

**FORM ADV PART 2A  
DISCLOSURE BROCHURE**

Nicollet

EST.



1971

INVESTMENT MANAGEMENT, INC.

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This brochure provides information about the qualifications and business practices of Nicollet Investment Management, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 612-915-3033 and/or by email at [kathyc@nicolletinvest.com](mailto:kathyc@nicolletinvest.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 Nicollet Investment Management, Inc. (CRD #109401) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**MARCH 8, 2021**

## **Item 2: Material Changes**

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### **Annual Update**

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

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### **Material Changes since the Last Update**

This update is in accordance with the required annual update for Investment Advisors. Since the last filing of this brochure on June 25, 2020 the following has changed:

- Item 4 has been updated to disclose the current assets under management.
  - Item 5 has been updated to disclose the updated fees.
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### **Full Brochure Available**

This Firm Brochure being delivered is the complete brochure for the Firm.

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

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### **Firm Description**

Nicollet Investment Management, Inc. ("Nicollet") was established in 1971 in Minneapolis, Minnesota. Mark C. Hoonsbeen is the Principal of Nicollet.

Nicollet's investment services and fees are charged for the work done in structuring and managing portfolios of stocks and bonds for clients. The portfolios may be 100% individual stocks, 100% individual bonds, 100% exchange traded funds or similar security, 100% mutual funds, or a blend of individual stocks, bonds, exchange traded funds (or similar security), and mutual funds. Most of our clients will have their portfolio managed using individual stocks and bonds in some blend.

Nicollet also offers the option to do financial planning with or without investment management. This includes cash flow, retirement, education, estate planning and financial goal analysis.

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### **Types of Advisory Services**

#### Investment Management Services Offered

Nicollet has two internally managed stock strategies.

One is a large capitalization growth stock strategy that primarily invests in companies whose market capitalization is greater than \$10 Billion. This strategy is diversified by both owning at least 20 individual companies, but more typically by holding 30 to 40 individual company stocks. The strategy is also diversified in that we select companies in a broad range of economic sectors and industries.

Nicollet also manages a mid-to-small capitalization growth stock strategy. This strategy primarily invests in companies whose market capitalization is less than \$10 Billion. This strategy adheres to the same criteria on diversification (discussed above) as does our large capitalization growth stock strategy.

Nicollet offers an alternative method for clients to have their money invested in stocks using mutual funds or exchange traded funds. Typically the investments used in this strategy employ an indexed approach to investing. Clients of Nicollet who prefer to have their stock investments managed in funds are subject to a different fee structure than those investing in individual stocks.

Nicollet also buys fixed income securities for its clients. Unlike our stock strategies where clients using one or both of our stock strategies would typically be invested in a similar portfolio of holdings, our bond strategy does not seek to own the same securities in each client's portfolio. Nicollet's fixed income strategy is to customize a fixed income portfolio for each client based on the client's circumstances, including their cash requirements, need to preserve the value of their portfolio, income tax rates, and/or other criteria specific to the client. In our fixed income strategy, we take into consideration general conditions in the fixed income market that may influence our decisions on purchases or sales of fixed income securities in all clients' accounts. Our fixed income strategy will examine and consider all fixed income securities in the market when making decisions for

clients. These securities include: securities issued by Governmental bodies (all levels of government), securities issued by agencies of Governmental bodies, securities issued by corporations, securities issued by limited partnerships. Typically, we will not consider for investment any fixed income security that is not at least of investment grade rated (BBB- or Baa) by the major credit reporting agencies. However, in limited cases, we may have in a client's account a security with a rating below investment grade.

Nicollet works with each of our clients to establish the appropriate mix of stocks and bonds in that client's portfolio. We do not charge a separate fee for this service when the client hires us for our Investment Management Service. Typically, that mix is established for the client's entire portfolio, which includes investment accounts that Nicollet manages and the client's accounts that we may not manage (in those cases where Nicollet does not manage the client's entire portfolio of accounts). The decision on the appropriate mix will establish for the client, the amount or percentage the client will hold in subclasses of securities like large capitalization stocks versus mid-to- small capitalization stocks. The target mix of investments is established through discussions with the client regarding their goals and needs for their investments and is used by Nicollet as a general guide for allocating investments in the client's accounts.

Reviews of client holdings of stocks and bonds and comparisons to original targets are an ongoing part of our operations. The original targeted weighting of stocks and bonds is meant to set initial targets and we fully expect those weightings to change and communicate this to our clients.

Some clients of Nicollet may not wish to consult with us on the mix in their investment portfolio but instead make those decisions without consultation with Nicollet. In these instances, the client may either have another adviser assisting them in making these decisions or choose to make those decisions themselves. In these instances, we will rebalance the weighting between stocks and bonds, or in other ways, whenever the client requests.

In those cases where Nicollet is asked to assist with the determination of the mix of stocks and bonds in the client's accounts, those choices are reviewed each time we meet with the client, or whenever the client asks us to review those choices. Our client's accounts are also reviewed when individual investment decisions are being made, anytime a significant deposit of cash or securities occurs in the client's account(s), or periodically as part of a general review of all client accounts.

For some of our clients, they may have accounts which are too small to efficiently purchase a portfolio of individual stocks and are accounts whose purpose is distinct from the goals of the client's other accounts. A typical example of this is an account held for children to fund college expenses. In these cases, we may recommend the account be managed using an exchange traded fund (ETF) or a mutual fund where the appropriate investment strategy, because of the small size of the account, can be implemented more cost effectively using that type of security.

