



Gill Capital Partners

Part 2A of Form ADV: *Firm Brochure*

Gill Capital Partners, LLC

600 S. Cherry St., Suite 800
Denver, CO 80246

Telephone: 303-296-6260
Email: Irojas@gillinvest.com
Web Address: www.gillinvest.com

March 20, 2020

This brochure provides information about the qualifications and business practices of Gill Capital Partners. If you have any questions about the contents of this brochure, please contact us at 303-296-6260 or Irojas@gillinvest.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.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Gill Capital Partners also 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. Our firm's CRD number is 14559.

Item 2 Material Changes

This Firm Brochure provides you with a summary of Gill Capital Partners' advisory services and fees, professionals, certain business practices and policies, and actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform you of the revision(s) based on the nature of the information as follows.

- 1) **Annual Update:** We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
- 2) **Material Changes:** Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following are the material changes to the information provided in our Firm Brochure dated February 14, 2019:

- **Item 10: Other Financial Industry Activities and Affiliations** was amended to reflect language regarding services provided to independent and unaffiliated registered investment advisers and dually registered individuals who were affiliated during a portion of 2019/2020. Effective March 2020, this is no longer relevant to our Firm.
- **Item 12: Brokerage Practices** was amended to reflect that the firm is utilizing TD Ameritrade, Inc. ("TD Ameritrade") as a Custodian for investment management accounts.
- **Item 14: Client Referrals and Other Compensation** was amended to reflect additional benefits received from TD Ameritrade.

Please read this disclosure brochure to understand the material changes. If you would like another copy of this Brochure, please download it from the SEC web site as indicated above, or you may contact Leslie Squires Rojas at (303) 296-6260 or lrojas@gillinvest.com.

Item 3 Table of Contents

ITEM 2	MATERIAL CHANGES	2
ITEM 3	TABLE OF CONTENTS	3
ITEM 4	ADVISORY BUSINESS	4
ITEM 5	FEES AND COMPENSATION	10
ITEM 6	PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	14
ITEM 7	TYPES OF CLIENTS	14
ITEM 8	METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	15
	INVESTMENT STRATEGIES	16
ITEM 9	DISCIPLINARY INFORMATION	18
ITEM 10	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	18
ITEM 11	CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING	20
ITEM 12	BROKERAGE PRACTICES	22
ITEM 13	REVIEW OF ACCOUNTS	266
ITEM 14	CLIENT REFERRALS AND OTHER COMPENSATION	277
ITEM 15	CUSTODY	288
ITEM 16	INVESTMENT DISCRETION	29
ITEM 17	VOTING CLIENT SECURITIES	30
ITEM 18	FINANCIAL INFORMATION	30

Item 4 Advisory Business

Gill Capital Partners is a SEC-registered investment adviser with its principal place of business located in Colorado. Gill Capital Partners began conducting business in 1983, registered with the State of Colorado as an investment adviser in 2004, and registered with the SEC as an investment adviser in 2006.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- OBW, LLC, Holding Company

Gill Capital Partners offers the following advisory services to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Wealth Management

Gill Capital Partners offers clients a wide range of investment services that includes money management, comprehensive financial planning, and tax planning and preparation. Clients can choose from an array of services that best fit their situation, each having a separate fee structure, or they can use EncompassSM, a bundled approach to managing their personal finances (described below).

Our firm provides continuous advice to clients regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-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.

Our 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 following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper

- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States government securities
- Options contracts on securities
- Real Estate
- Private securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

ENCOMPASSSM

Encompass is a comprehensive offering in which clients may utilize a suite of services for a single fee. Encompass includes wealth management, tax planning and preparation¹, education planning², retirement planning, estate planning³, insurance planning⁴, charitable giving, and cash management.

¹Gill Capital Partners will prepare one form 1040 (federal return) and schedule(s) A, B, C, D, and E, and up to two state returns. If needed, we may prepare additional returns for the client and have the option to charge an additional fee as outlined in the fee schedule for Tax Planning and Preparation.

