

Item 1: Cover Page

Layline Advisors, LLC

Form ADV Part 2A – Firm Brochure

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www.laylineadvisors.com

Dated December 3, 2021

This Brochure provides information about the qualifications and business practices of Layline Advisors, LLC, “Layline”. If you have any questions about the contents of this Brochure, please contact us at (585) 210-8222. 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.

Layline Advisors, LLC is registered as an Investment Adviser with the SEC. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Layline is available on the SEC’s website at www.adviserinfo.sec.gov which can be found using the firm’s identification number 285136.

Item 2: Material Changes

Since our previous Annual ADV Update filing on 1/4/2021, Layline has the following material changes to report:

- Matthew Lechner is now an advisor with the firm.
- We have updated Item 5 to disclose that any fees incurred in connection with the use of third party managers are not included in our table of advisory fees under Investment Management Services and will be agreed to in the third party manager's investment management agreement.

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each client annually and if a material change occurs in the business practices of Layline Advisors, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 285136.

You may also request a copy of this Disclosure, by contacting us at (585) 210-8222 or by visiting www.laylineadvisors.com.

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Item 4: Advisory Business

Description of Advisory Firm

Layline Advisors, LLC is registered as an Investment Adviser with the SEC. We were founded in July of 2016. Mark Wyand is the majority owner of Layline (85%) and Alesco Advisors, LLC is a minority owner (15%). Layline currently reports \$37,298,000 in Discretionary, and \$6,829,000 in Non-discretionary Assets Under Management, as of 1/1/2021.

Types of Advisory Services

Investment Management Services

We are in the business of managing individually tailored investment portfolios. Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background. In addition to the portfolio management we perform for clients, in certain circumstances we employ the use of third party money managers to handle portfolio management for Separately Managed Accounts as part of the client's investment plan.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. Fees pertaining to this service are outlined in Item 5 of this brochure.

Comprehensive Financial Planning

This service involves working one-on-one with a planner over an extended period of time. By paying a quarterly retainer, clients get continuous access to a planner who will work with them to design their plan. The planner will monitor the plan, recommend any changes and ensure the plan is up to date.

Upon desiring a comprehensive plan, a client will be taken through establishing their goals and values around money. They will be required to provide information to help complete the following areas of analysis: net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning. Once the client's information is reviewed, their plan will be built and analyzed, and then the findings, analysis and potential changes to their current situation will be reviewed with the client. Clients subscribing to this service will receive a

written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. If a follow up meeting is required, we will meet at the client's convenience. The plan and the client's financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

Financial Planning

We provide financial planning services on topics such as retirement planning, risk management, college savings, cash flow, debt management, work benefits, and estate and incapacity planning.

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. Clients are under no obligation to utilize the services of any referred by our firm. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile. We assist clients with an assessment of insurance needs, and review of current policies to see if needs are met. In the event additional insurance coverage is needed, we assist clients in shopping for insurance through third-party providers. We have no service agreements with any third-party provider and receive no compensation for any insurance recommendation. In the event a recommendation is made, clients have no obligation to utilize the services recommended.

- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. Clients are under no obligation to utilize the services of any accountants or attorneys referred by our firm. We will participate in meetings or phone calls between you and your tax professional with your approval.

Pension Consulting Services

Layline provides pension consulting services in the form of advisory and financial planning services to plan administrators of 401(k) plans. Layline advises on selection of plan managers and third-party administrators and provides ongoing consulting to the company's fiduciaries as well as quarterly meetings to discuss the performance of the plan. Additionally, Layline is available to assist employees in enrollment in the plan and answer questions related to the available investments.

In providing Pension Consulting Services, our firm does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, "Excluded Assets").

All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and our firm accepts appointments to provide services to such accounts, our firm acknowledges its fiduciary standard within the meaning of Section 3(21) or 3(38) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

Layline primarily utilizes Vestwell Advisors, LLC for its Employee Benefit Plan Services. Vestwell Advisors, LLC, a 3(38) and 3(21) SEC registered investment advisory firm, is a wholly owned subsidiary of Vestwell Holdings, Inc., specializing in 401(k) and other defined contribution retirement investment management services. Vestwell assumes 3(38) and 3(16) fiduciary responsibility on the behalf of advisors and firms.

Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Wrap Fee Programs

We provide a wrap fee program, which is outlined in detail within the Form ADV Part 2A Appendix 1. Wrap fee program accounts are the only type of discretionary accounts we manage, for which we receive a portion of the wrap fee for our service.

Non-discretionary account options are available for clients who wish to have accounts remain self-directed, but allow our firm to assist in the execution of trades.

Item 5: Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

Investment Management Services

Our standard advisory fee is based on the market value of the assets under management, net of cash and any excluded assets pre-determined by the client and adviser, and is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$500,000	1.25%
\$500,001 - \$1,000,000	1.00%
\$1,000,001 - \$1,500,000	0.75%
\$1,500,001 and Above	0.50%

The annual fees are negotiable and are pro-rated and paid in arrears on a quarterly basis. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart, based on the average daily balance of the account throughout the quarter. For example, an account valued at \$1,500,000 would pay an effective fee of 1.00% with the annual fee of \$15,000. The quarterly fee is determined by the following calculation: $((\$500,000 \times 1.25\%) + (\$500,000 \times 1.00\%) + (\$500,000 \times 0.75\%)) \div 4 = \$3,750$.

