

**Item 1: Cover Page
Part 2A Appendix 1 of Form ADV:**



Wrap Program Brochure

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This brochure provides information about the qualifications and business practices of Skyline Advisors, Inc. If clients have any questions about the contents of this brochure, please contact us at (360) 671-1621 or info@myskylineadvisor.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. Additional information about our firm is also available on the SEC's website at www.adviserinfo.sec.gov by searching CRD #188511.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

Item 2: Material Changes

Skyline Advisors, Inc. is required to make clients aware of information that has changed since the last annual update to the Wrap Brochure ("Wrap Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Since the last annual amendment filed on 03/25/2019, Charles Schwab & Co., Inc. ("Schwab") has eliminated transaction fees for U.S. listed equities and exchange traded funds.

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Item 4: Services, Fees & Compensation

Skyline Advisors offers Wealth Management Services including financial planning, investment management and financial advice and coaching. We provide high-touch and personal client service, comprehensive financial planning and investment advisory services designed to accomplish client financial-life goals. We operate according to a Fiduciary Duty where we must always act in utmost good faith and due loyalty according to our client's best interests. Skyline Advisors works under a team structure. This is more than just a saying, it is the foundation of our client service, communications and professional relationships. We walk alongside our clients through life's travails and opportunities in order to provide financial advice and discipline in a complicated and sometimes confusing investment and economic landscape.

Skyline Advisors believes that life is a journey that requires daily engagement with a focus on the goals on the horizon.

Skyline Advisors Wrap Advisory Services

Wealth Management Services:

Our Wealth Management Services are designed to assist clients in meeting their financial goals by building an asset allocation, selecting securities and monitoring and managing the portfolio all within a financial planning framework.

Our Investment Process is:

1. Get to Know You
2. Create a Plan
3. Service and Advice
4. Report to You
5. Update your Plan

Our Investment Philosophy is:

1. Built on Academic Research
2. Long Term Unemotional Perspective
3. Objective/Informed Fiduciary Advice
4. Minimize Investment Expenses
5. Flexible Portfolio Rebalancing

The Investment Process begins with client meetings conducted to understand a client's current financial profile and resources, financial-life goals, time horizon and tolerance for risk. Based on what we learn, an investment strategy is presented that may consist of individual stocks, bonds, ETFs, mutual funds and other public securities or investments. A portfolio is built to diversify holdings and to hold various asset categories in order to manage risk. Once the appropriate portfolio has been recommended and selected, it is continuously and regularly monitored and rebalanced. Allocations and/or investments selected can be changed to reflect current market and economic conditions and portfolios can change as a client's goals and needs change. We are your financial back office and provide personal service and ongoing comprehensive financial advice. We also are a financial coach to our clients, helping to protect their portfolios from emotional reactions. This benefit is hard to quantify but can make a big difference in accomplishing client financial-life goals.

Documentation:

To participate in our Wealth Management Service, clients will complete a profile form and will sign an advisory agreement. Appropriate account forms will be completed to open and transfer accounts to our account custodian, Charles Schwab & Co, Inc. ("Schwab"), a SEC registered broker-dealer. Before account transfer, we will evaluate the existing holdings, associated tax ramifications and attempt to transfer all securities in-kind. We do this because if a security needs to be sold, we can do it without any

costs at Charles Schwab within our Wrap Fee Program, whereas we can't control the costs that a client would incur at a former advisor or broker.

Our Wealth Management Services also include comprehensive financial planning which requires more detailed data gathering, goal identification and necessitate dedicated planning meetings to formulate and execute a financial plan.

Financial Planning Services may include the following as needs dictate:

- Retirement Planning. Goal oriented to create cash flow in retirement.
- Estate Planning. Document and plan your wealth wishes.
- Tax Planning. Taxes reduce your wealth.
- Elder Care Planning. How do you pay for care?
- College Planning. How do you pay for college?
- Insurance Planning. Mitigate and manage risks using insurance.
- Charitable and Legacy Giving Planning. Match your passion to your generosity.
- Budgeting and financial statements. Make sense of your finances.
- Business Needs. Many of our clients are business owners, like us.