In other cases, for instance, clients who own a business and the account we are managing is a retirement plan, we may also offer ETFs or mutual funds as investment options for

the client.

When hired for our Investment Management Service, Nicollet handles the day-to-day management of its clients' accounts by making decisions on buying, selling, or holding securities in our clients' accounts. Our clients' security holdings are not held at Nicollet (we do not custody accounts). Instead, our clients custody their securities at a separate firm, typically a broker/dealer such as Charles Schwab or TD Ameritrade (custody agent).

To perform Investment Management Services for our clients' accounts, Nicollet has the authority through its agreement with the client, to make purchases or sales of securities in the clients' accounts held at the custody agency. Based on its agreement with clients, we do not contact the client prior to making a purchase or sale decision in the client's account as the client has granted us authority to make those decisions without consultation.

In addition to assisting clients in determining the proper mix of stocks and bonds in their accounts and managing those accounts, we may also assist clients with advice on other financial matters. Clients of Nicollet often ask for our opinion on matters that include: debt and debt refinance, the need for insurance, financing decisions surrounding large expenditures, and other financial matters that families or businesses face. We provide advice and perspective on these matters when asked, but do not hold ourselves out to be experts in all matters outside of structuring and managing investment portfolios. When a client's question requires the assistance of an expert in the field in which the question is being asked, we will suggest the client consult with an expert. If asked by the client, we have participated with our clients in conversations on matters outside Nicollet's expertise solely on the client's direction and desire that we either help them frame their questions or provide our opinions on the expert's recommendation.

Nicollet also works with clients on matters pertaining to their potential income taxes but does not charge a fee for this service when the client has hired Nicollet for our Services. Typically, towards the end of each year we will contact our clients (or in some cases their accountant) who have taxable accounts under our management. We will discuss with those clients realized gains and losses which are taxable. To the extent that Nicollet is directed by the client (or their accountant) to minimize gains or losses, or maximize gains or losses, based on the client's (or their accountant's) assessment of their need for such gains or losses, and to the extent there are unrealized gains or losses in the client's taxable accounts that allow us to comply with those instructions, we will execute sales of securities solely for the purpose of recognizing gains or losses to assist clients in managing their income tax liability.

#### Financial Advisory Service

Nicollet's Financial Advisory Service includes advice from Certified Financial Planner™ Professionals on a broad scope of personal financial planning issues including retirement planning and retirement account management strategies, investment planning and asset allocation strategies, income tax and estate planning, college education finance planning, and wealth transfer planning. Our advice is always tailored



to meet the specific needs and circumstances of each client. Services are offered using client consultations and company generated written reports that may include advice about investment securities including individual equity and debt securities, mutual funds, exchange traded funds, fixed and variable annuities, unit investment trusts and direct participation programs.

Financial Advisory services are offered on a flat fee scale based on clients' proximity to retirement and complexity of their personal financial picture. These services are offered without requirement to engage in investment management services.

#### ERISA PLAN SERVICES

Nicollet provides service to qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit sharing plans, cash balance plans, and deferred compensation plans. Nicollet may act as either a 3(21) and/or 3(38) advisor:

**Limited Scope ERISA 3(21) Fiduciary.** Nicollet may serve as a limited scope ERISA 3(21) fiduciary that can advise, help and assist plan sponsors with their investment decisions on a non-discretionary basis. As an investment advisor Nicollet has a fiduciary duty to act in the best interest of the Client. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using Nicollet can help the plan sponsor delegate liability by following a diligent process.

#### 1. Fiduciary Services are:

- Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options. Nicollet acknowledges that it is a fiduciary as defined in ERISA section 3 (21) (A) (ii).
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
- Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5) and 404(a)-5.
- Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

#### 2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Nicollet's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Nicollet is not providing fiduciary advice as defined by ERISA 3(21)(A)(ii) to the Plan participants. Advisor will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Nicollet may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Advisor and Client.

3. Nicollet has no responsibility to provide services related to the following types of assets ("Excluded Assets"):
  - Employer securities;
  - Real estate (except for real estate funds or publicly traded REITs);
  - Stock brokerage accounts or mutual fund windows;
  - Participant loans;
  - Non-publicly traded partnership interests;
  - Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
  - Other hard-to-value or illiquid securities or property.

**ERISA 3(38) Investment Manager.** Nicollet may also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets. Nicollet would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

1. Fiduciary Services are:

- Nicollet has discretionary authority and will make the final decision regarding the initial selection, retention, removal and addition of investment options in accordance with the Plan's investment policies and objectives.
- Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
- Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan.
- Provide discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

2. Non-fiduciary Services are:

- Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands that Nicollet's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Nicollet is not providing fiduciary advice as defined by ERISA to the Plan participants. Nicollet will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Nicollet may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Nicollet and Client.

3. Nicollet has no responsibility to provide services related to the following types of assets ("Excluded Assets"):

- Employer securities;
- Real estate (except for real estate funds or publicly traded REITs);
- Stock brokerage accounts or mutual fund windows;
- Participant loans;
- Non-publicly traded partnership interests;
- Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
- Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to Nicollet on the ERISA Agreement. Specific services will be outlined in detail to each plan in the 408(b)2 disclosure

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**Client Tailored Services and Client Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. Agreements may not be assigned without written Client consent.

