



SUNRISE ADVISORS

Registered Investment Advisors
Fee-Only Wealth Management

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FIRM BROCHURE

(Form ADV Part 2A and Part 2B, supplemental brochure information)

March 17, 2020

This brochure provides information about the qualifications and business practices of Sunrise Advisors, Inc. (“Sunrise Advisors”). If you have any questions about the contents of this brochure, please contact us at (913) 681-0215 and/or info@sunriseadvisors.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Sunrise Advisors is an independent, registered investment adviser. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about Sunrise Advisors is also available on the SEC’s website at www.adviserinfo.sec.gov. To find us here click on “Investment Adviser Search” and then “Firm” and search our firm CRD number 111953.

Material Changes

There is one material change since our last annual update last February. During the last quarter of 2019, Samuel Scott, Sarah Scott Walsh, David Walsh, and Jenna Patterson became stockholders of Sunrise Advisors, Inc.

There are no other material changes to this brochure since the last annual update as of February 28, 2019. We will, however, provide you with a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year on December 31st or at such other time, as required by applicable law, by mailing or emailing to you, without charge, a summary of any such material changes.

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Advisory Business

Form ADV Part 2A, Item 4

Our Firm

We are a fee-only wealth management firm in Leawood, Kansas. Sunrise Advisors is family owned and operated, and was founded in 1993 by David Scott, our majority stockholder, who has professionally managed investments since 1975. David operates the business along with the minority stockholders of Sunrise Advisors—David's son Samuel Scott, his daughter Sarah Scott Walsh, his son-in-law David Walsh, and Director of Operations Jenna Patterson.

We are an independent Registered Investment Advisor (RIA) regulated by the Securities and Exchange Commission (SEC). Sunrise Advisors is a full-time fiduciary. We place our clients' interests first at all times and in all accounts, a legal obligation unique to fee-only, independent RIAs.

We were founded on the principle that the advisor and the client should have the same ultimate goals: to protect and grow the client's assets. We prefer a holistic approach of combining comprehensive planning—your finances, retirement, taxes, and estate—with disciplined investment management, which we believe makes for better communication and results.

Our mission is to enrich our clients' lives by using our resources to help fulfill their objectives, hopes, and dreams.

Our professional directive is:

- To place your interest first, as a fiduciary, 100% of the time;
- To produce successful, long-term results for you by using effective financial planning tools and by consistently applying proven asset-management techniques;
- To use high-quality, low-cost investments; and
- To communicate clearly with you, enabling us to better serve you in a relationship of understanding and trust.

At Sunrise Advisors, your success is our success.



David P. Scott
Founder, Chairman, and Chief Investment Officer

Our Services

We provide continuous investment management and comprehensive financial planning services to our clients, who are families, individuals, trusts, businesses, retirement plans, and foundations. Additional services include holistic, family office services and customized retirement plans. We tailor our services to your individual needs.

Investment Management

Our advisors—Dave, Sam, David, and Tim—collectively have over 85 years of investment management experience that spans complete market cycles, enabling us to maintain an objective, knowledgeable perspective during various stages of economic and market change. We try to limit risk by finding value and we try to maximize opportunity by continuously managing your assets. We typically manage assets on an on-going, discretionary basis in a manner appropriate for your objectives, strategies, and risk-tolerance. We conduct our own research and construct our own portfolios, which are typically balanced among cash, bonds, stocks, exchange-traded funds and mutual funds. We assemble our portfolios using a core and satellite strategy, making specific accommodations for inflationary and deflationary changes, in attempt to maintain the buying power of your investments. We have extensive experience managing fixed-income portfolios, consisting of individual bond holdings, since 1975.

Financial Planning

We do our best to help you plan for your specific objectives. We will meet and communicate as often as you want to discuss your personal financial goals. Whether you are accumulating assets, transitioning assets, using assets, or leaving your legacy, we work closely with you to create a plan to meet your objectives. Using state-of-the-industry software, our process includes analyzing, evaluating, developing, implementing, monitoring, and maintaining your personal financial plan.

Family Office Services

Designed for business owners and high-net worth families, we work to implement all facets of your wealth management plan—investment management, financial planning, estate planning, and tax planning—in a seamless operation. We coordinate wealth and legacy strategies with the efforts of our on-staff attorneys and your attorney and CPA for effective planning and efficient implementation of your family wealth plan. Our family office services include advice and assistance with business succession and charitable giving.

Company Retirement Plans

We craft customized retirement plans with tailored investment options, including professionally-managed, risk-based portfolios. When requested, we act as an ERISA 3(38) investment fiduciary for the benefit of the plan sponsor/trustees. For plan participants, we offer access to our financial and retirement planning tools.

As of February 14, 2020, our assets under management (“AUM”), all of which is discretionary, and our number of accounts are:

<u>AUM</u>	<u>Accounts</u>
\$706,684,115	589

Fees and Compensation

Form ADV Part 2A, Item 5

How We are Compensated

We are a “fee-only” advisor, meaning our only compensation is the fee our clients pay us. We are not paid any other compensation from any other party. We do not receive or accept commissions, loads, 12b-1 fees, overrides, bond spreads, or any other form of compensation from anyone else when providing services to you. We do not offer proprietary funds or products, avoiding the conflicts of interests inherent in such funds and products. We do not participate in wrap fee programs. We believe being fee-only is the most transparent, flexible, and client-oriented means of compensation. Because we are fee-only and independent, we are not owned, paid by, or beholden to any broker-dealer, insurance company, mutual fund company, or bank or bank trust department. We are objective fiduciaries who always put our clients’ interest first.