Financial Planning is a collaborative process that helps maximize a Client's potential for meeting life goals through Financial Advice that integrates relevant elements of the Client's personal and financial circumstances. Planning is only successful if we and our clients work together. Our 7-step financial planning process is:

1. Learn about You
2. Identify and Select Goals
3. Map out the Plan
4. Develop Recommendations
5. Present the Plan
6. Implement the Plan
7. Monitor and Update the Plan

A key component of our investment philosophy is minimizing investment expenses. One potential investment expense is trading costs and commissions which can occur as a function of managing the investments in a client account and when performing rebalancing or tax-loss harvesting. Skyline Advisors addresses this expense by offering a wrap fee program where instead of the client paying these expenses, they are included in the Skyline Advisors advisory fee. In order to compensate the account custodian for these expenses, Skyline Advisors pays an asset-based fee on chargeable assets in a client account(s) for Asset Based Pricing ("ABP") or pays the actual transaction costs incurred in the client account(s) for Transaction Based Pricing ("TBP"). This allows Skyline Advisors to manage, rebalance and perform tax-loss harvesting in a client account(s) without incurring transaction costs, which can add up to a substantial amount over time. The wrap fee also includes financial planning, advice and coaching costs. We do not charge extra for these services. If a client chooses to forgo participation in the wrap fee program, the custodial transaction costs will be paid by the client. Depending on the client's account or portfolio trading activity, clients may pay more for using our wrap fee services than they would for using our non-wrap services.

Our recommended custodian, Charles Schwab & Co., Inc. ("Schwab") does not charge transaction fees for U.S. listed equities and exchange traded funds. Since we pay the transaction fees charged by the custodian to clients participating in our wrap fee program, this presents a conflict of interest because we are incentivized to recommend equities and exchange traded funds over other types of securities. We

mitigate this conflict by acting in our client's best interest when selecting securities that are appropriate for investment portfolios.

Cost for Services -Advisory Fee Schedule

Skyline Advisors' services include investment management and financial planning and all transaction costs wrapped into one advisory fee. Skyline Advisors provides an array of services to clients with different needs, household account balances and in different locales. As such, the cost for our service will vary from client to client. This service requires an initial \$250,000 minimum aggregate account balance, subject to negotiation. Annualized fees are billed on a pro-rata basis quarterly in advance based on the value of the account(s) on the last day of the previous quarter. Fees are negotiable and will be deducted from client account(s). Households with aggregate account balances less than \$250,000 generally pay a minimum quarterly fee of \$1,000, which is an annualized \$4,000. Households with aggregate balances above \$250,000 generally have quarterly advisory fees that range from 0.375% down to 0.0875% of assets under management, or lower as determined on a client by client basis. Skyline Advisors does not charge an advisory fee on certain accounts advised upon, but not managed or on certain non-managed emergency funds. Fees to be assessed will be outlined in the advisory agreement to be signed by the Client. Adjustments will be made for deposits and withdrawals during the quarter. In rare cases, our firm will agree to directly invoice. As part of this process, Clients understand the following:

- a) The client's independent custodian sends statements at least quarterly showing the market values for each security included in the Assets and all account disbursements, including the amount of the advisory fees paid to our firm;
- b) Clients will provide authorization permitting our firm to be directly paid by these terms. Our firm will send an invoice directly to the custodian; and
- c) If our firm sends a copy of our invoice to the client, it will include a legend urging the comparison of information provided in our statement with those from the qualified custodian.

Other Types of Fees & Expenses:

In addition to our advisory fees above, clients may also pay holdings charges imposed by Charles Schwab for certain investments, expense ratios imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus mark-ups and mark-downs imposed on individual bills, notes and bonds, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Skyline Advisors does not receive any of these fees.

Termination and Refunds:

Either party may terminate the advisory agreement signed with our firm for Wealth Management Services in writing at any time. Upon notice of termination our firm will process a pro-rata refund of the unearned portion of the advisory fees charged in advance.

Wrap Fee Program Recommendations:

Our firm does not recommend or offer the wrap program services of other providers.