²Depending upon the client's situation, we may recommend that the client invest in a 529 plan. Clients should be aware that many 529 plans are considered load funds and pay a service fee and/or commission to the advisor. In this situation, we will not charge a management fee on such assets and will collect the commission or service fee instead.

³It is expected that the client would engage an attorney to prepare the legal documents related to estate planning. As such, any legal fees would be exclusive of the fee charged by Gill Capital Partners. We will coordinate planning efforts with the client's attorney. If the client does not have an attorney, we may recommend an attorney to assist the client.

⁴If during the planning process it is determined that a client needs insurance of any type, Gill Capital Partners will offer to assist the client in obtaining the recommended insurance. The client, however, is under no obligation to work with Gill Capital Partners and may work with the insurance agency of their choice. If Gill Capital Partners places any insurance business, we will receive a commission and such commission will be compensation received in addition to any fees paid by the client.

Institutional Services

Gill Capital Partners provides continuous investment advice and portfolio management to institutional clients, including but not limited to banks, credit unions, municipalities, special districts, and school districts. Through meetings with authorized representatives, and in some cases, the investment committee or board of directors, the needs and investment

objectives of the institution are determined. Safety of principal and liquidity to meet financial obligations generally are the primary needs of most institutional clients. Gill Capital Partners then identifies investment strategies and specific investments that are consistent with the needs of the client and our understanding of current market conditions.

Gill Capital Partners utilizes portfolio management software and Bloomberg to track and report portfolio performance, portfolio analysis, and cash flow analysis. We can provide portfolio reports monthly or quarterly as required by the client. Reports include Performance and Account Summary, Maturity Distribution, Investment Portfolio Detail, Purchase and Sales, Realized Gains and Losses, Interest and Expense, and Accrued Interest. Gill Capital Partners can also create custom reporting as required by the client.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., preservation of principal, income, liquidity), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our 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 following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Mutual fund shares
- United States government securities
- Real Estate

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Fund Advisory Services

Gill Capital Partners serves as the Investment Manager of the Parliament Income Fund, LLC (the "Fund"), a Delaware Limited Liability company. Gill Capital Partners also acts as general partner of the Fund. Gill Capital Partners provides investment advice, administrative support, and marketing support to the Fund. The Fund's confidential offering memorandum lays out the investment strategy, investor requirements, fees, and other terms of the Fund.

Investors in the Fund ("Investors") do not enter into an investment management agreement with Gill Capital Partners and are not considered advisory clients unless they have separately entered into an agreement with Gill Capital Partners for other services. Investors may not impose restrictions on the Fund's investment in certain securities or types

of securities. However, Investors may be excused from a particular investment due to legal, regulatory or other constraints. This brochure is provided to the Investors and is also qualified in its entirety by the Fund's offering memorandum, limited partnership agreement, and other governing documents (collectively, the "Offering Documents").

Gill Capital Partners' role as Investment Manager to the Fund may create potential conflicts of interest. Gill Capital Partners and its employees may be motivated to recommend that clients invest in the Fund because the management fee Gill Capital Partners receives from the Fund is generally higher than the management fees clients pay for other services. Please see Item 10 for more information about how Gill Capital Partners addresses potential conflicts of interest.

QUALIFIED RETIREMENT PLAN SERVICES

Plan Design and Implementation

Gill Capital Partners works with entities to design and implement a qualified retirement plan. This may include, but is not limited to, employee stock ownership plans, profit-sharing, money purchase, and 401(k)s. Clients may contract with Gill Capital Partners to perform administration, record-keeping, and tax reporting as it relates to the qualified plan.

Plan Advising

Plan advising consists of the following:

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We work with the client to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

Selection of Investment Vehicles:

We assist plan sponsors in constructing appropriate asset allocation models. We then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

Monitoring of Investment Performance:

We review client investments at least quarterly, based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Employee Communications:

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide quarterly educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with

individualized, tailored investment advice or individualized, tailored asset allocation recommendations. We may, however, meet with plan participants on a one-on-one basis and provide individualized advice and tailored recommendations.