Our fee is typically a percentage of the assets we manage, up to 1.5%. (Fees may be higher for retirement plans that include the cost of third-party plan administration.) The assets we actually advise on is usually greater than those we manage because we often give advice on assets we don’t manage, like your current 401(k) and 529 funds. Fees and how they are charged are often negotiable for factors including but not limited to the client’s financial circumstances, the amount of assets under management, the client’s objectives, and the overall complexity of the reporting required and the services provided. Below is a sample fee schedule for illustrative purposes. The exact services and fees will be agreed upon and disclosed in the agreement for services prior to services being provided.

Fees are billed in arrears and payable each quarter. Ordinarily, we do not charge in advance for services. The percentage fee for each of your accounts is calculated based on the value of the account at the end of the calendar quarter. When establishing and/or calculating your fee, we consider additions and/or withdrawals from the account during that period and the complexity and extent of financial planning services provided or requested.

Most clients have fees deducted from their accounts, although clients may request to be billed directly. The account custodian does not verify the accuracy of our advisory fee calculation. For new clients, we usually prorate your fee

for the first quarter from when you began. We may take into consideration the additions or withdrawals from the account during the period. Multiple accounts within a client relationship may be aggregated for billing purposes.

The fee is usually deducted directly from our clients' accounts soon after the end of the calendar quarter. We provide our clients with a quarterly statement showing the amount of the fee and how that amount was calculated. Our clients also receive regular account statements, at least quarterly but usually monthly, from their account custodian. Clients also have access to their accounts online.

If a client wants to move funds into (or withdraw funds from) an account advised or managed by us, such as with a rollover from a retirement plan to an IRA under our management, we will have a conflict of interest given that our fees are based on the amount of assets we manage and that our fees can reasonably be expected to be higher for the IRA than those in the retirement plan due to the individualized nature of our IRA-related services. To mitigate such conflicts, we will disclose relevant information about the applicable fees we charge for advising or managing the rollover IRA prior to opening the account. We will also disclose all other material costs and benefits of the client's decision to add to or withdraw from the account we're advising or managing.

Some exceptions to our general fee practice are that: (1) sometimes in lieu of a percentage fee, where appropriate, we may charge a fixed or hourly fee depending on the type of investment program and/or the portfolio value, and may be more or less than the illustrative percentage fee schedule below; (2) at a client's request, we will bill the client each quarter for our fee rather than deduct the fee directly from the client's account; (3) for new accounts, we may charge a one-time, non-refundable, set-up charge; and (4) although our fee usually includes the cost of financial planning, we reserve the right to charge a separate, hourly fee for financial planning services depending on the level and scope of the services required and the professional rendering the services, or where a client is not seeking our investment management services. Additional financial planning fees are negotiable, and we may waive all or a portion of financial planning fees. We will always discuss the fee structure with you in advance. It is our goal to make our fees fair, simple, and transparent.

You may cancel a new investment advisory contract within 10 days of signing without incurring any fees. However, any investment risk associated with your assets during this cancellation period is your sole responsibility. After this 10-day introductory period, you may still terminate the investment advisory contract at any time by sending us written notice of termination, but we will charge a fee for our services provided between the beginning of the current quarter and the date we receive your notice of termination.

We may charge lower asset management fees if you use or plan to use Schwab Bank Personal Trust Services or Fidelity Personal Trust Company, or another certain trust company, as a corporate or successor trustee in your living or irrevocable trust. In each instance, the fees will be paid pursuant to a written agreement and a disclosure will be provided to you prior to or at the time of entering into the investment advisory contract.

For Equity & Balanced / Model Portfolio Accounts

<u>Asset Market Value</u>	<u>Total Annual Fee</u>
< \$250,000	1.50%
> \$250,000	1.25%
> \$1,000,000	1.00%
> \$2,500,000	As negotiated

For Bond / Fixed Income Accounts

<u>Asset Market Value</u>	<u>Total Annual Fee</u>
< \$2,000,000	0.80%
> \$2,000,000	0.70%
> \$4,000,000	0.60%
> \$6,000,000	As negotiated

Other Expenses You May Incur

Our investment advisory and management services may include buying, selling, and/or recommending exchange-traded funds (ETFs), mutual funds, individual equities (stocks), and/or individual bonds. ETFs and mutual funds have internal operating expenses (known as an “expense ratio”) charged by the ETF or mutual fund company. Also, mutual funds may have other associated costs in the form of loads and commissions. These fund costs and expenses are charged by the fund company (such as American Century, Vanguard, BlackRock, etc.) and are separate and distinct from any fees that we charge. Fund-related expenses are paid by the client directly to the fund company, not to us. Additionally, there may be trading costs and/or bond spreads incurred when buying or selling stocks, bonds, ETFs, and mutual funds. These trading costs are charged by the custodian or broker and are paid by the client directly to the custodian or broker, not to us. Our employees do not accept or receive compensation or any form of payment from the sale, purchase, or recommendation of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. We do our best to keep costs to an absolute minimum.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

We do not charge or accept performance-based fees.