Item 5: Account Requirements & Types of Clients

Our requirements for opening and maintaining accounts or otherwise engaging us:

- Our firm requires a minimum aggregate account balance of \$250,000 for our Wealth Management service. This minimum aggregate account balance requirement is negotiable.

Our firm has the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans.

Item 6: Portfolio Manager Selection & Evaluation

Selection of Portfolio Managers:

Our firm utilizes our in-house portfolio managers as well as a selection of outside portfolio managers. In-house accounts are managed by licensed investment adviser representatives ("IARs") of our firm. Prior to becoming licensed with our firm, each IARs industry experience, licensure, outside business activities, client complaints (if any), disciplinary or regulatory history (if any) and financial well-being will be reviewed. Each IAR will then have a Form U4 and ADV Part 2B on file with our firm. Outside portfolio managers, either individually or firm-wide, are selected based on past performance, investment philosophy, market outlook, experience of associated portfolio managers and executive team, disciplinary, legal and regulatory histories of the firm and its associates, and/or whether compliance procedures are in place to address at a minimum, insider trading, conflicts of interest, and/or anti-money laundering.

Advisory Business:

Skyline Advisors provides a Wrap Fee Program which includes the services noted in Item 4 of this brochure. This service includes financial planning, investment management and investment advice bundled with brokerage expenses all wrapped within one advisory fee.

As part of this service, a client may place reasonable restrictions on their investment selection. For example, a client may own or choose to own certain investments that they have a special interest in, but that are not included in the Skyline Advisors portfolios. This can include inherited stock positions, positions in low cost-basis securities and employer stock.

Participation in Wrap Fee Programs:

Skyline Advisors offers our Wrap Fee Program to all advisory clients, which are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not offer non-wrap fee accounts.

Performance-Based Fees & Side-By-Side Management:

Our firm does not charge performance-based fees.

Methods of Analysis, Investment Strategies & Risk of Loss:

Skyline Advisors believes that your investment portfolio should be designed and built on a foundation of academic research where investment principles are applied with discipline and focus on your Investment

Plan. In an investment landscape where headline news, emotional reactions, conflicted advice and a multitude of choices create confusion, errors and mistrust, Skyline Advisors will provide a long-term perspective with objective and informed Fiduciary Advice.

This is accomplished through a collaborative effort between Client, Skyline Advisors and other trusted Professionals. You educate us on your current financial profile, existing resources, investment time horizon, financial goals and tolerance for risk and an Investment Plan is developed, an investment strategy is selected and investment choices are made in accordance to your Goals.

Our Investment Philosophy is expressed by our Core Investment Beliefs and Principles

- We believe that market timing is futile and we do not predict the near future and do not know what the stock market will do tomorrow or even this year, but do believe that a long term investment perspective is fundamental to maximizing stock portfolio performance.
- We believe that minimizing investment expenses is paramount to building wealth.
- We believe that the power of compounding interest over time and a generous savings discipline are essential to reaching your goals.
- We believe that investment choices should be based on foundational research, not trendy strategies.
- We believe that complex investment strategies or products rarely benefit the client. Skyline Advisors will use research and experience to make common sense decisions on behalf of our clients.
- We believe that investing can be fraught with emotions, resulting in impulsive decisions that may negatively impact your Plan. Skyline Advisors can help you maintain perspective and navigate through tumultuous times.

Portfolios are built on academic research including Modern Portfolio Theory which is based on research by the Nobel Prize winning economist, Harry Markowitz. This theory is about balancing risk and reward using a mathematical model and optimizing performance for different levels of risk. Other research used to formulate an investment portfolio includes research on asset allocation and diversification, investment risks, efficient markets and behavioral science.

Portfolios are designed to include passive index funds that seeks to replicate an established index of holdings and may include active funds where a fund manager is selecting the individual holdings and adjusting them according to an objective. Holdings can include mutual funds, exchange-traded-funds and individual stocks and bonds. **We are not beholden to any proprietary funds and can select from any investment that is in the best interest of our clients.**

Portfolios are monitored and rebalanced to bring the asset allocation back to a target in order to reduce risks.