TAX PLANNING AND PREPARATION

Gill Capital Partners has engaged various CPAs to provide tax planning and preparation for individuals and business owners. These services may be utilized through Encompass, or they may be provided to the client for a separate fee. Accounting services performed by these CPAs may be separate and distinct from our advisory services. We offer tax planning and preparation to client's enrollment in Encompass.

FINANCIAL PLANNING

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides them with a detailed financial plan designed to help them achieve their financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** We analyze the client's income tax and spending for past, current and future years, then illustrate the impact of various investments on the client's current income tax and future tax liability.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including, as appropriate, living trusts, wills, estate tax planning, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather the required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, return objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the

client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or financial adviser. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Investment recommendations made during the planning process are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States government securities
- Options contracts on securities
- Real Estate
- Private securities

Typically, the financial plan is presented to the client within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

ADDITIONAL SERVICES

Gill Capital Partners can provide the following additional services for a fee: portfolio accounting, business consulting, due diligence, development of investment policy statements, and attendance at board meetings.

AMOUNT OF MANAGED ASSETS

As of December 31, 2019, we were actively managing \$473,253,435 of clients' assets on a discretionary basis plus \$58,961,018 of clients' assets on a non-discretionary basis. Our total regulatory assets under management are \$532,214,453.

**INVESTMENT SUPERVISORY SERVICES ("ISS")
INDIVIDUAL PORTFOLIO MANAGEMENT FEES**

Wealth Management

Our annual fees for Investment Supervisory Services for retail clients are based upon a percentage of assets under management and generally range from 0.50% to 2.0%. Some clients have elected to pay commissions in lieu of advisory fees. In those cases, the client does not pay an annual fee for Investment Supervisory Services.

A minimum of \$500,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Gill Capital Partners may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

EncompassSM

Our annual fees for Encompass are based upon a percentage of assets under management and generally range from 0.50% to 1.50%, with a minimum fee of \$5,000 per annum.

A minimum of \$500,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Gill Capital Partners may group certain related accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Institutional Services

Our annual fees for Investment Supervisory Services for institutional clients are based upon a percentage of assets under management and generally range from 0.05% to 0.90%.

A minimum of \$1,000,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances. Gill Capital Partners may group certain related accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Fund Advisory Services

Our annual management fee for services provided to the Parliament Income Fund, LLC (the "Fund") is 1.50%. Gill Capital Partners does not charge a performance fee.

Subject to any limitations provided in the Offering Documents, the Fund bears all expenses incurred by the Fund or Gill Capital Partners (on behalf of the Fund) in conduct of the Fund's business, including the management fee, organizational expenses, offering expenses, investment expenses related to the purchase, sale, trade, custody or transfer of Fund assets, including brokerage costs and commissions; expenses related to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services; research-related costs and expenses (including fees for news, market data, data feeds, software and databases); due diligence expenses including travel and travel-related expenses related to investment selection and monitoring (including attending professional investment and industry specific conferences); expenses for professional services such as legal, accounting, audit and third party administration fees; all expenses for preparation of the Fund's financial statements, tax returns and filings including Members' Schedule K-1s, tax preparation and any applicable tax liabilities; other governmental charges or fees payable by the Fund; director and officer and/or errors and omissions liability insurance premiums or fiduciary liability insurance premiums for directors, officers and personnel of

the Investment Manager; expenses of investor communications including but not limited to preparing and distributing any statements, reports and notices to the Members; litigation expenses and other extraordinary expenses; expenses incurred in connection with transactions not consummated and all other reasonable expenses related to the management and operation of the Fund or the purchase, sale or transmittal of Fund assets; all costs and expenses associated with negotiating and entering into contracts and arrangements in the ordinary course of the Fund's business; indemnifications, fees incurred in connection with the maintenance of bank or custodian accounts; and expenses associated with the termination, dissolution and winding up of the Fund.

A minimum investment of \$250,000 is required. This investment minimum may be negotiable under certain circumstances. Gill Capital Partners may group certain related accounts for the purposes of achieving the minimum account size.

