

Form ADV Part 2A

Richard Lauer, CFA

Lauer Capital Management Ltd.

1720 S. Spring Avenue
Sioux Falls, South Dakota 57105

605.357.8088

www.lauercapital.com

March 27, 2020

This Brochure provides information about the qualifications and business practices of Lauer Capital Management Ltd. If you have any questions about the contents of this Brochure, please contact us at (605) 357-8088 or rtlauer@lauercapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Lauer Capital Management Ltd. is a Registered Investment Adviser. Registration of an Investment Adviser does not imply a certain level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Lauer Capital Management Ltd. is also available on the SEC's website at www.adviserinfo.sec.gov.

MATERIAL CHANGES**Item 2**

Form ADV Part 2 requires registered investment advisors to amend their Brochure when information becomes materially inaccurate. If there are any material changes to an advisor's disclosure Brochure, the advisor is required to notify you and provide you with a description of the material changes.

Since filing our last annual updating amendment dated March 29, 2019 we have made the following changes:

Item 5 – Fees and Compensation. We have updated this section to reflect how we consolidate related family accounts for billing purposes and other factors regarding fee calculations.

Item 10 – Other Financial Industry Activities and Affiliations. We have updated this section regarding referrals to/from other professional service providers.

TABLE OF CONTENTS**Item 3**

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business	4
Item 5 – Fees and Compensation	5
Item 6 – Performance-Based Fees and Side-By-Side Management	6
Item 7 – Types of Clients	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9 – Disciplinary Information	9
Item 10 – Other Financial Industry Activities and Affiliations	10
Item 11 – Code of Ethics, Participation or Interest in Clients Transactions & Personal Trading ...	11
Item 12 – Brokerage Practices	12
Item 13 – Review of Accounts	14
Item 14 – Client Referrals and Other Compensation	15
Item 15 – Custody	16
Item 16 – Investment Discretion	17
Item 17 – Voting Client Securities	18
Item 18 – Financial Information	19

ADVISORY BUSINESS**Item 4**

Lauer Capital Management Ltd. is an independent, SEC Registered Investment Advisory firm located in Sioux Falls, South Dakota. The firm was established in 1995 and is owned by Richard Lauer. There are no indirect owners of the firm or intermediaries which have any ownership interest in the firm.

Lauer Capital Management Ltd. provides discretionary investment advisory services. We manage conservative investment portfolios of publicly-traded securities for individuals, corporations, and institutions. Portfolios are constructed using individual equity and fixed income securities, open and closed end mutual funds, and exchange-traded funds.

We develop in consultation with the client a written investment policy specific to the client's investment objectives. The investment policy addresses the client's objective(s) (income, capital appreciation, etc.), provides guidance on asset allocation and the specific types of investments appropriate to meet the client's objectives, and discusses the client's investment time horizon and risk tolerance. Clients may impose restrictions on the use of specific securities or types of securities in their portfolio.

Lauer Capital Management Ltd. does not participate in wrap fee programs.

As of December 31, 2019, Lauer Capital Management Ltd. managed \$250,703,552 discretionary client assets and \$0.00 in non-discretionary assets.

FEES AND COMPENSATION**Item 5**

Lauer Capital Management Ltd. is compensated on a fee-only basis. We do not receive any compensation from commissions, mutual fund distribution fees, or markups. The management fee is based on a percentage of the assets under management. The annual fee schedule is 1.00% of the market value of assets up to \$1,000,000, 0.75% of the next \$1,000,000 of assets, and 0.50% of assets over \$2,000,000. The fee is paid quarterly, at the end of each quarter and will be based on account asset values on the last business day of the quarter. Portfolio valuation is based on prices provided by the custodian or third-party pricing services. Clients may elect to be billed directly for fees or to authorize Lauer Capital Management Ltd. to directly debit fees from client accounts after the end of the quarter.

We may aggregate related family accounts for fee billing purposes. Fees for aggregated accounts are allocated on a pro rata basis among the various underlying accounts. In cases where a client has made a large deposit into their account toward the end of a quarter, we may exclude that deposit from the billing calculation. Also, we may exclude certain assets (such as legacy assets that are directed by the client or illiquid assets) from billing calculations.

On an occasional and infrequent basis, we offer consulting services for an hourly fee. The hourly fee is \$200 and is paid after the consultations. Clients have the option to implement the recommendations of our consulting work on their own through the investment provider of their choice. Fees for investment management and consulting services are negotiable given the size and complexity of the work involved. Clients may terminate services at any time, without the payment of any penalty, upon receipt of written notice by Lauer Capital Management Ltd. Clients are not charged for services they have not received.