Types of Clients

Form ADV Part 2A, Item 7

We provide investment management and financial and estate planning services to individuals, families, trusts, estates, businesses, associations, qualified and non-qualified retirement plans, foundations, and other charitable organizations. We do not have any account minimums or other requirements for managing a client account.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

Methods of Analysis and Investment Strategies

In formulating our investment advice and in managing assets, we use a number of analytical methods, such as fundamental, technical, and charting analyses; economic and business cycle analyses; and our proprietary system of macroeconomic and inflationary/deflationary analysis. We construct our own portfolios and asset allocations using a value-tilted, long-term, core-and-satellite strategy based on a historical and experience-driven perspective. Our analyses and strategies are based on comprehensive research of publicly available information and subscription-only data and reports.

Our investment strategies are guided by prudence, risk, diversification, value, and our clients’ individual objectives. Our strategies may vary among clients. Depending on circumstances, we may use long-term purchases and sales, short-term purchases and sales, short sales, margin transactions, bond purchases, option purchases and sales and other publicly-traded derivative transactions, tax-advantaged strategies, and other investment strategies. Some strategies may involve more active trading that may increase trading costs and/or affect investment performance. We always try to keep costs at a minimum.

Our overarching investment strategy is to add value and reduce risk. We strive to do this by using high-quality, low-cost investments, being appropriately diversified, and learning more about your objectives and risk tolerance. We also try to communicate with you in a clear, understandable way. It is your responsibility to have a general understanding of how we invest for you, so we encourage you to contact us for any questions or concerns you may have.

Sources of information utilized for security analysis and investment decision-making are derived from but not limited to the following: commercially available data and evaluation sources; securities rating services; general economic, market, and financial information; due diligence reviews; specific investment analyses; financial

publications, periodicals, newspapers, journals, and academic white papers; prospectuses and statements of additional information; and other issuer-prepared information.

Risks of Loss

Investing involves varying degrees of risk, and there can be no assurance that any specific investment will be profitable for your investment portfolio. We do not guarantee future performance or future results; and past performance does not guarantee future results. An investment's actual return may be different than expected. Investments in securities are not insured or guaranteed by the FDIC.

The investments we use and recommend for our clients are subject to certain risks that clients should be prepared to bear, including the total loss of principal. Forms of risk include market risk, interest rate risk, inflation risk, tax risk, company risk, currency/exchange risk, socio-political risk, other foreign risks, credit/default risk, call risk, fixed-income risk, purchasing-power risk, legislative risk, asset allocation risk, custodian risk, natural disasters, terrorist attacks, wars, other systemic risk, and the possibility of losing some or all of the original investment.

We believe diversification is instrumental in reducing risk. Our portfolios are generally diversified across asset classes, sectors, and geographic regions. Diversification does not reduce or eliminate all risk, including risks from recessions, depressions, interest rates, natural disasters, political turmoil, wars, and terrorist attacks.

There is also risk in implementing our investment strategy. For example, if a new client's account holds securities, all or a portion of those securities may be sold at any time during the management of the client's account. The client is responsible for any tax liabilities arising from the sales. Additionally, the client, not Sunrise Advisors, is responsible for losses in the client's account during an in-kind transfer of securities from one institution to another.

We will manage client assets in a prudent manner, but we cannot guarantee any level of performance or that clients will not experience a loss of account value or principal. There can be no guarantee that an asset allocation strategy will meet its investment objectives or that it will not suffer losses. Before entering into an investment advisory contract with us, you should carefully consider that: investing in securities involves the risk of loss of your principal; securities' prices experience varying degrees of volatility; over time, your assets may fluctuate and at any time be worth more or less than the amount invested; and you should only commit assets that are long-term in nature.

Disciplinary Information

Form ADV Part 2A, Item 9

There are no legal or disciplinary events involving us or any of our employees.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Sunrise Advisors strives to minimize potential conflicts of interest by maintaining our focus as an independent registered investment advisor. Sunrise Advisors is not, and our employees are not, registered (or in the process of being registered) as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or registered representative or associated person of any of the foregoing. While not material to our advisory business, David Walsh is an attorney who owns and operates on a limited basis his own law firm, Heritage Estate & Legal Planning LLC, which is completely separate and distinct from Sunrise Advisors. Typically, David's independent legal services to clients of Sunrise Advisors do not create a material conflict of interest. However, from time to time there is a conflict where a client wishes to name a Sunrise Advisors employee as an investment advisor or successor trustee under a trust, or where David recommends a legal client use Sunrise. When this occurs, David explains the potential conflicts fully in detail in writing, asks the client to expressly waive the potential conflicts in writing, and encourages the client to seek independent legal counsel. Sunrise does not receive any compensation whatsoever from David's legal services. Also not material to our advisory business, Timothy Wickey is a licensed insurance agent who acts on a very limited basis as an independent structured settlement consultant, a business which is completely separate and distinct from Sunrise Advisors. For these services, Tim may receive a commission, and to the extent that he does he may have incentive to recommend a fixed annuity as part of a lawsuit structured settlement. Though some of the individuals Tim consults for may become clients of Sunrise Advisors, Tim does not

provide consulting services or receive commissions as an agent or employee of Sunrise Advisors. Sunrise Advisors does not receive any compensation whatsoever in connection with Tim's consulting business.

