Sawtooth. This is in addition to a "per Account, per Annum" fee charged by the data aggregation service company. If the Client elects to have Data Aggregation Services provided, this fee will be outlined in an Addendum to the Client's IMA as a separate fee on the Client's Accounts.

OTHER DISCLOSURES RELATING TO FEES

Under no circumstances does Sawtooth require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered. The Terms and Conditions for each Agreement contain termination provisions. The Agreement may be canceled by either party at any time, for any reason, upon receipt of 30 days prior written notice. Clients will receive a prorated refund of any pre-paid program fee, based upon the number of days remaining in the billing period after the termination date. Clients are not charged a liquidation fee if securities are to be delivered in-kind. The client's custodian may charge a liquidation fee.

The cost of investment advisory services provided through the Program may be more or less than the cost of purchasing similar services separately. Among the factors impacting the relative cost of the program to a particular Client include the size of the account, the type of account (*i.e.*, equity or fixed income focused), the size of the assets devoted to a particular strategy and/or the managers selected.

The Program Fee does not cover any charges associated with the securities transactions in Clients' accounts. Clients also may be charged for specific account services, such as ACAT transfers, electronic fund and wire transfer charges, and for other optional services elected by Clients. Accounts may be subject to transaction-based ticket charges assessed by the custodian for the purchase of certain mutual funds. Similarly, the Program Fee does not cover certain non-brokerage-related fees such as individual retirement account ("IRA") trustee or custodian fees and tax-qualified retirement plan account fees and annual and termination fees for retirement accounts (such as IRAs). Some mutual funds assess redemption fees to investors upon the short-term sale of its funds. Depending on the particular mutual fund, this may include sales for rebalancing purposes. Please see the prospectus for the specific mutual fund for detailed information regarding such fees.

ACCOUNT MINIMUM

A minimum of \$100,000.00 of assets under management is required to in order to participate in the above reference services. This account size may be negotiable under certain circumstances. In those cases, Sawtooth requires a minimum per account fee of \$90 per year. Sawtooth may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm

LIMITED NEGOTIABILITY OF ADVISORY FEES

Although Sawtooth has established the aforementioned fee schedule(s), Sawtooth retains the discretion to negotiate alternative fees on a client-by-client basis. 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.

ERISA & PROHIBITED TRANSACTIONS

Sawtooth is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Sawtooth may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Sawtooth Asset Management, Inc.'s advisory fees.

OTHER COMPENSATION

An Advisor who is a registered investment adviser representative of Sawtooth may also receive commissions or other compensation from the sale of marketable securities or other financial products and services that an Advisor may recommend to a Client. An Advisor of Sawtooth may receive commissions and sales incentives for the sale of insurance products paid by insurance carriers with respect to products offered by the carrier. The receipt of additional compensation by Sawtooth Asset Management, Inc. and its management persons or employees creates a **conflict of interest** that may impair the objectivity of our firm and these individuals when making advisory recommendations.

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

Sawtooth does not charge performance-based fees.

Item 7 - Types of Clients

Sawtooth Asset Management, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans sponsors and/or their participants
- Trusts

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

METHODS OF ANALYSIS

Sawtooth uses the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Quantitative Analysis. We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance. A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant

overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Model Manager Analysis. We examine the experience, expertise, investment philosophies, and past performance of Model Managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the Model 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.

Advisor as Model Manager. Under certain circumstances Sawtooth offers Clients the ability to utilize a proprietary model developed by their personal Advisor. In such cases, Sawtooth will implement standard Model Manager due-diligence on the Advisor, including but not limited to, examining the experience, expertise, investment philosophies and past performance of the Advisor to determine if they have demonstrated an ability to invest over a period of time and in different economic conditions. Sawtooth reserves the right to decline any strategy for any reason. If accepted, Sawtooth will enter into a model manager agreement with Advisor to provide third-party research that may include purchase and sale recommendations in the form of a model portfolio to be used in the management of the investments in the Clients account, based on the individual needs and circumstances of each Client. Acceptance as a Model Manager does not guarantee the Advisor's model or strategy is available to all Client's and Advisors using Sawtooth.

In order to remove any **conflict of interest**, Advisor, when acting as Model Manager, **CANNOT** receive both Model Manager and Advisor's Fee. Sawtooth will pay the Advisor the Advisor's Fee as described in the Investment Management Agreement signed by the Client. Sawtooth will charge the Client a management fee for assets invested in an Advisors proprietary model.

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.