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**Wrap Fee Programs**

Nicollet does not sponsor any wrap fee programs.

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**Client Assets under Management**

As of December 31, 2020 Nicollet had \$393,766,229 in client assets under management. All assets are discretionary.

## **Item 5: Fees and Compensation**

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### **Method of Compensation and Fee Schedule**

#### Investment Management Services

Nicollet's fee schedule for clients using our active stock investment strategies:

Stock Portfolio Management:

\$250,000 to \$5,000,000	1.10% annually
\$5,000,001 to \$10,000,000	1.00% annually
\$10,000,001 to \$20,000,000	0.90% annually
\$20,000,001 to \$50,000,000	0.75% annually
Over \$50,000,000	0.55% annually

(Minimum assets \$250,000 per equity product)

Fixed Income Portfolio Management: 0.50% annually

Nicollet's fee schedule for client's using mutual funds or ETF's for stock investments and our individual security fixed income management:

Stock Management: 0.50% annually \*

Fixed Income Portfolio Management 0.50% annually

\*This fee is exclusive of the internal fees that might be charged by the mutual funds or ETF's.

Fees are calculated and assessed quarterly for most client's accounts. Some clients have their fees calculated and assessed on an annual basis. Fees are calculated and assessed (whether quarterly or annually), at the beginning of each calendar quarter (or year), based on the market value of the stocks (applying that schedule) and bonds (applying that schedule) at the end of the preceding quarter (or year). Fees are negotiable but most of the Nicollet's clients are billed based on the fee schedules above.

The fees paid by clients quarterly (or annually when assessed in that manner) are paid for the subsequent three, or twelve in the case of annually billed clients, month period. Therefore, our clients pay for our service before the service is rendered. If a client terminates their contract with us, we will refund the unused portion of the fee collected.

With smaller dollar value accounts and in special situations, we may charge a fixed minimum fee and/or assess the fee on an annual basis instead of quarterly. We also waive our fees in certain instances:

Fees may be waived on very small accounts, with the expectation that the contractual fee will be applied once the account reaches a certain dollar value.

We may also, from time to time, enter into agreements with other investment advisors whereby the assets of the client will be managed by the other investment advisory firm. In these instances, we would typically have an agreement in place whereby our firm and the other investment advisor would divide the fee paid by the client according to the agreement.

In all cases where Nicollet has an agreement to divide the fee paid by the client directly to our firm with another unrelated firm, those arrangements are fully disclosed to the client.

Nicollet generally offers a discount or waiver of its standard fee to persons employed by our firm and their immediate families.

No employee of Nicollet will accept compensation for the sale of securities or other investment products.

All Nicollet's investment advisory contracts with clients can be terminated upon thirty (30) day written notice. As stated above, prepaid fees will be refunded for the number of days beyond the 30 day notice for the current fee period.

#### Financial Advisory Services:

In an effort to provide a high quality, repeatable experience for clients, Nicollet uses an annual flat fee. This fee structure is based on historical billing records for clients with varying life circumstances. The biggest advantage to our clients lies in the transparency: Clients know in advance the cost of working with Nicollet for a full year of financial planning services. This fee includes a client's annual review meeting, pre-meeting preparation and analyses, creation of reports and support materials, and access to our team throughout the year for basic questions. Based on client's stage of life, fees reflect the intensity of planning needed as they approach and move into retirement. An initial one-time onboarding fee ranging from \$250-750 will be charged to all new clients to cover initial administrative costs.

Accumulator 10+ Years	Pre-Retirement 3-10 Years	Transition 0-2 Years	Post Retirement
\$1,600	\$2,000	\$2,800	\$2,000

Nicollet offers alternative hourly fee structures at \$250/hour for situational planning such as major changes in family or employment circumstances or unforeseen life changes. Any hourly fees will be billed in arrears on a monthly or on a project-based timeline as mutually agreed upon with a client.

Flat fees are typically billed after our initial planning meeting, covering the 12-month period from signature date on our engagement letter. Clients are encouraged, but not required, to meet on an annual basis to update their plan assumptions, revisit recommendations and implementations.

#### ERISA PLAN SERVICES

The annual fees for ERISA 3(21) services are based on the market value of the Included Assets and will not exceed .50%.

The annual fee for ERISA 3(38) services are based on the following fees:

##### Stock Portfolio Management:

\$250,000 to \$5,000,000	1.10% annually
\$5,000,001 to \$10,000,000	1.00% annually

\$10,000,001 to \$20,000,000	0.90% annually
\$20,000,001 to \$50,000,000	0.75% annually
Over \$50,000,000	0.55% annually

(Minimum assets \$250,000 per equity product)

Fixed Income Portfolio Management: 0.50% annually

Nicollet's fee schedule for client's using mutual funds or ETF's for stock investments and our individual security fixed income management:

Stock Management:	0.50% annually *
Fixed Income Portfolio Management	0.50% annually

The annual fee is negotiable and will be charged as a percentage of the Included Assets. Fees may be charged quarterly or monthly in arrears or in advance based on the assets as calculated by the custodian or record keeper of the Included Assets (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets). If the services to be provided start any time other than the first day of a quarter or month, the fee will be prorated based on the number of days remaining in the quarter or month. If this Agreement is terminated prior to the end of the billing cycle, Nicollet shall be entitled to a prorated fee based on the number of days during the fee period services were provided or Client will be due a prorated refund of fees for days services were not provided in the billing cycle.