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

Form ADV Part 2A, Item 11

Our Code of Ethics

We have adopted a Code of Ethics compliant with SEC Rule 204A-1. We have a fiduciary duty to exercise our authority for your benefit, to place your interests first, and to refrain from having undisclosed outside interests that conflict with your interests. We must disclose all potential or actual conflicts of interest we have with you. We will attempt to comply at all times with applicable federal and state securities laws. We are prohibited from any conduct that is fraudulent, deceitful, manipulative, or materially untrue. Our employees are also prohibited from insider trading. All employees must undergo annual certification of our Code of Ethics. To request and receive a complete copy of our Code of Ethics, please contact us at the address, telephone number, or email on the cover page of this brochure.

Participation or Interest in Client Transactions

We do not recommend or invest in any securities or other investments where any employee or related person of Sunrise Advisors has a financial interest.

Personal Trading

Sunrise Advisors and its employees may buy, sell, or hold securities for their personal accounts identical to those that we buy, sell, and recommend for clients. The securities we recommend are widely held and publicly traded. In accordance with our fiduciary duty to clients, our Code of Ethics, and applicable securities rules and regulations, Sunrise Advisors and its employees will at all times place client interests ahead of their own. We have developed policies and procedures to ensure that clients' interests always come first. For example, we require our employees to regularly submit their personal securities holdings and transactions to Sunrise Advisors so that we may monitor their investments to ensure compliance with our Code of Ethics and our general fiduciary duty to clients. All questions arising in connection with personal securities trading are resolved in favor of the client even at the expense of our employees.

Brokerage Practices

Form ADV Part 2A, Item 12

Custodians and Brokerage

We are independently owned and operated and are not affiliated with any broker dealer or investment company. We do not maintain custody of the assets that we manage or advise for you. Your assets must be maintained with a qualified custodian, who is typically a registered broker-dealer or bank. We usually recommend our clients use Charles Schwab & Co., Inc., Fidelity Investments, or TD Ameritrade, Inc. (Fidelity also operates as National Financial Services LLC and Fidelity Brokerage Services LLC.) Schwab, Fidelity, and TD Ameritrade are the largest qualified custodians for independent advisors. Each of these custodians is a FINRA-registered broker-dealer and member of SIPC. We do not have a financial arrangement with any custodian that would create a material conflict of interest. We are independently owned and operated and are not affiliated with Schwab, Fidelity, or TD Ameritrade.

While we recommend that you use one of these three custodians, we don't require you to use a particular custodian or broker-dealer. You will decide which custodian to use and will enter into an account agreements directly with the custodian you choose. If you choose a custodian other than Schwab, Fidelity, or TD Ameritrade, you may not be able to achieve best execution on trades in your account, and this may end up costing you more money.

The qualified custodian you choose will hold your assets in a brokerage account and will buy and sell securities in your account when we instruct them to. We recommend custodians and brokers who hold assets and execute

trades on terms that we believe are overall most advantageous to our clients when compared to other available providers and their services. We consider a wide range of factors, including, among others: the combination of transaction execution services along with asset custody services (generally without a separate fee for custody); the capability to execute, clear, and settle trades (buy and sell securities for your account); the capability to facilitate transfers and payments to and from accounts (e.g., electronic transfers, wire transfers, and check requests); the breadth of investments made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.); the availability of investment research and tools that assist us in making investment decisions; the quality of services and customer service; the competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.), and the willingness to negotiate (and renegotiate) them; the reputation, financial strength, and stability of the provider; and their current and historical service to us and our clients.

You are under no obligation to act on the recommendations of Sunrise Advisors and are free to select any broker/dealer or investment advisor you'd like to implement our recommendations. However, if you want to hire us for our portfolio management services, we will be responsible for executing your account transactions and therefore responsible for attaining the best execution possible under the prevailing circumstances.

Even though your account is with a particular custodian, we may still use other brokers to execute trades for your account, as described further below. In choosing a broker-dealer or negotiating commission rates, we are not obligated to seek competitive bids or the lowest commission cost to you. We determine that the commission rate charged is reasonable based on the quality of custodial services available to our clients. We place trades for our clients' accounts subject to our duty to seek best execution and our duty as a fiduciary.

In choosing a broker-dealer, recommending brokers for client transactions and negotiating commission rates, a chief consideration is whether the broker will provide the best execution for the desired transaction. We evaluate brokers and dealers on a number of criteria and attempt to minimize the total cost for all brokerage services paid by our clients. The brokers we recommend may not always offer the lowest fees or commission rates available. Our goal in all trades for our clients is to execute the transaction that is the most favorable for the client under the circumstances, commonly referred to as "best execution." Best execution does not necessarily mean the lowest commission cost; rather, it refers to the best total cost in purchasing or selling a security taking into account several factors, such as the: reputation, reliability, execution capability, experience, and financial stability of the executing broker; price of the security; size of the transaction; nature of the market for the security; commission amount; timing of the transaction in light of market prices and trends; the quality of service rendered by the broker in other transactions.