The average daily balance is calculated by taking the sum of your account balance, net of cash and any excluded assets, at the end of each day of the billing cycle divided by the number of days in the billing cycle. As your adviser, we maintain, or have prompt access to, a record of your account balance for each

day in the billing cycle. We will provide that information to you upon request. No increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement. Any assets held in fee-paying accounts but not managed by the adviser will be marked as excluded within the client advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no rebate will be needed upon termination of the account. Any prorated amount will be calculated and billed to the client for payment.

Financial Planning Fee

Financial Planning will generally be offered on a fixed fee basis. The fixed fee will be agreed upon before the start of any work. The standard fixed fee will be billed in advance at a rate of \$500.00 on a quarterly basis. There is a minimum one-year commitment to all planning agreements. The fee is negotiable. Layline will not bill an amount above \$500.00 more than 6 months in advance.

Financial Planning billing and fee collection is handled through PaySimple.com.

Pension Consulting Services

Our standard advisory fee is a blended rate based on the market value of plan assets under management and is calculated as follows:

Account Value	Annual Advisory Fee
\$0 - \$5,000,000	0.50%
\$5,000,001 - \$7,000,000	0.40%
\$7,000,001 - \$12,000,000	0.30%
\$12,000,001 and Above	0.20%

Clients will be billed on a quarterly basis in arrears and based on the value of plan assets as of market close on the last day of the quarter. For example, a plan valued at \$7,000,000 would pay an effective fee of roughly .4715% with the annual fee of \$33,000. The quarterly fee is determined by the following calculation: $((\$5,000,000 * .5\%) + (\$2,000,000 * .4\%)) \div 4 = \$8,250$.

An agreement may be terminated with written notice at least 30 calendar days in advance. Fees will be debited directly from the Plan Assets. Since fees are paid in arrears, upon termination, no refund will

be due. Any prorated amount will be calculated and billed to the client for payment. Please note, the above listed fee schedule does not include fees from other service providers.

Other Types of Fees and Expenses

For clients that utilize our Non-discretionary Investment Management services, our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

For clients that utilize our Discretionary Investment Management Services, our fees are inclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. (See Form ADV Part 2A Appendix 1 - Wrap Brochure). In cases where we employ the use of third party money managers as part of the client's investment plan, any fees owed to those third parties for their management services are in addition to our advisory fees disclosed in the above table(s). Clients with accounts that are managed by these third parties will enter into an investment management agreement with the third party manager that discloses the additional management fees.

Our custodian may offer mutual fund share classes that are free to transact but carries a higher internal expense for the client. This creates a conflict of interest. It is our firm policy that we will always purchase the share class with the lowest cost for the client, regardless of the cost for us to transact.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

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

We do not offer performance-based fees.

Item 7: Types of Clients

We provide financial planning and portfolio management services to individuals, high net-worth individuals, pension and profit sharing plans. We do not have a minimum account size requirement.

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

When clients have us complete an Investment Analysis (described in Item 4 of this brochure) as part of their financial plan, our primary methods of investment analysis are fundamental, technical, cyclical and charting analysis.

Fundamental Analysis involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Technical Analysis involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

Cyclical Analysis is a type of technical analysis that involves evaluating recurring price patterns and trends based upon business cycles. Economic/business cycles may not be predictable and may have many fluctuations between long term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in

predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Charting Analysis involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends. Charts may not accurately predict future price movements. Current prices of securities may not reflect all information about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Passive Investment Management

We primarily practice passive investment management. Passive investing involves building portfolios that are comprised of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

Material Risks Involved

All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear. Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

Market Risk: Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

Strategy Risk: The Adviser's investment strategies and/or investment techniques may not work as intended.

Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

Inflation: Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

Common Stocks may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

Corporate Bonds are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero-coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

Municipal Bonds are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

Options and Other Derivatives carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the

option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

Exchange Traded Funds prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

Investment Companies Risk. When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which clients invest.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Layline or the integrity of our management.

Criminal or Civil Actions

Layline and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

Layline and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

Layline and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of Layline or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Layline is an independent firm, without material industry affiliations. Neither the firm nor its employees are registered or have pending registrations as: a broker-dealer, a futures commission merchant, a commodity pool operator, or a commodity trading advisor.

Alesco Advisors, LLC, an independent investment adviser without any material industry affiliations, owns 15% of Layline Advisors, LLC.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.

- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

We will, upon request, promptly provide a complete code of ethics.

Our firm and its "related persons" (associates, their immediate family members, etc.) may buy or sell securities the same as, similar to, or different from, those we recommend to clients for their accounts. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client. Clients often have different objectives and risk tolerances. At no time, however, will our firm or any related party receive preferential treatment over our clients.