Negotiability of Advisory Fees

Gill Capital Partners retains the discretion to negotiate fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reports, among other factors. The specific annual fee schedule is identified in the Investment Management (IM) Agreement between the adviser and each client.

Our fees for Investment Supervisory Services and Encompass are billed quarterly in arrears or advance (as indicated and agreed to by the client in the Investment Management Agreement), five business days prior to each quarter-end if in arrears or, if in advance, as soon as administratively possible after the quarter end. Fees are calculated based upon the value (market value, or fair market value in the absence of market value), plus accrued interest. Fees are debited from the account in accordance with the client authorization in the IM Agreement. Clients may also elect to be billed for their fees rather than having fees debited from their account(s). All of these details will be stipulated in the IM Agreement.

Discounts not generally available to our advisory clients may be offered to family members and friends of associated persons of our firm.

QUALIFIED RETIREMENT PLAN SERVICES FEES

Plan Design and Implementation

Our fees for plan design and implementation include both hourly and fixed fees and are determined by the size and complexity of the client's situation. Hourly fees can be up to \$500 per hour, and fixed fees range from \$4,000 to \$50,000 for the design and implementation of the plan document. We require that 50% of the fees be paid in advance, with the remainder due upon completion of the plan document. Plan documents will be completed and submitted to the IRS within 6 months. Fees will be negotiated with each client in advance and disclosed in the client agreement. The client can terminate services at any time and may be charged a prorated fee for services already performed.

Plan Advising

We charge an annual fee for plan advising which ranges from 0.25% to 1.00% of plan assets, depending on the services requested and the size of the plan.

Associated persons of Gill Capital Partners can receive commissions for executing securities transactions, or 12b-1 distribution fees from the investment companies chosen by

the plan sponsor. In such cases, Gill Capital Partners provides full disclosure to plan sponsors regarding such commissions and fees. Gill Capital Partners will offset any commissions or fees received by such associated persons from asset-based advisory fees charged by Gill Capital Partners for ongoing services. The receipt of such fees and their availability from different vendors may create conflicts of interest.

FINANCIAL PLANNING FEES

Gill Capital Partners' Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into an agreement with any client.

In some cases, our Financial Planning fees are calculated and charged on an hourly basis, ranging from \$200 to \$300 per hour. Although the length of time it will take to provide a Financial Plan will depend on each client's personal situation, we will provide an estimate for the total hours at the start of the advisory relationship.

In other cases, our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$1,000 to \$10,000, depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance is due upon completion of the plan. The client can terminate planning services at any time and may be charged a prorated fee for services already performed.

The client is billed upon completion based on actual hours accrued, or in the case of a fixed fee arrangement, for the fixed fee minus any retainer already received.

FEES FOR ADDITIONAL SERVICES

Fees for other services, such as portfolio accounting, business consulting, due diligence, development of an investment policy statement, or attendance of board meetings, may be either hourly or fixed and depend upon the size and complexity of the client's financial situation. The hourly fee can be up to \$300 per hour, and fixed fees can range up to \$25,000. Fees will be negotiated with each client in advance and disclosed in the client agreement. Fees are paid after services are provided. The client can terminate services at any time and may be charged a prorated fee for services already performed.

TAX PLANNING AND PREPARATION

Fees for tax planning and preparation are at an hourly rate of up to \$300 per hour. Fees are determined by the size and complexity of the client's tax situation and the number of forms and schedules involved. Tax preparation fees are paid after services are provided. The client can terminate tax services at any time and may be charged a prorated fee for services already performed. These services are charged to Gill Capital Partners for services provided and the fees are paid by Gill Capital Partners. These accounting services do not include the authority to sign checks or otherwise disburse funds on behalf of any of advisory clients.

GENERAL INFORMATION

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days' written notice. Upon termination of any account, a prorated fee will be deducted from the account for services already provided. In the event that the client pays fees in advance, the prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to Gill Capital Partners for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Gill Capital Partners' minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: Gill Capital Partners is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) 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, Gill Capital Partners 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 Gill Capital Partners' advisory fees.