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**The fee schedule, which includes compensation of Nicollet for the services is described in detail in Schedule A of the ERISA Plan Agreement. The Plan is obligated to pay the fees; however, the Plan Sponsor may elect to pay the fees. Client may elect to be billed directly or have fees deducted from Plan Assets. Nicollet does not reasonably expect to receive any additional compensation, directly or indirectly, for its services under this Agreement. If additional compensation is received, Nicollet will disclose this compensation, the services rendered, and the payer of compensation. Nicollet will offset the compensation against the fees agreed upon under the Agreement. Client Payment of Fees**

Fees are either deducted from the client's account or the client is billed directly. Nicollet's clients choose which method they prefer.

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#### **Additional Client Fees Charged**

Fees are also applied to recommended and portfolio supervised mutual funds and exchange traded funds. Mutual funds and exchange traded funds pay an advisory fee to their investment manager, which reduces the net asset value of the mutual fund. Therefore, client assets invested in mutual funds and/or exchange traded funds will pay both a direct fee to Nicollet and a fee to the investment manager.

In addition to Nicollet's management fees, our clients may also incur brokerage costs such as commissions on trades. Please refer to the section on "Brokerage Practices".

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**Prepayment of Client Fees**

Nicollet does not require any prepayment of fees of more than \$1200 per Client six months or more in advance.

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**External Compensation for the Sale of Securities to Clients**

Nicollet does not receive any external compensation for the sale of securities to Clients, nor do any of the investment advisor representatives of Nicollet.

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**Item 6: Performance-Based Fees and Side-by-Side Management**

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**Sharing of Capital Gains**

Nicollet does not charge any performance-based fees.

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**Item 7: Types of Clients**

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**Description**

Nicollet manages assets and engages in Financial Planning Services for individuals and families. This includes taxable brokerage/bank accounts, IRAs, trust accounts, estates, business accounts, children's accounts and 401(k) plans that include personal choice investment options.

Nicollet also manage money for corporate 401(k) plans/pension and profit sharing plans, charitable organizations and Taft Hartley plans. Client relationships vary in scope and length of service.

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**Account Minimums**

Nicollet generally requires a minimum asset relationship of \$250,000 for its Investment Management Services. Nicollet, from time to time, accepted clients with less than that amount. Nicollet has no minimum account size for its Financial Advisory Services.

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

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**Methods of Analysis**

Methods of Analysis and Investment Strategies - Equities

For our stock investments, Nicollet concentrate on growth stocks. This means that we are always looking to invest in companies with strong prospects to grow their revenues over the long-term. However, we always attempt to maintain a diversified stance with our stock portfolios and make sure to own companies in a broad range of economic sectors and industries.

Nicollet has two internally managed stock strategies.

One is a large capitalization growth stock strategy that primarily invests in companies whose market capitalization is greater than \$40 Billion. This strategy is diversified by both owning at least 20 individual companies, but more typically by holding 30 to 40 individual company stocks. The strategy is also diversified in that we select companies in a broad range of economic sectors and industries.

Nicollet also manages a mid-to-small capitalization growth stock strategy. This strategy

primarily invests in companies whose market capitalization is less than \$40 Billion. This strategy adheres to the same criteria on diversification (discussed above) as does our large capitalization growth stock strategy.

We are fundamental analysts in our approach to selecting individual stocks for our stock strategies. As fundamental analysts, we rely on information including industry trends, profitability and product growth assessments to identify individual companies in which to invest.

The sources of information we use to make our assessments on stock investments are varied and broad. These sources include, but are not limited to, company financial reports, industry literature and periodicals, Wall Street research firm reports, and communication with business leaders. We also use macroeconomic information as generally reported by National or Federal Governments to uncover trends.

The assessment of individual investments made for our clients in our large capitalization and mid-to-small capitalization stock strategies are all made internally by Nicollet's investment managers. In the more limited cases where we use an outside manager either as a sub-advisor or through a mutual fund, the sub-advisor or mutual fund manager makes the decisions on which securities to own.

We manage our stock strategies using a model portfolio, which sets as a template the individual stocks we want to hold and the percentage weighting in each stock. Client accounts that own one or both of our stock strategies are regularly reviewed (at least quarterly, always when stocks are bought and sold) and compared against the model portfolio to evaluate whether the client's account(s) holds the targeted amount of each model security.

We do not, however, seek to perfectly align every client account with the exact targeted amount of each security in the model portfolio. Because our clients have hired us and funded their accounts at different times, we may deviate from the model portfolios in buying stocks for each client due to our consideration of the valuation of a specific stock at the time we are investing that clients' account(s), or other reasons that may lead us to buy more or less of that stock than indicated by the model portfolio's holding. There are many reasons a specific client's account may deviate from the model portfolio, for example: the client held a stock when they hired us that we do not own in the model portfolio but may continue to be held for a period after we start managing the client's account(s).

When buying individual investments, we also manage risk through our portfolio management techniques and individual stock selection process. We seek to maintain a diversified portfolio of stocks, meaning that we have investments in many different segments of the economy. Each individual investment is analyzed for its investment merit and the risks associated with the investment.

#### Risk of Loss - Equities

In owning stocks, all our clients are subject to the variety of risks associated with stock investing. These risks include general market risk and stock specific risk.