Clients will also incur costs related to custodians, mutual fund expenses, and transaction/trading costs. Please see "Item 12. Brokerage Practices."

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Item 6

Lauer Capital Management Ltd. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

TYPES OF CLIENTS**Item 7**

Lauer Capital Management Ltd. provides portfolio management services to individuals, high net worth individuals, trusts, estates, charitable institutions, foundations, endowments, corporations and business entities.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**Item 8**

We view portfolio management as a process of asset/liability management. Assets exist to fund future liabilities, whether cash flow or asset accumulation in nature. We believe the structure of a client's liabilities – not generic models – should form the basis for asset allocation and investment decisions. The liability side of the asset/liability equation must be monitored to assure proper risk management.

Risk management is the core of our process. We believe conventional, single measure risk/reward metrics (the volatility of portfolio returns) drive an investment process that leads to misappropriation of assets and ignores liabilities. The conventional framework measures riskiness, but fails to measure consequences.

Our approach is to view risk as the cash-flow relationship between assets and liabilities. By linking risk exposure to future liabilities, we develop better portfolios that meet a client's objectives. In doing so, we focus on generating consistent, absolute returns and avoiding the loss of principal. Our objective is to deliver positive returns and avoid material loss.

The long-term material risk in our approach is that the portfolio will fail to generate the client's required return. Portfolio risks are commensurate with general market risk of a diversified portfolio of publicly-traded securities. Our strategy does not entail frequent trading or high turnover.

Investing in securities involves risk of loss that clients should be prepared to bear.

DISCIPLINARY INFORMATION

Item 9

Not applicable.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**Item 10**

Lauer Capital Management Ltd. and its management personnel have no affiliation with any other financial industry entity (broker-dealer, insurance company, bank, etc.).

In response to a client request, we may occasionally provide referrals of the names of various professional service providers (such as CPAs or attorneys). Those same professional service providers may on occasion make referrals to us. This may present a conflict of interest in the recommendations provided. We do not actively make referrals; they are only made if requested by a client and are infrequent.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENTS TRANSACTIONS AND PERSONAL TRADING**Item 11**

Lauer Capital Management Ltd. has adopted a Code of Ethics for all supervised persons of the firm. This code reflects the firm's fiduciary duty to its clients and the obligation of the firm's personnel to uphold that fundamental duty. We have a fiduciary responsibility to act with integrity, competence, dignity, and in an ethical manner in dealing with our clients. A copy of this Code of Ethics is available to any client or prospective client upon request.

On occasion, the personnel of Lauer Capital Management Ltd. may buy and sell securities that are recommended to clients. Although the securities are widely held and publicly traded, there is potential that this could lead to a conflict of interest, particularly in the case of extremely thinly-traded securities. To avoid this, client accounts are always given priority in any transactions and client trades are implemented separately before any trading by the firm's personnel.

BROKER PRACTICES**Item 12**

Lauer Capital does not maintain custody of your assets that we manage. Your assets must be held in an account at a “qualified custodian,” generally a broker-dealer or bank. The selection of a qualified custodian is the decision of the client. Clients may wish to use a bank as a custodian, particularly if there is a need for a corporate trustee or for local offices. In the case of having assets held at a brokerage firm, we will recommend that our clients use Charles Schwab & Co., Inc (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. Lauer Capital is independently owned and operated and not affiliated with Schwab. While we may recommend you use Schwab as the custodian/broker, you decide whether to do so and will open your account with Schwab or a custodian/broker-dealer of your choice by entering into an account agreement with the custodian/broker-dealer. We may administratively assist you in opening the account. Clients will receive account statements directly from the qualified custodian in addition to reporting from Lauer Capital Management Ltd. Clients are urged to compare custodial statements with our statements.

Schwab provides various support services that assist us in managing and administering client accounts, primarily back-office functions and recordkeeping. Schwab also provides us services to help us manage and develop our business, such as publications on practice management. We do not have to pay Schwab for these support services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. This is a potential conflict of interest, because if client assets at Schwab were less than \$10 million, we would have to pay Schwab a quarterly service fee of \$1,200.

Generally speaking, we do not use Schwab’s research services as we purchase our research services on a hard-dollar basis from third parties (for example, Bloomberg LP).