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

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

Administrative Services Provided by Black Diamond

We have contracted with Black Diamond to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, client database maintenance, quarterly performance evaluations, payable reports, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, Black Diamond will have access to client information, but Black Diamond will not serve as an investment adviser to our clients. Gill Capital Partners and Black Diamond are non-affiliated companies. Black Diamond charges our Firm an annual fee for each account administered by Black Diamond. Please note that the fee charged to the client will not increase due to the annual fee Gill Capital Partners pays to Black Diamond; the annual fee is paid from the portion of the management fee retained by our Firm.

There may be a possibility for price or account value discrepancies due to quarter-end transactions in an account. Dividends or trade date settlements may occur and our third party billing software may report a slight difference in account valuation at quarter end compared to what is reported on your Statement from the Custodian. Our firm has the ability to produce billing summaries, which can be provided upon request.

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

Gill Capital Partners does not charge performance-based fees.

Item 7 Types of Clients

Gill Capital Partners 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 (other than plan participants)
- Retirement plan participants
- Corporations or other businesses not listed above
- State or municipal government entities
- A private fund
- Municipal entities
- Charitable entities

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed

understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

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

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

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.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

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.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove 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.

When purchasing mutual funds, our policy is to select institutional share classes whenever possible. The institutional share class generally has the lowest expense ratio relative to other classes. Mutual fund expense ratios are in addition to our fee, and we do not receive any portion of these charges. If an institutional share class is not available, or is not the optimal solution given trading frequency and transaction size, the advisor will purchase the least expensive share class available. As share classes with lower expense ratios become available, we may convert the existing mutual fund position to the lower cost share class.

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(ies) in managing client accounts, provided that such strategy(ies) 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.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Margin transactions. We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash and allows us to purchase stock without selling other holdings.

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.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

Leveraged and Inverse ETFs, ETNs and Mutual Funds - Leveraged ETFs, ETNs and mutual funds, sometimes labeled "ultra" or "2x" for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they may not be able to exactly replicate the performance of the index because of fund expenses and other factors. This is referred to as tracking error. Continual re-setting of returns within the product may add to the underlying costs and increase the tracking error. As a result, this may prevent these products from

achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and are generally not appropriate as an intermediate or long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

Risk of Loss. Securities investment are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Other strategies: Other strategies and securities may also be used for individual portfolios as necessary to meet investor objectives such as alternative investments. Investments classified as "alternative investments" may include a broad range of underlying assets including, but not limited to, hedge funds, private equity, venture capital, and registered, publicly traded securities. Alternative investments are speculative, not suitable for all clients and intended for only experienced and sophisticated investors who are willing to bear the high risk of the investment, which can include: loss of all or a substantial portion of the investment due to leveraging, short-selling, or other speculative investment practices; lack of liquidity in that there may be no secondary market for the fund and none expected to develop; volatility of returns; potential for restrictions on transferring interest in the fund; potential lack of diversification and resulting higher risk due to concentration of trading authority with a single advisor; absence of information regarding valuations and pricing; potential for delays in tax reporting; less regulation and typically higher fees than other investment options such as mutual funds. The SEC requires investors be accredited to invest in these more speculative alternative investments. Investing in a fund that concentrates its investments in a few holdings may involve heightened risk and result in greater price volatility.

Item 9 Disciplinary Information

We are 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.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

FIRM REGISTRATIONS:

In addition to being a registered investment adviser, Gill Capital Partners is registered as a FINRA member broker-dealer and licensed as an insurance agency in Colorado. A list of affiliated broker-dealers is specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1, which can be accessed by following the directions provided on the Cover Page of this Firm Brochure.

MANAGEMENT PERSONNEL REGISTRATIONS:

Management personnel of our firm are separately licensed as registered representatives of

Gill Capital Partners, an affiliated FINRA broker-dealer, municipal securities dealer, and government securities dealer. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate yet customary compensation.