INVESTMENT STRATEGIES

We use the following strategy(s) in managing client accounts, provided that such strategy(s) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when we believe the securities to be currently undervalued and/or we want exposure to a particular asset class over time, regardless of the current projection for this class. A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase. A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Short sales. We borrow shares of a stock for your portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, we buy the same stock and return the shares to the original owner. We engage in short selling based on our determination that the stock will go down in price after we have borrowed the shares. If we are correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

Item 9 - Disciplinary Information

Sawtooth is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. Sawtooth and its personnel have no reportable disciplinary events to disclose.

Item 10 - Other Financial Industry Activities and Other Business Activities

As previously disclosed, we recommend the services of various registered investment advisors to its clients. In exchange for this recommendation, we may receive a referral fee from the selected investment adviser. The fee received by us is typically a percentage of the fee charged by that investment adviser to the referred client. The portion of the advisory fee paid to us does not increase the total advisory fee paid to the selected investment adviser by the client. We do not charge the client any fees for these referrals. We will only recommend advisors that pay us a referral fee.

We are aware of the special considerations required under Rule 206(4)-3 of the Investment Advisors Act of 1940. As such, all appropriate disclosure shall be made and all applicable Federal and State laws will be observed.

Clients should be aware that the receipt of additional compensation by Sawtooth Asset Management, Inc. and its management persons or employees creates a **conflict of interest** that may impair the objectivity of our firm and these individuals when making advisory recommendations. Sawtooth endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser and we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for us or our employees to earn compensation from the referral of clients to other registered investment advisors;
- we disclose to the client in a separate disclosure document the compensation we receive in exchange for the client's referral to the selected investment adviser;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- we conduct initial and periodic due diligence on the selected investment advisors to establish that the advisors are suitable to recommend to our clients; and

- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Consulting Services and Software Tools. Sawtooth provides a customizable asset management software program through a web-enabled platform ("Platform") primarily to other investment advisors and financial industry companies ("Institutions"). Institutions, in turn, provide the Platform to their Advisors.

Sawtooth provides consulting services and software tools to selected Institutions. In addition, Sawtooth may license the Platform to certain Institutions. The Platform is typically customized and may be private labeled in the name of the applicable Institution. Institutions can provide the Platform to Advisors, who can use the Platform to manage the accounts of their respective clients. Advisors can use the Platform to manage the accounts of their respective clients, typically individuals and their related trusts or estates. The Platform provides Institutions and Advisors the ability to offer their clients a separate accounts program, various asset allocation programs and account reporting services. Sawtooth also allows Institutions to combine these programs to suit the needs of their clients.

Reporting Only Services. Sawtooth offers reporting services to allow Institutions and Advisors to monitor Investors' accounts. Advisors are able to examine their Clients' holdings, allocation of assets and portfolio performance. Performance reporting is calculated according to industry standards and is applied to each account or combination of several related accounts for a household's or family's assets.

Back Office Processing/Billing Services. Sawtooth provides back-office functions including daily account reconciliation and asset transfers. Sawtooth uses electronic data feeds from trading/clearing/custodial firms to streamline the account reconciliation process. Sawtooth's billing software automates billing for Institutions and Advisors. The Platform can accommodate a billing structure to include house-holding of accounts to capture scaling rates, several layers of combined accounts and assets, flat fee billing, credits, advance or arrear billing, daily weighted average billing and event triggered billing.

IARs Acting as Registered Advisors of Affiliated Broker/Dealers. Certain investment adviser Advisors ("IARs") of Sawtooth may also act as registered Advisors of a non-affiliated broker-dealer. Because of their dual roles, a conflict of interest may exist when these Advisors recommend that an advisory client buy or sell securities. In all such cases, Sawtooth ensures that its IARs only recommend transactions for advisory clients that are in the best interest of the client.

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

Sawtooth has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. Sawtooth and its employees and independent contractors owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Sawtooth's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to Bradley Pries, Chief Compliance Officer at bradp@sawtootham.com or by calling Compliance at 952-831-0039.

Item 12 - Brokerage Practices

Sawtooth requires its discretionary Clients to provide us with instruction as to which custodian to use for their accounts and to advise if there are any special arrangements regarding commission costs or fixed custodial fees that will be charged to their accounts. Clients may include any limitations on discretionary authority via written statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

BEST EXECUTION

Sawtooth does recommend specific custodians for client accounts. When so doing, Sawtooth has a fiduciary duty to seek best execution for client transactions. The Firm maintains written policies and procedures to evaluate the execution performance of custodian. These policies are modeled after the guidelines articulated by the SEC. Specifically, we believe that best execution is largely a qualitative concept. Sawtooth may recommend a custodian based on a variety of factors which may include: (i) the broker-dealer's capital depth and market access; (ii) Sawtooth's knowledge of negotiated commission rates and spreads currently made available; (iii) the nature and character of the markets for the security to be purchased or sold, (iv) the desired timing of the transaction; (v) the execution, clearance and settlement capabilities of the broker/dealer selected, or; (vi) the reasonableness of the commission or its equivalent (such as a mark-up or mark-down) for the specific transaction.

