



## **WRAP PROGRAM BROCHURE**

(Form ADV Appendix 1)

**March 30, 2020**

### **SilverOak Investments, LLC** **dba Court Investment Services**

**CRD #290935**

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**This wrap fee program brochure (the “Brochure”) provides information about the qualifications and business practices of SilverOak Investments, LLC, dba Court Investment Services. If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer at (800) 520 - 0605. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**SilverOak Investments, LLC, dba Court Investment Services is registered as an investment adviser with the SEC; however, such registration does not imply a certain level of skill or training and no inference to the contrary should be made.**

**Additional information about SilverOak Investments, LLC, dba Court Investment Services and its investment adviser representatives is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2: MATERIAL CHANGES

SilverOak Investments, LLC, dba Court Investment Services (“SOI” or the “Firm”) filed its last annual update to the Brochure on March 18, 2019. SOI continues to conduct its business activities and provide investment advisory services in substantially the same manner as described in the last update to this Brochure. The ensuing is only a list of changes since the last update that are or may be considered material. It does not identify every change to the Brochure since the last update. In addition, there have been minor word enhancements and clarifications throughout the Brochure.

- Item 6 was amended to describe the methods of analysis and investment strategy of SOI, that investing in securities involves a significant risk of loss, and that investment recommendations are subject to various market, currency, economic, political and business risks, and such investment decisions may not always be profitable.
- Language was also added to Item 6 that describes additional risks associated with the securities recommended and strategies utilized by SOI.
- Item 6 was amended to disclose that SOI has an incentive to recommend that clients rollover their retirement plan assets into a wrap fee account managed by SOI and that this incentive creates a conflict of interest.
- Additional language was also added to Item 6 noting that SOI does not charge performance-based fees and that it is the Firm’s policy and practice to not vote proxies on behalf of its Clients.

Prospective clients are strongly encouraged to read this Brochure in its entirety prior to engaging SOI for any advisory services. Pursuant to applicable regulation, SOI will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of SOI’s fiscal year-end. Additionally, as the Firm experiences material changes in the future, we will send you a summary of our “Material Changes” under separate cover.

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

For more information about the firm, please contact us at (800) 880-2760.

**SOI’s Chief Compliance Officer, Ryan Yuhnke, remains available to address any questions that a client or prospective client may have regarding this Brochure and the arrangements described below.**

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## **Item 4: Services, Fees and Compensation**

### **A. Services**

SilverOak Investments, LLC, dba Court Investment Services (“SOI” or the “Firm”) offers a “wrap fee” program as described in this Brochure that provides the client with advisory and brokerage execution services plus account reporting and custodial services, for one all-inclusive fee.

All investment advice is customizable, with each account managed. To commence the investment advisory process, an investment adviser representative will first ascertain each client’s investment objective(s) and time horizon and then allocate investment assets consistent with the designated investment objective(s). Once allocated, SOI provides ongoing monitoring and review of account performance and asset allocation, and may periodically execute or recommend execution of account transactions. A client must notify SOI promptly of any material change in the information provided or any other material change in client’s financial circumstances or investment objectives that might affect the manner in which the client’s account should be invested.

For discretionary services, Client (as part of the client agreement with SOI) agrees that SOI will have a limited power-of-attorney as to what investments to make, when to make them and when to sell them. The Firm’s discretionary authority may be subject to conditions or restrictions imposed by a Client, such as when a Client restricts or prohibits transactions in a particular security. Please refer to Item 16 for additional information.

SOI agrees to use that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use. SOI is not authorized to make withdrawals of cash or securities from the client’s account. The account, wherever placed, remains the client’s property at all times. The client may make additional deposits into or withdraw funds from the account. By signing SOI’s Investment Advisory Agreement, client will allow SOI to withdraw the quarterly advisor fee directly from the client’s account (please see Section 4.B. below for additional information regarding fees).