As a broker/dealer, Gill Capital Partners engages in a broad range of activities normally associated with securities brokerage firms. Pursuant to the investment advice given by Gill Capital Partners' Investment Adviser Representatives, investments in securities may be recommended for clients. When Gill Capital Partners acts as the broker/dealer for an advisory client, it is our Firm's policy that Gill Capital Partners will not earn mark-ups and/or mark-downs as a result of the execution of such trades for advisory clients.

While Gill Capital Partners and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations.

SERVICES PROVIDED TO UNAFFILIATED ADVISORS:

Gill Capital Partners may enter into a Service Agreement whereby specific service functions are conducted on behalf of an unaffiliated Advisor. These services include, but are not limited to, administrative, compliance, billing, reporting, and portfolio consulting services. Elected services and their costs are indicated on the Gill Capital Partners Service Agreement executed by Gill Capital Partners and the unaffiliated Advisor. Charges may be billed monthly for services provided under the Agreement.

OTHER AFFILIATIONS:

As required, any affiliated investment advisers are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

Gill Capital Partners has engaged various CPAs to provide tax planning and preparation for individuals and business owners. There is no affiliation or common ownership with any of the CPA firms. Accounting services provided by these CPAs may be separate and distinct from our advisory services. Clients are under no obligation to utilize the services of the tax planning and preparation.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

CONFLICTS OF INTEREST:

Clients should be aware that the receipt of additional compensation by Gill Capital Partners 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. Gill Capital Partners 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 our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;

- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; 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.

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

Our firm 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.

Gill Capital Partners and our personnel 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. Our code also provides for oversight, enforcement and recordkeeping provisions.

Gill Capital Partners' 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 jobrien@gillinvest.com, or by calling us at 303-296-6260.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal

accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

- 1) No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
- 2) No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
- 3) It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
- 4) Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
- 5) We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
- 6) We have established procedures for the maintenance of all required books and records.
- 7) All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
- 8) Clients can decline to implement any advice rendered.
- 9) All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 10) We require delivery and acknowledgment of the Code of Ethics by each supervised person of our firm.
- 11) We have established policies requiring the reporting of Code of Ethics violations to our senior management.

12) Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer and/or licensed as an insurance agent with various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 Brokerage Practices

Gill Capital Partners generally recommends that clients utilize the custody, brokerage and clearing services of TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade") or Charles Schwab & Co., Inc. Advisor Services ("Schwab"), both FINRA/SIPC members (the "Custodians") for investment management accounts. Both Custodians are independent and unaffiliated SEC-registered broker-dealers. We may recommend that you establish accounts with these custodians to maintain custody of your assets and to effect trades for your accounts. Some of the products, services and other benefits provided by our custodians benefit us and may not benefit you or your account. Our recommendation/requirement that you place assets with one of these custodians may be based in part on benefits they provide us, and not solely on the nature, cost or quality of custody and execution services provided by the custodian.

We are independently owned and operated and not affiliated with these custodians. They provide us with access to their institutional trading and custody services. These services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at one of these custodians. We may recommend that you establish accounts with the custodians to maintain custody of your assets and to effect trades for your accounts. You have the right to not act upon any recommendations, and if you elect to act upon any recommendations, you have the right to not place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions. The custodian's execution quality may be different than other broker-dealers.

For our client accounts maintained in custody with a custodian, the custodian generally does not charge separately for custody but are compensated by account holders through 12b-1 fees and ticket charges.

How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold client assets and execute

transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

- 1) Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- 2) Capability to execute, clear, and settle trades (buy and sell securities for client accounts)
- 3) Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- 4) Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- 5) Availability of investment research and tools that assist us in making investment decisions
- 6) Quality of services
- 7) Competitiveness of the price of those services (commission rates, other fees, etc.) and willingness to negotiate the prices
- 8) Reputation, financial strength, and stability
- 9) Prior service to us and our other clients
- 10) Availability of other products and services that benefit us, as discussed below (see Products and Services Available to Us)

Client Brokerage and Custody Costs

Our Custodians generally do not charge separately for custody services. However, Custodians receive compensation by charging ticket charges or other fees on trades that it executes or that settle into clients' accounts. In addition to commissions, a Custodian charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a client's account. These fees are in addition to the ticket charges or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize trading costs, we have the Custodian execute most trades for client accounts. We have determined that having our Custodian execute most trades is consistent with our duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see How We Select Brokers/Custodians).