Sawtooth may not necessarily select the custodian with the lowest commission or commission equivalent (such as a mark-up or mark-down) for a specific transaction, but instead may select a custodian that provides specialized services, which justify the payment of higher commissions (or their equivalent) than those customarily paid for transactions requiring routine services.

BLOCK TRADING

Sawtooth will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block. Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. Sawtooth will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day.

SOFT DOLLAR ARRANGEMENTS

Most clients will choose and enter into a separate contractual relationship with a custodian from a list of recommended custodians for the assets they deposit into Sawtooth's program. Currently, Sawtooth has relationships with multiple custodians that provide brokerage, clearing and custody services to clients in the Programs. Some Advisors may limit their clients to a subset of these broker/custodians. Those advisors may be affiliated with one or more of these brokers/custodians and may require their clients to contract with that broker/custodian. If an Advisor requires a client to utilize the services of an affiliated broker/custodian, the Adviser may benefit.

For our client accounts maintained with a Custodian, the Custodians generally do not charge separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the Custodian or that settle into the Custodial accounts. Custodians may also make available to our firm other products and services that benefit Sawtooth but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at that particular Custodian.

Custodian's products and services that assist us in managing and administering our clients' accounts include software and other technology that provide access to client account data (such as trade confirmations and account

statements); facilitate trade execution and allocate aggregated trade orders for multiple client accounts; provide research, pricing and other market data; facilitate payment of our fees from clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Custodian's may also offers other services intended to help us manage and further develop our business enterprise. These services may include: 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.

Sawtooth participates in the institutional advisor program (the "TD Program") offered by TD AMERITRADE INSTITUTIONAL. TD AMERITRADE INSTITUTIONAL is a division of TD AMERITRADE Inc., FINRA/SIPC/NFA ("TD AMERITRADE"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD AMERITRADE offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Sawtooth receives some benefits from TD AMERITRADE through its participation in the TD Program.

As disclosed above, Sawtooth participates in the TD Program and Sawtooth may recommend TD AMERITRADE to Clients for custody and brokerage services. There is no direct link between Sawtooth's participation in the TD Program and the investment advice it gives to its Clients, although the firm receives economic benefits through its participation in the TD Program that are typically not available to TD AMERITRADE retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Sawtooth participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Sawtooth by third party vendors. TD AMERITRADE may also have paid for business consulting and professional services received by Sawtooth's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Sawtooth but may not benefit its Client accounts. These products or services may assist Sawtooth in managing and administering Client accounts, including accounts not maintained at TD AMERITRADE. Other services made available by TD AMERITRADE are intended to help Sawtooth manage and further develop its business enterprise. The benefits received by Sawtooth or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD AMERITRADE. As part of its fiduciary duties to clients, Sawtooth endeavors, at all times, to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Sawtooth, in and of itself, creates a potential conflict of interest and may indirectly influence the Sawtooth's choice of TD AMERITRADE for custody and brokerage services.

Sawtooth also receives from TD AMERITRADE certain additional economic benefits ("Additional Services") that may not be offered to any other independent investment advisors participating in the program. Specifically, the Additional Services include payment to ORION ADVISOR SERVICES, LLC for client web based reporting services and is for the direct/and or indirect benefit of Sawtooth's clients. Payment in the amount of \$16,000 will be paid annually to ORION ADVISOR SERVICES, LLC for the web based reporting services described above. TD AMERITRADE provides the Additional Services in its sole discretion and at its own expense, and Sawtooth does not pay any fees to TD AMERITRADE for the Additional Services. Sawtooth and TD AMERITRADE have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Sawtooth's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Sawtooth, TD AMERITRADE most likely considers the amount and profitability to TD Ameritrade of the assets in, and the trades placed for, Sawtooth's Client accounts maintained with TD AMERITRADE. TD AMERITRADE has the right to terminate the Additional Services Addendum with Sawtooth, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain Additional Services from TD AMERITRADE, Sawtooth may have an incentive to recommend to its clients that the assets under management by Sawtooth be held in custody with TD AMERITRADE and to place transactions for client accounts with TD AMERITRADE. Sawtooth's receipt of Additional Services does not diminish its duty to act in the best interests of its clients, including its duty to seek best execution of trades for client accounts.

TRADE ERROR CORRECTION POLICY

Sawtooth shall reimburse accounts for losses resulting from Sawtooth's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled within Sawtooth's custodian firm account and Sawtooth retains the net gains and losses.