General market risk is the risk that the overall market declines in value reducing the value



of all, or a large percentage, of individual company stocks. Historically, this risk has been associated with a temporary decline in economic activity or due to an exogenous event like a war or other disruptive event. However, should an event occur that creates a sustained reduction in economic activity (something that historically has not happened), investors in our stock strategies may not experience a recovery in the value of their stock positions. There is a risk of permanent loss.

Investors in our stock strategies are also subject to the risk of loss in their investments due to declines in the value of one or more individual stocks owned in an account managed by Nicollet. With every stock we purchase for our clients, there is always a possibility that our research has failed to uncover a risk that may lead to a permanent loss of some or all of the value in that stock. These individual stock losses may also occur in periods of a general rise in stock prices. The conditions that give rise to losses in individual stock positions are numerous, some directly related to the company's performance, others related to the market's current assessment for the industry in which the company operates, and others unrelated to either the company's current performance or its industry but an assessment by other investors on the company's outlook.

We try to minimize the risk of loss from company or industry-specific risk through our research. However, that research entails forecasting future conditions and weighing the probability of certain events unfolding. We do not profess a unique insight into future conditions, we rely on our experience and judgment to assess the risks involved in purchasing individual stocks for our investors.

Any equity investor in a company is always at some risk of losing their entire investment.

#### Methods of Analysis and Investment Strategies – Fixed Income

Fixed income securities are purchased based on our internal assessment of the issuer's ability to make the interest and principal payments promised in the terms of the security. These assessments are made based on our knowledge of the issuer, credit rating of the issuer, and other information available to make this assessment.

Our general strategy in fixed income investing is to focus our investments in higher-quality issuers who carry investment grade credit ratings. In limited circumstances we may own fixed income securities whose credit rating has fallen from investment grade to a below investment grade rating if we assess they still are able to comply with the terms of the security. We also may invest in unrated securities (securities that have not been rated by a major credit rating agency), but this would occur only in limited circumstances and generally be part of a fixed income strategy we have discussed with the client.

Our strategy in fixed income investing for our clients also incorporates consideration of the highest income tax rate paid by our clients. We will often seek to purchase fixed income securities issued by government entities when the client can earn a higher after-tax yield for the same risk. Most state and local government-issued fixed income securities are exempt from income tax. Often clients paying higher marginal tax rates can earn a better after-tax yield owning these securities instead of fixed income securities whose interest income is fully taxable.

### Risk of Loss – Fixed Income

To manage the risk of holding fixed income securities, we employ two strategies. The first is to own securities from multiple issuers in a client's account. We make every attempt to diversify our clients' exposure to a single issuer when buying fixed income securities for their account(s). However, for some of our clients the dollar amount allocated to fixed income may be too small for us to buy more than a single issuer's debt. Typically this occurs when the amount allocated to fixed income is \$10,000 or less. In these instances, the entire allocation a client has to fixed income may be contained in a single fixed income security.

The second method we employ to limit the risk within our clients' investment accounts is to stagger the maturities of their fixed income securities over a period of time. This is commonly known as "laddering" maturities. With a laddered portfolio of fixed income securities, the client's interest rate risk arising from reinvestment of their fixed income security maturities is reduced.

Fixed income security investments, like all investments, can fall in value, either temporarily or permanently. Because of this, investors in our fixed income strategy are subject to the potential loss of their investment.

The market value of a fixed income security is dependent upon several factors. These include: the general level of interest rates, the markets assessment of the fixed income security issuers ability to repay the terms of the security, and changes in the credit rating of the issuer.

Some of the risks that give rise to a decline in the value of a fixed income security can be deemed temporary and do not impact the ability of the issuer to pay. If general interest rates rise, the current market value of outstanding fixed income securities will tend to fall. This means anytime interest rates are rising, we would expect the market value of the fixed income securities we have purchased for our clients' accounts to fall. However, if the issuers of those securities continue to be able to pay the interest and principal due under the terms of the security, the current market value lost on the security due to rising rates will not cause a change in our expected holding period return on that security. Our clients would only sustain a loss relative to the return we expected on that security if we sold the security prior to maturity.

Similarly, a decline in the credit rating of the issuer of a fixed income security can give rise to a temporary loss in the market value of the fixed income securities issued. If the issuer is still able to make the interest and principal payments as scheduled, the market value loss would be temporary unless we sold the security at a lower value than we had anticipated when making the original investment.

Permanent losses on fixed income securities occur in those instances where the issuer fails to meet the terms of the security and seeks to restructure (most often through bankruptcy) the terms in a manner that they are no longer obligated to repay the full amount we expected when purchasing the security. We make every attempt to avoid buying securities from issuers who are at risk of bankruptcy. However, though uncommon, it is possible that

a single event or action can cause an issuer's financial condition to deteriorate rapidly and result in a permanent loss on its fixed income securities. Though we try to avoid the risk of permanent losses, we cannot fully account for all the events that might render an investment grade issuer of fixed income securities to become insolvent quickly.