As described in Item 10, we have an affiliated broker/dealer, Gill Capital Partners. As a broker/dealer, Gill Capital Partners engages in a broad range of activities normally associated with securities brokerage firms. If Gill Capital Partners is selected as the broker/dealer, Gill Capital Partners may earn mark-ups as a result of the execution of such fixed income trades. The mark-ups are standard to industry averages, if not below.

Products and Services Available to Us from Custodians

Schwab and TD Ameritrade provide our firm and our clients with access to services including custody of securities, trade execution, clearance, trading of securities, reporting, and related services, many of which are not typically available to the Custodian's retail customers. The Custodian also makes available various support services. Some of those services help us manage or administer our clients' accounts; others help us manage and grow our business. The Custodian's support services generally are available on an unsolicited basis (we do not have to request them) and at no charge to us. These are considered soft dollar benefits because there is an incentive to do business with the recommended Custodian. This creates a conflict of interest. We recognize the fiduciary responsibility to place your interests first and

have established policies in this regard to mitigate any conflicts of interest.

Services That Benefit Our Clients

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

Services That May Not Directly Benefit Our Clients

The Custodian also makes available to us other products and services that benefit us but may not directly benefit our clients or their accounts. These products and services assist us in managing and administering our clients' accounts. They include investment research, both the Custodian's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts. In addition to investment research, our Custodian also makes available software and other technology that:

- 1) Provide access to client account data (such as duplicate trade confirmations and account statements)
- 2) Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- 3) Provide pricing and other market data
- 4) Facilitate payment of our fees from our clients' accounts
- 5) Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us

The Custodian also offers other services intended to help us manage and further develop our business enterprise.

These services include:

- 1) Educational conferences and events
- 2) Consulting on technology, compliance, legal, and business needs
- 3) Publications and conferences on practice management and business succession
- 4) Access to employee benefits providers, human capital consultants, and insurance providers

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

The availability of these services from the Custodian benefits us because we do not have to produce or purchase them. These services are not contingent upon us committing any specific amount of business to the Custodian in trading commissions. Some of the products, services and other benefits provided by the Custodian benefit our firm and may not benefit our client accounts. Our recommendation or requirement that you place assets in the Custodian's custody may be based in part on benefits the Custodian provides to us, or our agreement to maintain certain Assets Under Management at the Custodian, and not solely

on the nature, cost or quality of custody and execution services provided by the Custodian. We place trades for our clients' accounts subject to our duty to seek best execution and our other fiduciary duties. We may use broker-dealers other than our recommended Custodian to execute trades for your accounts maintained at the Custodian, but this practice may result in additional costs to clients so that we are more likely to place trades through the Custodian rather than other broker-dealers. The Custodian's execution quality may be different than other broker-dealers.

For discretionary clients, Gill Capital Partners requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Gill Capital Partners will aggregate 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 paid by all accounts included in any such block.

Block trading may allow us to execute equity trades in a more timely and equitable manner, at an average share price. Gill Capital Partners will typically aggregate trades among clients whose accounts are held with the same broker. Gill Capital Partners' block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Gill Capital Partners, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable Gill Capital Partners to seek best execution for, each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, an order ticket is completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order and must pay a commission according to the commission schedule that applies to their account. Under the client's agreement with the custodian, transaction costs may be based on the number of shares traded for each client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) Gill Capital Partners' client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on Gill Capital Partners' records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis other than what is described above and in Item 14 below.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the Custodian, the Custodian will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain may be donated to charity. We will never benefit or profit from trade errors.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES ("ISS")

INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least 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, the market, or the political or economic environment.