For our clients' accounts, the custodians we recommend usually do not charge you separately for custody services. Rather, they are compensated by charging you commissions or other fees on trades executed or settled in your account. Schwab's commission rates applicable to our client accounts were negotiated based on the large amount of assets under management our clients' custody with Schwab. In addition to commissions, each custodian we recommend charges a "prime broker" or "trade away" fee for each trade we execute through a different broker-dealer where the securities bought or the funds from the securities sold are deposited (or settled) into your account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer.

Schwab, Fidelity, and TD Ameritrade provide us and our clients access to their respective institutional brokerage platforms for trading, custody, reporting, research, and related services. Many of these institutional services are not typically available to retail customers. These custodians also make available various support services, some of which help us manage our clients' accounts while others help us manage and grow our business. These support services are generally available to all institutional investors, like us, who professionally manage client investments and are usually available at no charge whether we use them or not.

Institutional support services that benefit you include: access to a broad range of investment products, execution of securities transactions, and custody. The investments available through each custodian include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. These types of services generally benefit you and your account.

Institutional support services that may not directly benefit you include investment research and reports created by the custodian and by third parties. We may use this research to service all or some of our clients' accounts, including accounts not maintained with that custodian. Other services include software and other technology that

provides access to client account data (such as duplicate trade confirmations and account statements); facilitates trade execution and allocates aggregated trade orders for multiple client accounts; provides pricing and other market data; facilitates payment of our fees from our clients' accounts; and assists with back-office functions like client reporting and recordkeeping. These services may not directly or indirectly benefit you or your account.

The availability of these services benefit us because we do not have to produce or purchase them, so long as we maintain a minimum amount of assets at a particular custodian. Beyond that, these services are not contingent on us committing any specific amount of business to Schwab, Fidelity, or TD Ameritrade in trading commissions or assets in custody. These benefits and services are not a material consideration for us in using Schwab, Fidelity, or TD Ameritrade, nor do they result in any material conflicts of interest between us and our clients. However, clients should be aware that, in recommending custody or brokerage services, us receiving these benefits creates a potential conflict of interest over you receiving most favorable execution. As a fiduciary, we always endeavor to act in your best interests.

Brokerage for Client Referrals

We do not receive client referrals from any broker-dealer or qualified custodian.

Trade Aggregation and Allocation

In an effort to get more timely, equitable, and efficient trade execution across multiple client accounts, and in an effort to reduce overall trading costs to clients, Sunrise Advisors may from time to time combine the purchase or sale of the same security for multiple clients at the same time into a single trade order, known as a "block trade" or "block transaction." Sunrise Advisors may also decide not to aggregate trades into block trades. For example, due to differences in cash availability, investment objectives, suitability, order size, tax efficiency, and other reasons, Sunrise Advisors may decide not to place individual trade orders for the same security for different clients, at different times, and in different relative amounts. Either way, we always attempt to aggregate, allocate, and execute all trades and trading opportunities fairly and equitably among our clients. We have adopted policies and procedures intended to ensure that our trading allocations are fair.

When using block trades, client accounts may be aggregated with employee (or company) accounts in the same block trade. When employee trades are aggregated with client trades in the same block trade, employee trades are treated the same as client trades with no preferential treatment given, provided that all issues arising in connection with employee trades be resolved in favor of the clients, even if at the expense of our employees. In all block trades, we will generally allocate the securities or proceeds arising out of those transactions on an average price basis among the various participants in the trades, with trading costs to be shared on a pro-rata basis. Allocation by average price, however, could be more or less advantageous to a particular client than if the client had been the only account affecting the trade, or if the trade had been executed before or after the other clients.

Review of Accounts

Form ADV Part 2A, Item 13

Account Review

All of our clients' accounts and, as applicable, their financial plans are reviewed regularly (no less often than quarterly) by David P. Scott, Chief Investment Officer, and Samuel R. Scott, President. Additionally, each advisor even more regularly reviews the accounts each is primarily responsible for. These advisors are David P. Scott, Samuel R. Scott, Timothy M. Wickey, and David T. Walsh. These individuals are also responsible for creating and monitoring our recommended investments, investment allocation, and investment policy, and for communicating with clients. At a minimum, clients' accounts are reviewed for asset allocation and valuation. Reviews of accounts or financial plans may be conducted more frequently in response to changes in economic or market conditions, laws, political events, or the investment strategy, circumstances, or objectives of a particular client. We also offer account reviews directly with a client on an as-requested basis.

Regular Reporting to Clients

Each quarter, we provide each of our clients with one or more written statements showing (among other things) the additions, withdrawals, investment performance, and management fees assessed in that client's accounts for the particular quarter. In addition, the account custodian directly provides to each client at least quarterly (but usually monthly) a written report of account holdings, value, and trades for that period.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

Sunrise Advisors sometimes enters into agreements with individuals (referred to as solicitors) to pay them a referral fee for introducing prospective clients to us. Each such agreement will comply with SEC Rule 206(4)-3 and other applicable federal and state securities laws and regulations, and will be individual in nature and independently negotiated, so terms may vary. Referral fees will only be paid pursuant to a written, solicitation agreement, and applicable disclosures will be provided to each client or prospective client before or at the time of entering into an investment advisory contract.