Portfolios are managed by Skyline Advisors' Investment Committee which meets to discuss the allocation and the holdings in the context of the current market and economic environment and to agree on any changes. Changes may include replacing holdings, adding to or reducing holdings, or adjusting the asset allocation within the risk framework. As noted in the Investment Beliefs above, we focus on lowering

investment expenses. We use third-party research from numerous providers in order to provide objective and independent recommendations from resources that have different points of view.

Goals and Planning generate the investment advice we provide. We rely on the information our clients provide us about their financial details and goals. These change over time and we attempt to meet with our clients via teleconference, videoconference or in person at least annually to update information.

Client may also choose to participate in our Sustainable Investment portfolios. We help align our client values with their investments by integrating socially responsible investments into their portfolio. This typically includes ESG Funds which consider environmental impact, social good and include good corporate governance principles. Our Investment Philosophy still applies. We want to select for inexpensive investment options and build a portfolio with various asset categories that diversifies client holdings.

We prefer to invest our advisory client's in the following securities in managing client accounts, provided that such securities are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Individual Stocks
- Individual Bonds including Federal government, municipal and corporate bonds

Please Note: Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask any questions you may have.

Voting Client Securities:

We generally do not accept proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Exceptions will be made on a case by case basis upon firm approval whereby our firm will vote proxies on behalf of clients in accordance with our written policies and procedures, a copy of which can be requested from our Chief Compliance Officer.

Item 7: Client Information Provided to Portfolio Manager(s)

All accounts in our wrap fee program are managed by our in-house licensed IARs. The IAR selected to manage the client's account(s) or portfolio(s) will be privy to the client's investment goals and objectives, risk tolerance, restrictions placed on the management of the account(s) or portfolio(s) and relevant client notes taken by our firm. Please see our firm's Privacy Policy for more information on how our firm utilizes client information.

Item 8: Client Contact with Portfolio Manager(s)

Clients are always free to directly contact Skyline Advisors) with any questions or concerns they have about their portfolios or other matters.

Item 9: Additional Information

Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of our advisory business or the integrity of our management.

Financial Industry Activities & Affiliations

Some representatives of our firm are registered representatives of Purshe Kaplan Sterling Investments, Inc. ("PKS"), member FINRA/SIPC. As such they are able to accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest and gives our firm and/or our representatives an incentive to recommend investment products based on the compensation received. Our firm generally addresses commissionable sales conflicts that arise when explaining to clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that "no-load" funds are also available. Our firm does not prohibit clients from purchasing recommended investment products through other unaffiliated brokers or agents.

This service is offered on the rare occasion that a client has a legacy position in an annuity or College Savings Account or other commissionable product that we want to assist and service our client on. We don't generally do any new business in this area and it is less than 3% of our total revenue. It is provided as a convenience and not as a part of our normal service offering to clients. Our advisory accounts do not have commissions. If there are commissions within a product, it only applies to that product and has no effect on the advisory account fees.

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

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts¹. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest without prior disclosure to the client.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

Review of Accounts

Our financial advisors review accounts on at least a quarterly basis for our Wealth Management Services - Wrap clients. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Our firm may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc. Skyline Advisors provides a quarterly performance report to clients within our Wrap Fee Program. Client also receives custodial statements from Schwab.

Custodial Information

Our firm does not maintain custody of client assets (although our firm may be deemed to have custody of client assets if give the authority to withdraw assets from client accounts as described in Item 15 Custody, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. Our firm recommends that clients use the Schwab Advisor Services division of Charles Schwab & Co. Inc. ("Schwab"), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Our firm is independently owned and operated, and not affiliated with Schwab. Schwab will hold client assets in a brokerage account and buy and sell securities when instructed. While our firm recommends that clients use Schwab as custodian/broker, clients will decide whether to do so and open an account with Schwab by entering into an account agreement directly with them. Our firm does not open the account. Even though the account is maintained at Schwab, our firm can still use other brokers to execute trades, as described in the next paragraph.

¹ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

How Brokers/Custodians Are Selected

Our firm seeks 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.