### **B. Fees and Compensation**

Clients pay SOI a single annual advisory fee for advisory services and execution of transactions within the Wrap Program. Clients do not pay brokerage commissions or transaction charges for execution of transactions in addition to the advisory fee.

Fees based upon a percentage (%) of the market value of the assets placed under management (generally ranging between 1.00% and 2.00%). However, fees shall vary depending upon various objective and subjective factors, including but not limited to: the amount of assets to be managed; account composition; the scope and complexity of the engagement; the anticipated number of meetings and servicing needs; related accounts; future earning capacity; anticipated future additional assets; the professional(s) rendering the service(s); and negotiations with the Client. These fees are assessed quarterly, in advance, and based on the average daily balance of assets held in the Client’s accounts during the relevant quarter.

Investment management fees will be automatically deducted from the Client's account by the custodian as soon as practicable following the end of each applicable period. Should a Client open an account during a quarter, the Firm's management fee will be prorated based on the number of days the account was open during the quarter. Payment of such prorated fees shall be made upon the first quarterly billing cycle. In the event the Firm's services are terminated mid-quarter, any paid, unearned fees will be promptly refunded to the Client. The number of days the account was managed during the quarter until termination is used to determine the percentage of the management fee earned (based on the total number of days in the quarter) and the balance is refunded. New accounts are billed on the 15th day of the following month for the prorated amount of days remaining in the quarter the account was opened.

Since SOI absorbs certain transaction costs in wrap fee accounts, SOI has a financial incentive not to place transaction orders in those accounts since doing so increases its transaction costs. Thus, a conflict of interest exists whereby an incentive exists to place trades less frequently in a wrap fee arrangement. Although SOI believes its fees are reasonable, Clients should be aware that lower fees for comparable services, or alternative services, may be available from other sources.

SOI's fees are negotiable and arrangements with any particular Client may differ from those described above. In addition, for family and friends of the Firm, the Firm may, in its sole discretion, reduce or waive management fees in their entirety.

The Firm may amend its standard fee schedule at any time by giving thirty (30) days advanced written notice to Clients. Should a client have more than one account managed by the Firm, SOI will, unless instructed otherwise by the Client, aggregate the Client's accounts for the purpose of computing management fees.

**SOI's Chief Compliance Officer, Ryan Yuhnke, remains available to address any questions that a client or prospective client may have regarding its fees and minimum asset levels.**

**i. Brokerage and Custodial Services**

SOI will not have physical custody of the assets in the Account. Custody of the Account will be maintained with the qualified custodian. SOI will arrange for the custody of assets for client, and will generally absorb related custodial fees, unless otherwise directed or agreed upon by the Client.

The Custodian will send to the client, at least quarterly, a statement showing all transactions during the period covered by the account statement, and the funds, securities and other property at the end of the period. Please see Item 9 below for additional information regarding SOI's selection and use of broker-dealers and custodian, and conflicts of interest related thereto.

**a. Economic Benefits of Being on the Schwab Platform**

SOI typically recommends that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final

decision to custody assets with Schwab is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. SOI is independently owned and operated and not affiliated with Schwab. Schwab provides SOI with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to advisors. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab also makes available to SOI other products and services that benefit SOI, but may not benefit its clients' accounts. These benefits may include national, regional or SOI specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of SOI by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist SOI in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of SOI fees from its clients' accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of SOI's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to SOI other services intended to help SOI manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to SOI by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to SOI. While, as a fiduciary, SOI endeavors to act in its clients' best interests, SOI's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefit to SOI of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

**SOI's Chief Compliance Officer, Ryan Yuhnke, remains available to address any questions that a client or prospective client may have regarding the above arrangement.**

**ii. Other Types of Fees and Charges**

Client accounts will incur additional fees and charges from parties other than SOI as noted below. These fees and charges are in addition to the advisory fee paid to SOI, and SOI does not share in any portion of these third-party fees.