We seek to recommend a custodian/broker-dealer who will hold your assets and execute transaction on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a number of factors, for example:

- Specific needs of the client, such as current or potential need for the services of a corporate trustee in addition to custody services. Clients may also have need for specific trust reporting, such as in the case of a Charitable Remainder Unit Trust (CRUT).
- Capability to execute, clear, and settle trades (buy and sell securities for your account)

- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Quality of services and reputation, financial strength, and stability.
- Competitiveness of the price of those services (commission rates, other fees, etc.) and willingness to negotiate the prices

For our client's accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In cases where we have executed trades with a different broker-dealer but have the securities settled in your Schwab account, Schwab charges you a flat dollar amount (\$25) as a "prime broker" or "trade away" fee for each trade. Where we execute trades on behalf of clients at different broker-dealers, clients will incur applicable commission charges and/or markups.

For our client's accounts that are held at custodians such as a bank trust department, the client will incur fees charged by the custodian.

On occasion Lauer Capital may make an error in submitting a trade order on the client's behalf. If this occurs, we place a correcting trade with the broker-dealer. If an investment gain results from the correcting trade, that gain will remain with the applicable client's account. If a loss occurs due to the correcting trade, Lauer Capital will pay for the loss.

We will aggregate purchases of fixed income securities for client accounts if there is an economic benefit to the client. For example, this may be in the case of a new-issue municipal bond offering where we can obtain favorable pricing for clients by aggregating a purchase.

REVIEW OF ACCOUNTS**Item 13**

Portfolios are continuously monitored and reviewed on a periodic basis. More frequent reviews occur given significant market changes that may affect the portfolio's overall asset allocation or risk level. Changes in a client's situation (income needs, risk tolerance, etc.) will also trigger a review of the portfolio.

Reviews are performed by Richard Lauer, CFA.

Lauer Capital provides written reports to clients quarterly, which include the current value of the portfolio, time-weighted and internal rate of return for the portfolio, and a listing of the securities in the portfolio.

CLIENT REFERRALS AND OTHER COMPENSATION

Item 14

Lauer Capital Management Ltd. does not have any client referral or paid solicitation arrangements.

CUSTODY**Item 15**

Lauer Capital Management Ltd. does not provide custodial services. All client accounts are held by a qualified custodian.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Lauer Capital Management Ltd. urges you to carefully review such statements and compare such official custodial records to the account statements that we provide to you.

Lauer Capital Management Ltd. is considered to have custody of certain accounts because the client has signed a Standing Letter of Authorization (SLOA) that gives us the authority to transfer funds to a third-party as directed by the client in the SLOA. Custody would typically result in us being subject to a surprise examination. However, we comply with the seven conditions set forth in the No-Action letter issued by the Securities and Exchange Commission on February 21, 2017. Compliance with these conditions exempts us from a surprise examination.

INVESTMENT DISCRETION**Item 16**

Lauer Capital Management Ltd. accepts discretionary authority to manage securities accounts on behalf of our clients. This authorization allows Lauer Capital to buy and sell securities for the client's portfolio without prior consultation with the client. Lauer Capital will not exercise any discretionary power without first obtaining written discretionary authority from the client. Discretionary authorization is granted in the Investment Management Agreement we enter into with the client.

Lauer Capital may accept limitations or restrictions to such authority by written notification from the client. Examples of limitations may include changes to the asset allocation of the portfolio or shifts in the average maturity of a client's bond portfolio.

VOTING CLIENT SECURITIES**Item 17**

Lauer Capital Management Ltd. will accept authority to vote proxies if requested by the client. We will vote those proxies in the best interests of the clients and in accordance with our established policies and procedures. If our firm has a conflict of interest in voting a particular action, we will notify the client and seek their direction on the voting of the proxy.

Clients may obtain a copy of Lauer Capital Management Ltd.'s complete proxy voting policies and procedures upon request. Clients may also obtain information from Lauer Capital Management Ltd. about how Lauer Capital Management Ltd. voted any proxies on behalf of their account(s).

Should a client direct us to vote a proxy in a specific manner we would document our recommendation and vote the proxy according to the client's request.

FINANCIAL INFORMATION**Item 18**

Registered Investment Advisers are required in this Item to provide you with certain financial information or disclosures about Lauer Capital Management Ltd.'s financial condition. Lauer Capital Management Ltd. does not accept the prepayment of any fees. The firm has not been the subject of any bankruptcy proceeding.