Item 13 - Review of Accounts

PORTFOLIO MANAGEMENT SERVICES

Reviews. While the underlying securities within Individual the Program accounts are continually monitored as well as any Model Manager(s), these accounts are reviewed quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Clients are referred to the Manager Disclosure Documents for information regarding the account review policies of the Model Managers.

Reviewers. Client Program accounts are reviewed by Sawtooth's Chief Compliance Officer or other member of Sawtooth's senior management. Clients are referred to the Manager Disclosure Documents for information regarding the individuals who review accounts on behalf of the Model Managers.

Reports . In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their custodian, Sawtooth will provide quarterly reports summarizing account performance, balances and holdings. Sawtooth also makes available a web based performance reporting tool for those clients that so desire.

Financial Planning Clients. The accounts of Clients receiving financial planning services will be reviewed, if at all, as provided in the financial planning Agreement. The review will be conducted by the Advisor, unless otherwise stated in the financial planning Agreement. Financial planning Clients will receive only the reports described in their financial planning Agreement.

Item 14 - Client Referrals and Other Compensation

Sawtooth may enter into arrangements with one or more third parties (each a "Rep Recruiter") whereby the Rep Recruiter will refer prospective Advisors to Sawtooth, and in return, if the prospective Advisor registers as an Advisor and has clients who participate in the Program. Sawtooth may pay the Rep Recruiter an annual referral fee based on the value of the Program accounts for Clients of the referred Advisor. Sawtooth may also enter into arrangements with independent investment advisors, broker-dealers, or their Advisors whereby Sawtooth will pay an annual referral fee for each Client referred by such adviser, broker-dealer, or Advisors.

Sawtooth is aware of the special considerations promulgated pursuant to Rule 206(4)-3 under the Investment Advisors Act of 1940, and any comparable state regulations. Although the Rep Recruiter will not typically engaged in solicitation activities with respect to any particular Client or prospective Client (and would, therefore, not be considered to be a solicitor under such rules), if the Rep Recruiter does engage in solicitation activities with a Client or prospective Client, the Rep Recruiter shall conform to the requirements applicable to Advisors other solicitors with respect to such solicitation activities.

Item 15 - Custody

Sawtooth will not maintain physical possession (custody) of the funds or securities of any managed Client account.

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. However, under current exemptions, Sawtooth is not required to comply with surprise audit requirements of the Custody Rule. In addition, Sawtooth will provide each Client and each custodian a bill showing the amount of the fee and the way in which it was calculated. The custodian sends every Client an account statement not less than quarterly showing all account activity, including the amounts disbursed from the account to Sawtooth. 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 also make available quarterly reports on our web based client portal. 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.

Item 16 - Investment Discretion

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

Our discretionary authority includes the ability to determine the security to buy or sell and/or determine the amount of the security to buy or sell without contacting the client. Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 - Voting Client Securities

Proxy Voting. Sawtooth will NOT vote or accept authority to vote proxies on behalf of its Clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in Client accounts. However, Sawtooth may, in their discretion, provide advice to Clients regarding the voting of proxies.

Class Actions, Bankruptcies & Other Legal Proceedings. Client's should note that Sawtooth will NOT advise or act on behalf of the Client in legal proceedings involving companies whose securities are held or previously were held in the Client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, Clients may direct Sawtooth to transmit copies of class action notices to the Client or a third party. Upon such direction, Sawtooth will make commercially reasonable efforts to forward such notices in a timely manner. We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 - Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. Sawtooth has not been the subject of a bankruptcy petition at any time during the past ten years.

Privacy Policy

Sawtooth seeks to carefully safeguard the Clients personal information. When processing transactions or managing accounts on the Clients behalf, Sawtooth will maintain physical, electronic and procedural safeguards to protect the Clients non-public personal information. Sawtooth may disclose non-public personal information to non-affiliated third parties, such as brokers and custodians, as necessary to facilitate the acceptance and management of our relationship with the Client. Sawtooth may also disclose the Clients nonpublic personal information to other financial institutions with whom Sawtooth has joint business arrangements for proper business purposes.

In addition, a Clients non-public personal information may be released to the Client, to the Clients authorized agent or Advisor, or if Sawtooth is compelled to do so by law, or in connection with any government or self-regulatory organizational request or investigation. Finally, Sawtooth may disclose the Clients non-public personal information to companies Sawtooth hires to help administrate its business. Companies Sawtooth hires to provide these types of services are strictly prohibited from using the Clients personal information for their own purposes and are contractually obligated to maintain strict confidentiality.

A copy of our Privacy Policy is available to our advisory clients and prospective clients. You may request a copy by email sent to bradp@sawtootham.com, or by calling us at 952-831-0039 or may get one on our website: www.sawtootham.com.