## **Financial Advisory Services**

### **Methods of Analysis**

Nicollet gathers detailed information from clients about their current investment holdings along with other financial and non-financial information including employment, current and future income sources, personal expenses and debt, income tax filings, estate documents, as well as personal goals and concerns. In order to provide detailed analyses focused on the client's individual situation, we will conduct interviews to gain deeper understanding of the current and anticipated cash flow needs that could include (but not limited to) planning for future education costs, retirement, wealth transfer, survivor needs, estate/end-of-life planning. After gathering data from documents and online resources, we will use industry standard software packages including (but not limited to) eMoney Advisor, Social Security Analyzer, and Morningstar for analyses. Client's data is reviewed and aggregated to provide a big-picture view of their financial future, including in depth analyses of the impact of choices regarding retirement start dates, when to start social security, pension optimization, spending goals, survivor needs, and effective asset allocation to meet goals during and beyond their lifetime.

### **Deliverable**

During the financial planning meetings, Nicollet will address planning options for cashflow, retirement, goal planning, estate planning, and investment allocation. Recommendations will be provided in a written format, including commentary and analyses supplemented by reports generated from industry standard software packages. A significant portion of our meetings will entail discussion about the impact of client's choices on overall cashflow. eMoney Advisor Wealth Management System enables us to do a live presentation of data, creating an interactive meeting to explore the financial impact of "what-if" scenarios. We will provide recommended courses of action, decision points, and if requested, referrals to industry professionals for implementation of solutions.

Typically, we find that clients will meet with us several times in the first year to gain a full understanding of their choices and the impact on their financial future. During that year, we will create a financial plan, help with implementation, make refinements and answer questions related to the options presented. By using a flat fee structure, clients are able to reach out at any time during the year with questions, new information or when they need clarification.

There is no obligation to continue services beyond the initial year-long or project-based engagement. However, we recommend that most clients meet on a regular (annual) basis to keep up-to-date with their personal needs, goals, and ongoing changes in financial status. For those individuals entering the transition years around retirement, we find that multiple meetings are often needed to provide clarity to the choices that arise due to complexities of the retirement process, including pension maximization, social security benefit options,

retirement plan termination, and meeting both long term and short term cashflow needs including health insurance coverage, housing and lifestyle changes.

#### Security Specific Material Risks

Clients are routinely informed about the nature of investment risks such as market risks, interest rate risks, credit risks, business risks, liquidity risks and others. Clients are also routinely made aware that investing in securities can result in loss of investment principal and that clients should be prepared to bear those losses should they occur.

The specific risks associated with financial planning include:

#### Risk of loss

- Client fails to follow the recommendations resulting in market loss
- Client follows the recommendations resulting in market loss
- Client has changes in financial status or lifestyle and therefore plan recommendations are no longer valid.

### **Item 9: Disciplinary Information**

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#### **Criminal or Civil Actions**

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

#### **Administrative Enforcement Proceedings**

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

#### **Self-Regulatory Organization Enforcement Proceedings**

Nicollet 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 Nicollet or the integrity of its management.

### **Item 10: Other Financial Industry Activities and Affiliations**

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#### **Broker-Dealer or Representative Registration**

Nicollet is not registered as a broker-dealer and no affiliated representatives of Nicollet are registered representatives of a broker-dealer.

#### **Futures or Commodity Registration**

Neither Nicollet nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

#### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Nicollet has no material relationships to disclose.

#### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

We may also, from time to time, enter into agreements with other investment advisors whereby the assets of the client will be managed by the other investment advisory firm. In these instances, we would typically have an agreement in place whereby our firm and the

other investment advisor would divide the fee paid by the client according to the agreement.

In all cases where Nicollet has an agreement to divide the fee paid by the client directly to our firm with another unrelated firm, those arrangements are fully disclosed to the client.

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

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### **Code of Ethics Description**

Nicollet Investment Management has adopted a written Code of Ethics covering all employees. Our firm's Code of Ethics requires high standards of business conduct, compliance with Federal securities laws, reporting and recordkeeping of personal securities transactions and holdings, reviews and sanctions.

Employees of Nicollet have personal accounts in which they buy and sell securities. Nicollet does not prohibit employees from owning securities in personal or related person accounts, but we do have procedures in place to ensure client security purchases and sales take precedent over employee purchases and sales. This policy applies equally to employees and to accounts in which an employee has an interest individually, jointly or as a guardian, executor or trustee or to the accounts in which the children or other dependents residing in the same household have an interest.

When an employee transacts in his or her personal accounts, they first discuss the intended transaction with one of our portfolio managers. Portfolio managers have discretion in client accounts to purchase and sell securities in our client's accounts. Our portfolio managers are aware of either transactions currently being executed in client accounts or securities they might be buying or selling in client accounts in the near term. An employee will be prohibited from executing purchases or sales in a security in which we are, or intend to, transact in a client account.

For purchases of a security, employees will not transact in the security until after all purchases of the security have been completed in client accounts. Similarly, for sales employees will not execute a sale until all client accounts have sold the amount intended to be sold.

In instances where a portfolio has plans to transact in the security in the near term, but no transactions are currently underway for client accounts, the employee will refrain from transacting in the security until after the trades are made in the client accounts or the portfolio manager indicates he or she is no longer intending to transact in the security.

Employees investment accounts are reviewed quarterly to ensure no transactions were executed in their accounts that conflict with this policy.

No employee of Nicollet has a material financial interest in any security which we recommend to our clients or buy or sell for our client accounts.

A copy of the Code of Ethics is available to clients and prospects upon request.