These accounts are reviewed by James O'Brien, John Winslow, Leslie Squires Rojas, Chad Wanger, and Terri Propp. All reviewers are Investment Advisor Representatives with a

Series 65 license (at a minimum). James O'Brien and John Winslow are responsible for overseeing, supervising, and approving activities of the firm's advisors. The number of relationships assigned to each advisor will be less than 100.

REPORTS: In addition to the statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

PENSION CONSULTING SERVICES

REVIEWS: Gill Capital Partners will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. Gill Capital Partners will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

These accounts are reviewed by James O'Brien, John Winslow, Leslie Squires Rojas, Chad Wanger, and Terri Propp.

REPORTS: Gill Capital Partners will provide reports to Pension Consulting Services clients based on the terms set forth in the client's Investment Policy Statement (IPS).

FINANCIAL PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

Item 14 Client Referrals and Other Compensation

It is Gill Capital Partners' policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Gill Capital Partners' policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

We do receive an economic benefit from our recommended Custodians in the form of support products and services they make available to us. These products and services, how they benefit us, and the related conflicts of interest are described above in *Item 12 - Brokerage Practices*. The availability to us of the Custodian's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. As disclosed under *Item 12 - Brokerage Practices*, we participate in both Schwab's and TD Ameritrade's institutional customer programs and we may recommend Schwab or TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the programs and the investment advice we give to our clients, although we receive economic benefits through our participation in the programs that may not be available to other independent Investment Advisors participating in the program. 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 advisor 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 us by third party vendors. Schwab or TD Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by Schwab and TD Ameritrade through the programs may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at Schwab or TD Ameritrade. Other services made available by Schwab and TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by our Firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to Schwab or TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by our Firm or our related persons in and of itself creates a conflict of interest and may indirectly influence our choice of Schwab or TD Ameritrade for custody and brokerage services.

Our firm also receives from TD Ameritrade certain additional economic benefits (“Additional Services”) that may or may not be offered to other independent investment Advisors participating in the program. Specifically, TD Ameritrade will pay the firm’s Black Diamond expense for a period of 2 to 3 months in 2020. TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense. Our firm does not pay any fees to TD Ameritrade for the Additional Services.

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

Item 15 Custody

Deduction of Advisory Fees

We previously disclosed in *Item 5 - Fees and Compensation* that our firm directly debits advisory fees from client accounts.

Under government regulations, we are deemed to have custody of client assets if the client authorizes us to instruct the qualified custodian to deduct our advisory fees directly from their account. However, the qualified custodian maintains actual custody of client assets.

As part of our billing process, the custodian is advised of the amount of the fee to be

deducted from each client's account. On at least a quarterly basis, the custodian is required to send the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important that clients 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 quarterly (or monthly) statements that clients receive directly from their custodian, we also send performance reports directly to our clients on a quarterly basis. 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.

Standing Letters of Authorization ("SLOA")

We are deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the client accounts we are deemed to have Custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor or the qualified custodian preparing the statement.

Investment Manager to a Private Fund

We are deemed to have custody under Rule 206(4)-2 of the Advisers Act (the "Custody Rule") in its role as Investment Manager to the Fund. Pursuant to the audit approach to the Custody Rule, Investors in the Fund will receive audited financial statements in accordance with the Custody Rule. Whether or not Gill Capital Partners, Inc. has custody over client assets, Investors and clients should carefully review all statements and reports provided to them in connection with their investment.

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 do the following without contacting the client:

- 1) determine the security to buy or sell; and/or
- 2) determine the amount of the security to buy or sell

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

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian to forward them copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

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.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Gill Capital Partners has no such financial circumstances to report.

Gill Capital Partners has not been the subject of a bankruptcy petition at any time during the past ten years.

Other Important Disclosure Language:

Cybersecurity Risk - These risks include both intentional and unintentional events at our Firm or one of its third-party counterparties or service providers that may result in a loss or corruption of data or result in the unauthorized release or other misuse of confidential information. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in large part because unknown threats may emerge in the future.