If your investment advisory contract indicates that we are or will be paying a referral fee to a solicitor, then the following provisions apply to that agreement:

- The name of the solicitor will be disclosed within the investment advisory agreement.
- The name of the Registered Investment Advisor is Sunrise Advisors, Inc.
- Sunrise Advisors has engaged the solicitor to solicit clients who could benefit by using the types of financial services provided by Sunrise Advisors. The solicitor is not obligated to recommend anyone to Sunrise Advisors. The solicitor is not affiliated with Sunrise Advisors, provided that if a prospective client is a Kansas resident, under Kansas law, the solicitor may be an investment adviser representative of Sunrise Advisors. But no solicitor is an employee or agent of Sunrise Advisors, and no solicitor is controlled by or under common control with Sunrise Advisors.
- The solicitor will be compensated by Sunrise Advisors for referring a client to Sunrise Advisors.
- The amount of any compensation to the solicitor will be a portion of the investment management fees (up to one-third) actually paid to Sunrise Advisors by the referred client.
- Any compensation paid to a solicitor will not increase or be in addition to the investment management fees charged by Sunrise Advisors. You, the client, will not be charged a higher fee or an additional fee if a solicitor is used. The payment to the solicitor comes out of the investment management fees paid to Sunrise Advisors and reduces the amount received by Sunrise Advisors.

Custody

Form ADV Part 2A, Item 15

Actual custody of your assets is maintained with an independent, qualified custodian, like Schwab, Fidelity, or TD Ameritrade. (See the "Brokerage Practices" section of this brochure.) Except for the limited authority to instruct the qualified custodian to deduct our advisory fees directly from your account, Sunrise Advisors does not have or maintain custody of your funds, securities, or accounts. You will receive account statements directly from your custodian at least quarterly but usually monthly. You will also receive trade confirmations directly from your custodian. These statements will be sent to the email or postal mailing address you provide to the custodian. You should carefully review and compare the custodian's statements to the statements you receive from us.

Investment Discretion

Form ADV Part 2A, Item 16

Sunrise Advisors accepts and is generally granted discretionary authority to manage accounts on your behalf, including the authority to direct which securities will be bought or sold and which brokers or dealers will be used for such transactions. This authority is granted to Sunrise Advisors by you signing a limited power of attorney as part of the account opening process. Sunrise Advisors will only assume discretionary authority when you sign the limited power of attorney. With this authority, we may invest, reinvest, reallocate, and/or rebalance your portfolio

in whole or in part at any time in our discretion as we deem necessary or convenient in your best interest. You may place limitations on this authority but our clients usually do not.

Voting Client Securities

Form ADV Part 2A, Item 17

We do not vote client securities, by proxy or otherwise, and we do not have or accept your authority to do so. You will receive proxies or other solicitations directly from the custodian, issuer, or transfer agent. Please contact us at info@sunriseadvisors.com or (913) 681-0215 if you have questions regarding any corporate governance mailings or matters.

Financial Information

Form ADV Part 2A, Item 18

We do not know of or foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

Privacy Policy

Form ADV Part 2A

We are committed to protecting your privacy and your non-public personal information. We do not sell or market your information to anyone. We do not disclose any personal information about clients or former clients without their authorization, except as permitted or required by law. All of our clients receive a copy of our Privacy Policy no less often than annually. Per this policy, we may disclose your information to third parties who help us provide services to you, such as custodians like Schwab, Fidelity, and TD Ameritrade.

PART 2B BROCHURE SUPPLEMENT

Form ADV Part 2B

This Form ADV Part 2B supplements Sunrise Advisors' Form ADV Part 2A brochure above and is dated as of the same date as the above brochure. The supervised persons named below have the same business address and telephone number as Sunrise Advisors, which is 3710 W. 135th Street, Leawood, Kansas 66224, 913-681-0215.

This brochure supplement provides information about David P. Scott, Samuel R. Scott, Timothy M. Wickey, Sarah Scott Walsh, David T. Walsh, Jenna D. Patterson, and Jessica L. Smith that supplements Sunrise Advisors' Form ADV Part 2A brochure. You should have received a copy of the above brochure. Please contact David Walsh if you did not receive Sunrise Advisors' brochure or if you have any questions about the contents of this supplement. Additional information on David S., Samuel, Timothy, Sarah, and David W. is available at www.adviserinfo.sec.gov.

DAVID P. SCOTT

Founder and Chairman

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE
Dave Scott, born in 1950

Education

BS, Business Administration/Finance (1972), University of Missouri—Columbia

Professional Certifications

Accredited Asset Management SpecialistSM (AAMS[®]), 2006
Chartered Retirement Planning CounselorSM (CRPC[®]), 2007

AAMS[®] designees must complete a comprehensive course of study encompassing investments, insurance, tax, retirement, and estate planning issues. Additionally, these individuals must pass a comprehensive end-of-course examination administered by the College for Financial Planning that tests their ability to synthesize complex concepts and apply theoretical concepts to real-life situations. Each AAMS[®] designee must adhere to certain Standards of Professional Conduct, be subject to a disciplinary process, and complete 16 hours of continuing education every 2 years.