## **Item 12: Brokerage Practices**

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### **Factors Used to Select Broker-Dealers for Client Transactions**

Nicollet Investment Management operates under a limited power of attorney which grants our firm investment discretion. Nicollet thereby has the authority to direct the investments in the client's portfolio without prior consultation with the client. Pursuant to this discretionary authority, we will determine which securities, and the amount of each security, to be bought or sold.

Nicollet, based on its discretionary authority and subject to any conditions imposed in writing by the client, will select the broker or dealer to execute transactions and decide the commission to be paid. The broker or dealer selected is based on a number of factors including, but are not limited to: best interests of the portfolio, price, liquidity, size, responsiveness, range and depth of service, quality, frequency and timeliness of research. Services of direct benefit to the client, such as acting as custodian for the client's portfolio, are also considered. The amount of commission paid to brokers or dealers varies depending on a compilation of the preceding factors and competitive commission rate levels in the marketplace.

Nicollet does not receive any compensation for recommending a broker-dealer to our clients.

If Nicollet receives instructions from a client to direct a brokerage trade to an outside brokerage firm to fulfill an obligation the client has, we would evaluate if the brokerage firm is providing competitive commission rates and reasonable execution. We would communicate to our client the results of our evaluation. If the client insists on continuing with this transaction, we would document our review for the file and execute the client instruction.

Nicollet may receive research from some brokers or dealers with whom transactions are executed. Our firm believes all of our clients benefit from the research provided by various brokers or dealers who effect transactions for our client accounts. However, we have no commitments, either written or oral, to transact with a broker/dealer in exchange for research services.

The compensation of our firm's personnel may be influenced by the number of new clients resulting from their efforts. Nicollet may enter into arrangements with independent organizations or persons for client referrals (i.e., accounting firms, brokers, dealers, etc.). All such arrangements are governed by the disclosure requirement under the Investment Advisors Act and other applicable laws and regulations.

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### **Aggregating Securities Transactions for Client Accounts**

Nicollet is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of Nicollet. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

## **Item 13: Review of Accounts**

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### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Nicollet Investment Management employs a team approach to monitoring, reviewing, and managing our clients' accounts. Our firm's Principal, Portfolio Managers, Senior Managing Directors, and Senior Office Administrators each have a role in reviewing our clients' accounts. We do not assign specific client responsibility to specific employees. Our account reviews are ongoing and embedded in the business processes we use to manage our clients' accounts.

All current employees of Nicollet have a role in reviewing various aspects of our clients' accounts. Our Portfolio Managers tend to focus their reviews on the allocation of client assets, discussions with clients on changes in asset allocation, each client's individual investment holdings, and on implementing any changes necessary in clients' accounts. Our Office Administrators daily monitor all clients' accounts for cash-flows, make sure requests for withdrawals are executed, monitor restrictions we may have placed on a client account, and monitor miscellaneous items like required withdrawals and one-time requests by clients.

No employee is assigned a specific number of accounts to review, all client accounts in which an employee has any responsibility are regularly reviewed by that employee. In every instance, there are at least two and more often, more than two, employees with responsibility for monitoring a client's account(s).

There are numerous activities we engage in which could be deemed as client account reviews. Most of these are imbedded in the processes we use in our day-to-day activity managing our clients' accounts. For each of our clients, we establish, use, and maintain guidelines for how each client account is to be allocated between stocks, bonds and cash. Though these allocations are influenced by moves in market prices, we do regularly review (at least monthly) the allocation of each client account against our targeted allocation amongst the various types of investments. This is done primarily by allocating the cash held in the account to its respective intended investment area (e.g. cash available for fixed income securities, cash available for large cap stock investments). We also review each client account each time we invest in a new stock, fixed income, or other security. Our portfolio managers regularly discuss client accounts while investment decisions are being made.

We manage our stock strategies using a model portfolio, which sets as a template the individual stocks we want to hold and the percentage weighting in each stock. Client accounts that own one or both of our stock strategies are regularly reviewed (at least quarterly, always when stocks are bought and sold) and compared against the model portfolio to evaluate whether the client's account(s) holds the targeted amount of each model security.

We do not, however, seek to perfectly align every client account with the exact targeted amount of each security in the model portfolio. Because our clients have hired us and funded their accounts at different times, we may deviate from the model portfolios in

buying stocks for each client due to our consideration of the valuation of a specific stock at the time we are investing that clients' account(s), or other reasons that may lead us to buy more or less of that stock than indicated by the model portfolio's holding. There are many reasons a specific client's account may deviate from the model portfolio, for example: the client held a stock when they hired us that we do not own in the model portfolio, but may continue to be held for a period after we start managing the client's account(s).

We review our clients' account(s) whenever there is a material cash-flow into or out of their accounts. Material cash-flows often require more detailed analysis to ensure the account remains in balance with our targets for the clients' accounts.

We also regularly review with our clients' their portfolios. This includes meetings, phone conversations, emails, and letters. During these communications, we are always trying to assess whether there are changes in each client's circumstances that warrant a more thorough review of the client's mix of assets. Other times, the client may come to us and ask that we review their overall asset allocation, which triggers a more extensive review of their accounts in light of financial information provided by the client.