A wide range of factors are considered, including, but not limited to:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- availability of investment research and tools that assist in making investment decisions quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- prior service to our firm and our other clients
- availability of other products and services that benefit our firm, as discussed below (see “*Products & Services Available from Schwab*”)

Custody & Brokerage Costs

Non-Wrap Client accounts will be charged transaction fees, commissions or other fees on trades that are executed or settle into the client’s custodial account. Transaction fees may be charged based on a percentage of the dollar amount of assets in the account(s). These fees are negotiated with Schwab and are generally discounted from customary retail commission rates. This benefits clients because the overall fee paid is often lower than would be otherwise. Schwab does not charge transaction fees for U.S. listed equities and exchange traded funds.

Clients participating in our Wrap Fee Program have most custody and brokerage costs waived with few exceptions as noted in the Wrap Fee Program Brochure. Please contact us for details. Schwab is compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. Schwab charges a flat dollar amount as a “prime broker” or “trade away” fee for each trade that our firm has executed *by a different* broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Because of this, in order to minimize client trading costs, our firm has Schwab execute most trades for the accounts.

Products & Services Available from Schwab

Schwab has more than 20 years of experience serving independent advisors. Schwab was a pioneer in the business of exclusively serving independent, fee-based investment advisors and their clients. By using Schwab as a primary custodian, Skyline Advisors has access to a wide range of products and services that help us serve our clients, including:

- Full range of investment products and services
- Technology and service support
- Wide array of investment account types including retirement accounts, charitable giving and education accounts

- Full range of investment options such as stocks, mutual funds, bonds, exchange traded funds, CDs and other investments.
- Separately managed account services for those who want to leverage the expertise of institutional-caliber money managers who specialize in particular investment styles.
- Technology and service support so investors can access all their accounts online and view positions, balances and account histories in one place.

Some of those services help manage or administer our client accounts while others help manage and grow our business. Schwab's support services are generally available on an unsolicited basis (our firm does not have to request them) and at no charge to our firm. The availability of Schwab's products and services is not based on the provision of particular investment advice, such as purchasing particular securities for clients. Here is a more detailed description of Schwab's support services:

Services that Benefit Clients

Schwab'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 Schwab include some to which our firm might not otherwise have access or that would require a significantly higher minimum initial investment by firm clients. Schwab's services described in this paragraph generally benefit clients and their accounts.

Services that May Not Directly Benefit Clients

Schwab also makes available other products and services that benefit our firm but may not directly benefit clients or their accounts. These products and services assist in managing and administering our client accounts. They include investment research, both Schwab's and that of third parties. This research may be used to service all or some substantial number of client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);
- facilitates trade execution and allocate 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, recordkeeping and client reporting.

Services that Generally Benefit Only Our Firm

Schwab also offers other services intended to help manage and further develop our business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

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

Irrespective of direct or indirect benefits to our client through Schwab, our firm strives to enhance the client experience, help clients reach their goals and put client interests before that of our firm or associated persons.

Our Interest in Schwab's Services.

The availability of these services from Schwab benefits our firm because our firm does not have to produce or purchase them. Our firm does not have to pay for these services, and they are not contingent upon committing any specific amount of business to Schwab in trading commissions or assets in custody.

In light of our arrangements with Schwab, a conflict of interest exists as our firm may have incentive to require that clients maintain their accounts with Schwab based on our interest in receiving Schwab's services that benefit our firm rather than based on client interest in receiving the best value in custody services and the most favorable execution of transactions. As part of our fiduciary duty to our clients, our firm will endeavor at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by our firm or our related persons creates a potential conflict of interest and may indirectly influence our firm's choice of Schwab as a custodial recommendation. Our firm examined this potential conflict of interest when our firm chose to recommend Schwab and have determined that the recommendation is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Although our firm will seek competitive rates, to the benefit of all clients, our firm may not necessarily obtain the lowest possible commission rates for specific client account transactions. Our firm believes that the selection of Schwab as a custodian and broker is the best interest of our clients. It is primarily supported by the scope, quality and price of Schwab's services, and not Schwab's services that only benefit our firm.

Client Referrals

Our firm does not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

Financial Information

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.

Please contact Skyline Advisors if you have questions about this ADV brochure at 360-671-1621 or at info@myskylineadvisor.com.