The custodian and broker-dealer providing brokerage and execution services on client accounts will impose certain fees and charges. The custodian notifies Clients of these charges at account opening and generally makes available a list of these fees and charges on its website. The custodian will deduct these fees and charges directly from the client's account.

There are other fees and charges that are imposed by other third parties that apply to investments in Client accounts. Some of these fees and charges are described below:

- If a Client account invests in mutual funds or ETFs, please note that as a shareholder of the fund, a fund a management fee will apply, in addition to paying SOI an advisory fee for managing the assets. As many of the funds available may be purchased directly, the second layer of fees could be avoided by not using SOI's management services and by the Client making their own fund investment decisions.
- The wrap fee does not include annual account fees or other administrative fees, such as wire fees, charged by SOI or brokerage firm; certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, postage and handling fees, and charges imposed by law with regard to transactions in the Client's account; and advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in Client's account. The wrap fee also does not cover certain costs associated with securities transactions in the over-the-counter market, such as fixed income securities where SOI must approach a dealer or market maker to purchase or sell a security. Such costs include the dealer's mark-up, mark-down or spread and odd-lot differentials or transfer taxes imposed by law.
- Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges will apply if a Client transfers into or purchases such a fund with the applicable charges in the account.
- Although only no-load and load-waived mutual funds will be purchased in a Client's account, Clients should understand that some mutual funds pay asset based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.
- Certain retirement plans/accounts (such as IRAs and qualified retirement plans) and/or trusts may impose administration and/or service fees in addition to management fees imposed by SOI.
- Other charges required by law and imposed by the executing broker/dealer or custodian.

Further information regarding fees assessed by a mutual fund or variable annuity is available in the appropriate prospectus, which is available upon request from SOI or from the product sponsor directly.

**SOI's Chief Compliance Officer, Ryan Yuhnke, remains available to address any questions that a client or prospective client may have regarding the above.**

### **iii. Other Important Considerations**

The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. Clients may receive comparable

services from other broker-dealers or investment advisers and pay fees that are higher or lower than those charged under SOI's wrap fee program Wrap Program. Fees may be more or less than the client would have paid if the services (account management, custody and brokerage transactions) were purchased separately outside of the Wrap Program. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the type and size of the account, historical and or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the Client. If the Client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, the Client should consider opening a commission-based brokerage account rather than a Wrap Program account. The investment products available to be purchased in the Client account can typically be purchased by Client outside of the account, through broker-dealers or other investment firms not affiliated with SOI.

SOI is recommending the management account to the Client and receives compensation as a result of the Client's participation. This compensation includes the advisory fee described above and other things of value offered by custodians and/or broker-dealers utilized by the Wrap Program (as further described in Item 9.G. below). The amount of this compensation may be more or less than what SOI would receive if the Client participated in other advisory programs, programs of other investment advisors or paid separately for investment advice, brokerage and other client services. Therefore, SOI has a financial incentive to recommend the Wrap Program account over other programs and services. SOI takes its responsibilities seriously and will only recommend that clients utilize the Wrap Program if SOI believes it is appropriate and in the Client's best interests.

#### **ITEM 5: ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

The minimum account size for SOI's advisory services is generally \$1,000,000, subject to discretion. This account size may be negotiable in the sole discretion of SOI. Further, SOI may in its sole discretion, group certain related client accounts for the purposes of achieving the minimum account size and determining fees.

SOI typically offers its Wrap Program to the following clients: (i) Individuals and High Net-Worth Individuals; (ii) Individual Retirement Accounts; (iii) Trusts, Estates or Charitable Organizations; and (iv) Corporations, Limited Liability Companies and/or Other Business Types.

#### **ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION**

SOI does not select, review or recommend other investment advisors or portfolio managers to provide services in its Wrap Program. All management within a client's account is conducted by SOI and its advisers. For more information about the adviser managing the account, the client should refer to the Brochure Supplement for the respective adviser, which should be received along with this Wrap Program Brochure.