CRPC[®] designees must complete an extensive course of study covering pre- and post-retirement needs, asset management, estate planning, and the entire retirement planning process using models and techniques from real client situations. CRPC[®] certificants must pass an end-of-course examination administered by the College for Financial Planning. Each CRPC[®] designee must comply with certain Standards of Professional Conduct and earn 16 hours of continuing education every 2 years.

Business Background

Dave is the Chairman, Chief Investment Officer, and Assistant Compliance Officer of Sunrise Advisors, which he founded in 1993. Dave has professionally managed money since 1975, when he began his investment career as a broker (and eventual Vice President) at Merrill Lynch. Between 1975 and 1993, Dave also worked as a registered representative of E.F. Hutton and B.C. Christopher Securities. Until 1975, Dave was a bank officer for three years for a local commercial bank holding company.

DISCIPLINARY INFORMATION

Dave has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

Dave is only actively engaged in providing investment management and financial planning advice and services for Sunrise Advisors.

ADDITIONAL COMPENSATION

Dave does not receive any compensation or other economic benefits for providing investment advisory services from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.

SAMUEL R. SCOTT

President

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Sam Scott, born in 1977

Education

BA, Economics (2001), Rice University
BA, Managerial Studies (2001), Rice University

Professional Certifications

Certified Financial PlannerTM (CFP[®]), 2008

The CFP[®] certification process, administered by the CFP Board, identifies to the public that those certified individuals have met rigorous professional standards and have agreed to act in the client's best interest and adhere to the highest ethical and professional standards, including principles of integrity, objectivity, competence, fairness,

confidentiality, professionalism, and diligence when dealing with clients. CFP® professionals must pass the comprehensive 10-hour, 2-day CFP® Certification Examination, the CFP Board's Fitness Standards for Candidates and Registrants, agree to abide by CFP Board's Code of Ethics and Professional Responsibility and Rules of Conduct, which put clients' interests first, and comply with the Financial Planning Practice Standards which spell out what clients should be able to reasonably expect from the financial planning engagement. Each CFP® designee must also complete 30 hours of continuing education every 2 years.

Business Background

Sam is the President of Sunrise Advisors, where he began working in February, 2001. Sam has attained NAPFA-Registered Financial Advisor status from The National Association of Personal Financial Advisors (NAPFA), a high distinction for comprehensive, fee-only wealth advisors.

DISCIPLINARY INFORMATION

Sam has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

Sam is only actively engaged in providing investment management and financial planning advice and services for Sunrise Advisors.

ADDITIONAL COMPENSATION

Sam does not receive any compensation or other economic benefits for providing investment advisory services from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.

SARAH SCOTT WALSH

Wealth Advisor*

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Sarah Walsh, born in 1979

Educational

BS, Nursing (2001), University of Pennsylvania

BS, Economics (2001), The Wharton School, University of Pennsylvania

Business Background

*Sarah is presently on extended sabbatical from Sunrise Advisors, where she began working with her father Dave and brother Sam in 2007. Before then, Sarah, who is also a Registered Nurse (RN), was a Clinical Study Manager for Medtronic, at its Minneapolis headquarters.

DISCIPLINARY INFORMATION

Sarah has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

Sarah does not presently engage in any business activities. Though she is an investment adviser representative of Sunrise Advisors, Sarah does not presently provide any advisory services. She is on indefinite leave of absence.

ADDITIONAL COMPENSATION

Sarah does not receive any compensation or other economic benefits for providing investment advisory services from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.

DAVID T. WALSH

Director of Family Office Services

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

David Walsh, born in 1976

Education

Juris Doctor (JD) (2001), University of Notre Dame Law School
BS, Pre-Med (1998), University of Notre Dame

Professional Certifications

Certified Financial Planner™ (CFP®), 2012

The CFP® certification process, administered by CFP Board, identifies to the public that those certified individuals have met rigorous professional standards and have agreed to act in the client's best interest and adhere to the highest ethical and professional standards, including principles of integrity, objectivity, competence, fairness, confidentiality, professionalism, and diligence when dealing with clients. CFP® professionals must pass the comprehensive 10-hour, 2-day CFP® Certification Examination, the CFP Board's Fitness Standards for Candidates and Registrants, agree to abide by CFP Board's Code of Ethics and Professional Responsibility and Rules of Conduct, which put clients' interests first, and comply with the Financial Planning Practice Standards which spell out what clients should be able to reasonably expect from the financial planning engagement. Each CFP® designee must also complete 30 hours of continuing education every 2 years.

Business Background

David is the Director of Family Office Services (and a Wealth Advisor) for Sunrise Advisors, since 2011. Between 2006 and 2011, he was a business attorney with Husch Blackwell LLP. Before that, David served in the U.S. Air Force for four years on active duty as a Captain and Judge Advocate. David was born and raised in Onaga, a small farming community in northeast Kansas.