In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific securities transactions. To avoid circumstances of front-running client trades, at times of rebalancing or transacting in client accounts, advisors are prohibited from transacting in the same holdings. Additionally, before any transaction is made in personal accounts, advisors must check with the restricted securities list. Any exceptions or trading pre-clearance must be approved by our Chief Compliance Officer in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

Additionally, Layline requires adherence to its Insider Trading Policy, and the CFA Institute's Asset Manager Code of Professional Conduct and Code of Ethics and Standards of Professional Conduct.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

Layline does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to client based on their need for such services. We recommend custodians based on the reputation and services provided by the firm.

1. Research and Other Soft-Dollar Benefits

Layline does not obtain any soft dollar benefits from any broker-dealer custodians. A soft dollar arrangement refers to an established agreement between an investment adviser and a broker-dealer

that would encourage the adviser to direct trades to the broker-dealer in exchange for services intended for the benefit of the adviser's clients. Although this is a common industry practice, we do not participate in this type of arrangement.

2. Brokerage for Client Referrals

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

We do recommend a specific custodian for clients to use, however, should clients choose to custody at a different custodian, we will accommodate the client to the extent possible. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transaction and this may cost clients money over using a lower-cost custodian.

The Custodian and Brokers We Use (TD Ameritrade)

Layline participates in TD Ameritrade's institutional customer program and may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Layline's participation in the program and the investment advice it gives to its clients, although Layline receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Layline participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Layline by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Layline's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Layline but may not benefit its client accounts. These products or services may assist Layline in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Layline manage and further develop its business enterprise. The benefits received by Layline or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Layline endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Layline or its related

persons in and of itself creates a potential conflict of interest and may indirectly influence Layline's choice of TD Ameritrade for custody and brokerage services.

Aggregating (Block) Trading for Multiple Client Accounts

Whenever possible, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment. When orders are not aggregated, for example as a result of the timing of required trades or market liquidity limitations, there may be a cost incurred by the clients in the form of unfavorable transacted security prices.

Item 13: Review of Accounts

Client accounts with the Investment Management Service will be reviewed regularly on a quarterly basis by our firm. During the regular review the account's performance is compared against like managed accounts to identify any unacceptable performance deviation. Additionally, reasonable client-imposed restrictions will be reviewed to confirm that they are being enforced. Events that may trigger a special review would be unusual performance, addition or deletions of client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per client's needs.

Financial plans will be reviewed on an annual basis, making sure all aspects of plans, as defined by CFP curriculum, are still in line with established goals and target outcomes.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

Layline will provide written reports to all clients who pay for Investment Management services on a quarterly basis. We urge clients to compare these reports against the account statements they receive from their custodian.

Item 14: Client Referrals and Other Compensation

We do not receive any economic benefit, directly or indirectly from any third party for advice rendered to our clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.

We receive a non-economic benefit from TD Ameritrade in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at TD Ameritrade. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices). The availability to us of TD Ameritrade's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

Item 15: Custody

Layline does accept custody of client funds, only for the withdrawal of client fees and the use of Standing Letters of Authorization.

For client accounts in which Layline directly debits their advisory fee:

- i. Layline will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The client will provide written authorization to Layline, permitting them to be paid directly for their accounts held by the custodian.

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16: Investment Discretion

Layline offers Investment Management services on both a discretionary, and non-discretionary basis. For those client accounts where we provide investment management services, on a non-discretionary

basis, we do not exercise discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. The client must authorize all purchase and sell transactions prior to execution. This service is clearly notated on the investment advisory agreement.

For those client accounts where Layline provides investment management services on a discretionary basis, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney which will grant our firm discretion over the account.

Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client. This service is clearly notated on the investment advisory agreement.

Item 17: Voting Client Securities

The Adviser does not vote Client proxies. Employees do hold securities in their personal accounts and therefore can vote proxies on their own shares. This creates the potential for a conflict of interest as an employee of the firm may vote contrary to the interests of our clients. Therefore, we have established voting policies & procedures. Our proxy voting policies & procedures are available to all clients upon request. Clients may have the ability to forward voting proxies to our firm or contact us at the number listed on the cover of this brochure for guidance or questions regarding proxy voting on their securities. Clients may obtain information about how we voted on their securities by contacting us at the number listed on the cover of this brochure.

Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We have custody of client funds or securities due to direct fee deduction from client accounts and the use of Standing Letters of Authorization. We do not require or solicit prepayment of more than \$500 in fees per client six months in advance.

Item 19: Information Regarding Firm Compliance Officer and Principal

Principals and Associates

Mark Wyand is the CEO/CCO and majority owner of Layline Advisors, LLC. Alesco Advisors, LLC is a minority owner of Layline. A description of their education and business background is included in the brochure supplement, Form ADV Part 2B, which is provided to clients at the commencement of any relationship. Clients can also request a copy at any time by contacting us at number provided on the cover page of this document or by visiting us at www.laylineadvisors.com.

Other Business Activities

Neither Layline, nor its associates, are involved with outside business activities.

Performance Based Fees

Please refer to Item 6 of this brochure.

Material Disciplinary Disclosures

No management person at Layline has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

Material Relationships That Management Persons Have with Issuers of Securities

Neither Layline, nor its associates, have any relationship or arrangement with issuers of securities.