Clients should be aware that the custodian of Client's account will perform certain administrative services for SOI, including generation of quarterly performance reports for Client accounts, research materials, trading services and other benefits. Please see Item 9.G. below for additional information.



**i. Methods of Analysis and Investment Strategies**

SOI's methods of analysis focuses on the following:

- Fundamental Analysis - analysis performed on historical and present data, with the goal of making financial forecasts); and
- Technical Analysis – analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices.

SOI approaches investment analysis, portfolio design, and implementation from a client specific perspective that is generally geared towards long term growth. Investment plans and specific portfolio recommendations are driven by internal factors such as the client's tax situation, overall risk tolerance, current financial situation, and personal goals.

**ii. Risk of Loss**

Investing in securities involves a significant risk of loss which Clients should be prepared to bear. SOI investment recommendations are subject to various market, currency, economic, political and business risks, and such investment decisions may not always be profitable. Clients should be aware that there may be a loss or depreciation to the value of the Client's account. There can be no assurance that the Client's investment objectives will be obtained and no inference to the contrary should be made.

Past performance is not indicative of future results. Therefore, Clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk.

Because of the inherent risk of loss associated with investing, the Firm is unable to represent, guarantee, or even imply that its services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain additional risks associated with the securities recommended and strategies utilized by SOI including, among others:

- Market Risk: Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of Client investments. This is also referred to as systemic risk.
- Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If Client held common stock, or common stock equivalents, of any given issuer, Client would generally be exposed to greater risk than if Client held preferred stocks and debt obligations of the issuer.

- **Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Interest rate risk:** The chance that prices of fixed income securities will decline because of rising interest rates. Similarly, the income from fixed income securities may decline because of falling interest rates.
- **Reinvestment Risk:** The risk that interest and principal payments from a bond will be reinvested at a lower yield than that received on the original bond. During periods of declining interest rates, bond payments may be invested at lower rates; during periods of rising rates, bond payments may be invested at higher rates.
- **ETF and Mutual Fund Risk:** When investing in a an ETF or mutual fund, Client will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Client will also incur brokerage costs when purchasing ETFs.
- **Management Risk:** Client's investment with the Firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- **Opportunity Cost Risk:** The risk that an investor may forego profits or returns from other investments.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

### **iii. IRA Rollovers**

A Client or prospective Client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) rollover the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) rollover to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If SOI recommends that a client rollover their retirement plan assets into a wrap fee account to be managed by SOI, such a recommendation creates a conflict of interest if SOI will earn a wrap fee on the rolled-over assets. Clients are not under any obligation to rollover retirement plan assets to an account managed by SOI.

**SOI's Chief Compliance Officer, Ryan Yuhnke, is available to address any questions that a Client or prospective Client may have regarding its prospective engagement and the corresponding conflict of interest presented by such engagement.**

### **iv. Performance-Based Fees and Side-by-Side Management**

The Firm does not charge performance-based fees (i.e., fees calculated based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client). Consequently, the Firm does not engage in side-by-side management of accounts that are charged a performance-based fee with accounts that are charged another type of fee (such as assets under management). As described above, the Firm provides advisory services for a percentage of assets under management, in accordance with applicable law.

**v. Voting Client Securities**

SOI's policy and practice is to not vote proxies on behalf of its Clients and therefore, shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a Client's account. Consequently, the Client retains the responsibility for receiving and voting all proxies for securities held within the Client's account. SOI shall not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a Client.

SOI typically does not advise or act for Clients with respect to any legal matters, including bankruptcies and class actions, for the securities held in Clients' accounts.

**ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

SOI, through its advisors, is responsible for account management; there is no separate portfolio manager involved. SOI obtains the necessary financial data from the client and assists the client in setting an appropriate investment objective for the account. This information is obtained through detailed discussions and/or other documentation by the investment adviser representative and the Client. Clients are encouraged to contact SOI if there have been any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Clients should be aware that the investment objective selected for the account is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Clients should further be aware that achievement of the stated investment objective is a long-term goal for the account.

**ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGERS**

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns they have about their portfolios or other matters.

**ITEM 9: ADDITIONAL INFORMATION**

**A. Disciplinary Information**

Registered investment advisers such as SOI are required to disclose all material facts regarding any legal or disciplinary events that could be material to a Client's or prospective Client's evaluation of SOI or the integrity of its management. While SOI does not consider the following information to be a material disciplinary event, we are providing details nonetheless in the spirit of full disclosure.

In June 2015, an arbitration claim was made by a former client against Mr. Ryan Yuhnke while he was associated with Morgan Stanley Smith Barney (“Morgan Stanley”). Mr. Yuhnke had voluntarily terminated his relationship with Morgan Stanley prior to the initiation of this proceeding. The claimant alleged unsuitable equity investments were made by Mr. Yuhnke despite realizing a substantial net gain to her portfolio. Without involving Mr. Yuhnke in the proceedings, and without admitting or denying the allegations, Morgan Stanley unilaterally chose to settle the matter with the claimant. Mr. Yuhnke was never asked nor required to contribute to any portion of the settlement payment agreed upon between the claimant and Morgan Stanley.

Additional details are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), or are available upon request by contacting the Firm at (800) 520 - 0605.

**SOI’s Chief Compliance Officer, Ryan Yuhnke, remains available to address any questions that a client or prospective client may have regarding the above.**

**B. Other Financial Industry Activities and Affiliations**

The Firm’s owner, Mr. Ryan Yuhnke, serves as a licensed insurance agent/broker (California Insurance License # 0G36157). In this capacity, Mr. Yuhnke receives normal and customary commissions for insurance sales as an insurance agent. To the extent that Mr. Yuhnke recommends the purchase of insurance products where he receives commissions or other compensation for doing so, a conflict of interest exists because Mr. Yuhnke has an incentive to make recommendations based on the compensation received rather than on a client’s needs. SOI has adopted certain procedures designed to mitigate the effects of these conflicts. As part of our fiduciary duty to clients, the Firm and our representative’s endeavor at all times to put the interests of the clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Additionally, the conflicts presented by these practices are disclosed to clients through the Firm's Brochure, this Brochure Supplement, the client Agreement and/or verbally prior to or at the time of entering into an agreement with SOI. Clients are not obligated to implement any recommended transactions by the Firm. Should the client choose to do so, such implementations are not required to be made through any SOI representative or any particular insurance carrier.

Neither SOI, nor any of its management persons, are registered, or have an application pending to register, as a broker dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator, a commodity pool trading advisor or an associated person of the foregoing entities. Further, SOI does not select other investment advisers to manage some or all of the Clients assets.

**C. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

**i. Description of Code of Ethics**

SOI is a fiduciary who owes its Clients undivided loyalty. This fiduciary obligation imposes upon SOI and its associated persons a duty to deal fairly and to act in the best interest of its Clients. In addition, this obligation imposes upon SOI and its associated persons numerous

responsibilities, including the duty to render disinterested and impartial advice; to make suitable recommendations within the context of the total portfolio to Clients in light of their needs, financial circumstances and investment objectives; to exercise a high degree of care to ensure that adequate and accurate representations of its business and other information about securities are presented to Clients; and to not engage in fraudulent, deceptive or manipulative practices.

To this end, SOI has adopted a Code of Ethics (“Code”) which establishes standards of conduct for the firm’s supervised persons and includes general requirements that such supervised persons comply with the their fiduciary obligations to Clients and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of Client information.

Because SOI’s investment professionals and associated persons may transact in the same securities for personal accounts as they may buy or sell for Client accounts, it is important to mitigate potential conflicts of interest. As such, SOI has adopted personal securities transaction policies in its Code, which all of SOI’s associated persons must follow. Specifically, the Code requires personnel to report personal trades and holdings and prohibits or requires pre-clearance for certain trades in certain circumstances. The Code also contains procedures for reporting violations and enforcement. The Code is reviewed and distributed to personnel annually. SOI will provide a copy of its Code of Ethics to any Client or prospective Client upon request. Please contact SOI at (800) 520-0605.