DISCIPLINARY INFORMATION

David has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

David's only investment-related business is providing investment management and financial planning advice and services for Sunrise Advisors. David is also a practicing attorney with his own part-time, independent law firm, Heritage Estate & Legal Planning LLC, which is wholly separate and distinct from Sunrise Advisors, and his legal practice is not an "investment-related" business or occupation. All legal services provided and legal fees received by David are only provided through his law firm and not in any way as an employee, agent, or supervised person of Sunrise Advisors. Sunrise Advisors does not receive any compensation whatsoever from David's legal services. David's law practice does not involve a substantial amount of time and is not a substantial source of revenue.

ADDITIONAL COMPENSATION

David does not receive any compensation or other economic benefits for providing investment advisory services from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.

TIMOTHY M. WICKEY

Senior Wealth Advisor

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Tim Wickey, born in 1962

Educational

Juris Doctor (JD) (with distinction) (1991), University of Missouri—Kansas City School of Law
BA, Computer Science (1984), University of Missouri—Columbia

Business Background

Tim started with Sunrise Advisors in July, 2009. Before joining Sunrise Advisors, Tim worked for AXA Advisors, LLC dba Mapstone Financial Group from 1998-2009 as financial advisor and director of planning. Tim is an attorney and previously worked for the law firm Armstrong Teasdale LLP in St. Louis.

DISCIPLINARY INFORMATION

Tim has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

As an employee of Sunrise Advisors, Tim spends all of his time providing investment management and financial planning advice and services to clients of Sunrise Advisors. Tim, like all other employees of Sunrise Advisors, is a fee-only advisor for the firm—he is only paid agreed-upon and disclosed advisory fees directly from clients. Neither Sunrise Advisors, nor any of its employees, receives any compensation from anyone other than the client for the investment management and financial planning services provided by Sunrise Advisors. Tim is also an attorney and licensed (but unaffiliated) insurance agent who from time to time consults on structuring personal injury settlements through his own personal business that is wholly separate and distinct from Sunrise Advisors. Through his independent consulting business, Tim sometimes recommends using fixed annuities as part of an individual's court-approved personal injury settlement. If the individual elects to use one of these fixed annuities, Tim may receive a portion of the industry-set, industry-uniform commission. Because of this, Tim may have an incentive to recommend a fixed annuity based on the compensation received rather than on the individual's needs. Since individuals for whom Tim provides consulting services may become investment management or financial planning clients of Sunrise Advisors, Tim is particularly careful to clearly explain the costs and benefits of a fixed annuity to each potential recipient and to disclose the compensation he will receive from the use of the fixed annuity. Tim does not provide any insurance or other commission-based services to existing clients of Sunrise Advisors. Tim does not provide any consulting services or receive any commissions as an employee, agent, or "supervised person" of Sunrise Advisors. Sunrise Advisors does not receive any compensation whatsoever from or in connection with Tim's consulting business. Sunrise Advisors does not have a financial interest in or receive any financial benefit from Tim's outside business. Sunrise Advisors has not and does not refer clients or prospective clients of the firm to Tim's outside business. Sunrise Advisors does not provide any service, give any advice, or make any recommendations that would result in the firm or an employee receiving compensation that is contingent upon the purchase or sale of any financial product.

ADDITIONAL COMPENSATION

Tim does not receive any compensation or other economic benefits for providing investment advisory services from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.

JENNA D. PATTERSON

Director of Operations

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Jenna Patterson, born in 1985

Education

BS, Business Management (2008), Kansas State University
MS, Industrial/Organizational Psychology (2011), Kansas State University

Business Background

Jenna is the Director of Operations for Sunrise Advisors, since 2012. Before then, she was a Senior Associate with State Street Corp.'s Global Trade Processing division, where she managed the 8-person team that handled processing and settlement of all domestic and global trades for State Street's Wealth Management division. Jenna worked at State Street for 3 years while earning her Master's degree.

DISCIPLINARY INFORMATION

Jenna has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

Jenna is only actively engaged in supporting investment management and financial planning services provided through Sunrise Advisors.

ADDITIONAL COMPENSATION

Jenna does not receive any compensation or other economic benefits from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.

JESSICA L. SMITH

Manager of Operations

EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Jessica Smith, born in 1987

Education

BA, Accounting (2009), Kansas University
BA, Communications (2009), Kansas University

Business Background

Jessica became the Operations Manager for Sunrise Advisors in March, 2017. Jessica brings to Sunrise 8 years of professional accounting experience. Her previous responsibilities included internal financial reporting, fixed asset tracking, sales management, and account reconciliation for a global organization.

DISCIPLINARY INFORMATION

Jessica has no disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

Jessica is only actively engaged in supporting investment management and financial planning services provided through Sunrise Advisors.

ADDITIONAL COMPENSATION

Jessica does not receive any compensation or other economic benefits from anyone not a client of Sunrise Advisors.

SUPERVISION

David P. Scott (as Chairman, Chief Investment Officer, and Assistant Compliance Officer) supervises all Sunrise Advisors personnel through daily office interactions and supervisory activities, and regular meetings. David Walsh (as Chief Compliance Officer) supervises compliance matters. Both can be reached at (913) 681-0215.