## **ii. Participation or Interest in Client Transaction**

It is SOI’s policy not to enter into any principal transactions or agency cross transactions on behalf of Client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory Client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory Client and for another person on the other side of the transaction.

SOI or individuals associated with SOI may buy or sell for their personal account(s) securities or investment products identical to those recommended to or already owned by Clients. Alternatively, SOI may cause Clients to buy a security in which SOI or such individuals have an ownership position. Such recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the Client. Nevertheless, such practices present potential conflicts of interest. To mitigate these conflicts, SOI has adopted a Code of Ethics, which outlines the procedures regarding personal trading that must be followed (see details below). Additionally, as part of SOI’s fiduciary duty to Clients, SOI and its supervised persons will endeavor at all times to put the interests of the Clients first and at all times are required to adhere to SOI’s Code of Ethics.

## **iii. Personal Trading**

On occasion employees of SOI may buy for their own accounts securities which SOI also recommends to Clients. It is possible that officers or employees of SOI may buy or sell securities or other instruments that SOI has recommended to Client and may engage in transactions for their own account in a manner that is inconsistent with SOI’s recommendations

to a Client. Personal securities transactions by employees may raise potential conflicts of interest when such persons trade in a security that is owned by, or considered for purchase or sale for, a Client.

In order to mitigate this conflict of interest and to comply with all applicable laws and regulations, SOI's Code of Ethics sets forth the professional and fiduciary standards that all associated persons must follow. The Firm's intention is to protect Client interests at all times and to demonstrate SOI's commitment to its fiduciary duties of honesty, good faith and fair dealing with Clients. All associated persons are expected to adhere strictly to the policy and are required to follow specific procedures regarding personal trading, including:

- Adhere to the fundamental standard that employees should not take inappropriate advantage of their position;
- Conduct all personal securities transactions in a manner consistent with the adopted policy;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities; and
- Comply with applicable provisions of the federal securities laws.

SOI and its Associated Persons may also buy or sell specific securities for their own accounts based on personal investment considerations, which SOI does not deem appropriate to buy or sell for Clients.

#### **D. Review of Accounts**

While the underlying securities within Wrap Program accounts are continually monitored, client accounts are monitored on an ongoing basis, which includes detailed periodic reviews. The frequency of reviews is at the discretion of SOI, but accounts are typically reviewed not less than quarterly. Accounts are reviewed for performance, consistency with the investment strategy and Client objectives, and other account parameters in order to determine if any adjustments need to be made. Reviews are performed by SOI's Principal, Mr. Ryan Yuhnke.

In addition to the periodic reviews described above, reviews may be triggered by changes in a Client's personal, tax or financial status. Account holdings also are reviewed when changing market conditions warrant such review. Clients are encouraged to notify the Firm and its advisory representatives of any changes in his/her personal financial situation that might affect his/her investment needs, objectives, or time horizon.

#### **E. Client Referrals and Other Compensation**

Currently, SOI does not have any solicitation or referral arrangements in place whereby the Firm compensates referring parties for these referrals. However, SOI may in the future enter into agreements with individuals and organizations, some of whom may be affiliated or unaffiliated with SOI, that refer clients to SOI. All such agreements will be in writing and comply with the applicable state and federal regulations.

Further, SOI does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them by the Firm.

**F. Financial Information**

SOI does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance and therefore is not required to provide, and has not provided, a balance sheet. SOI does not have any financial commitments that impair its ability to meet contractual and fiduciary obligations to Clients, and has not been the subject of a bankruptcy proceeding.

**SOI's Chief Compliance Officer, Ryan Yuhnke, remains available to address any questions that a client or prospective client may have regarding this Brochure.**