Nicollet provides its employees who are engaged in reviews of client accounts several tools for maintaining and accessing current information on the client. We maintain a customer relationship system where we document important information on how we are to manage each client's account and changes that may occur. For most of our clients, we have engaged in extensive analysis of their income statement, balance sheet and provided written recommendations for how their investments are to be allocated. This written document (and subsequent updates) are readily available to all employees for review. We also have internal reports that are provided all employees containing information on how each client's account(s) are to be invested. Finally, everyone at Nicollet regularly discusses our clients' account(s). To be effective in managing our clients' account(s), our best means is constant communication amongst all our employees.

## **Item 14: Client Referrals and Other Compensation**

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### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Nicollet does not receive any economic benefits from external sources.

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### **Advisory Firm Payments for Client Referrals**

Nicollet may, from time to time, enter into agreements with unrelated firms to provide client referrals and/or client services to its clients. In these instances, we may enter into arrangements to divide the fee paid by the client between Nicollet and the unrelated firm with whom we have such an agreement. These fee-sharing agreements may be negotiated as a fixed amount or a percentage of the fee earned by Nicollet.

Nicollet Investment Management has clients who were referred to us by Charles Schwab & Co., Inc. ("Schwab"). These clients were referred through Nicollet's participation in Schwab Advisor Network Schwab is a broker-dealer independent of and unaffiliated with Nicollet. Schwab does not supervise Nicollet and has no responsibility for our firm's management of client's portfolio or other advice or services. Nicollet pays Schwab fees to receive client



referrals through this program. Nicollet 's participation in the Schwab Advisor Network may raise potential conflicts of interest described below.

Nicollet pays Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab. The Participation Fee paid by Nicollet is a percentage of the fees the client owes to Nicollet or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Nicollet pays Schwab the Participation Fee for as long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Nicollet quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Nicollet and not by the client. We have agreed not to charge clients referred through the Service, fees or costs greater than the fees or costs the firm charges clients with similar portfolios who were not referred through the Service.

Nicollet no longer participates in the Schwab Advisor Network and is no longer accepting referrals from Schwab under that or any other fee sharing arrangement. However, those clients who hired Nicollet based on a referral from Schwab while we were in the Schwab program continue to have their fees paid shared by Nicollet and Schwab according to the terms of the agreement. This fee sharing was fully disclosed to the client in the Schwab Advisor Network Investor Acknowledgment.

Because Nicollet earns a lower net fee on clients referred under the Schwab Advisor Network program, Nicollet could have an incentive to recommend a client move their account from Schwab to another broker/dealer where that fee share would not apply. Nicollet's agreement with Schwab includes a provision whereby Nicollet would be obligated to pay Schwab a one-time fee for actively encouraging clients referred under the Schwab Advisor Network program to move their accounts out of Schwab. Nicollet is not required to pay this fee if the client directs their accounts be moved without a recommendation from Nicollet.

Because of the potential fee Nicollet would be obligated to pay Schwab for moving Schwab Advisor Network clients, there may be a conflict of interest. Nicollet may be thought to have an economic interest in maintaining these clients at Schwab to avoid paying that fee. Nicollet believes Schwab's service and trade execution to be amongst the best across the broker/dealers that its clients use.

We believe no conflict of interest has existed. However, if for any reason Nicollet felt it in its clients' best interest to move their accounts from Schwab to another broker/dealer, it would make that recommendation to all clients. We would not consider any fee we would be obligated to pay in making the recommendation to clients.

## **Item 15: Custody**

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### **Account Statements**

It is Nicollet Investment Management's policy that we will not accept or hold client funds or securities. All client assets are custodied at a "qualified custodian" which includes banks or registered broker-dealers. These custodians must provide our clients, at least quarterly, a detailed statement of their holdings.

Nicollet may assist our clients with the necessary forms and/or mailing of checks made payable to the client's account at the custodian, but shall not take actual possession of the funds.

Advisors that deduct management fees directly from their clients' accounts will be deemed to have custody. However, advisers that have custody only because they deduct fees may continue to answer "No" to the custody questions in Item 9 of Form ADV Part I. Nicollet may have this authority to deduct fees from client accounts.

## **Item 16: Investment Discretion**

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### **Discretionary Authority for Trading**

#### Investment Management Services

Nicollet Investment Management operates under a limited power of attorney when the client hires us for our Investment Management Services, which grants Nicollet investment discretion. Nicollet thereby has the authority to direct the investments in the client's portfolio without prior consultation with the client. Pursuant to this discretionary authority, we will determine which securities, and the amount of each security, to be bought or sold.

A client may direct Nicollet to purchase or not purchase certain securities. Any securities bought or delivered into an account at our clients' request are considered non-discretionary assets on our portfolio management system. As part of our client review, these assets will be reviewed. If a client has restricted the purchase of any security, these instructions are entered on our trading system so that the security is flagged as "restricted".

#### Financial Advisory Service

For clients who hire Nicollet for Financial Advisory Services, Nicollet does not accept discretionary authority to manage securities on behalf of the clients.

## **Item 17: Voting Client Securities**

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### **Proxy Votes**

#### Investment Management Services

Nicollet Investment Management, as a matter of policy and as a fiduciary to our clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of our clients. Our policy is to vote all proxies from a specific issuer the same way for each client unless there are qualifying restrictions from a client.

We will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of auditors unless there are conflicts of interest raised by an auditors non-audit services. We will generally vote against proposals that cause board members to become entrenched or cause unequal voting rights. In reviewing proposals, Nicollet will further consider the opinion of management and the effect on management, and the effect on shareholder value.

Nicollet will identify any conflicts that exist between the interests of the adviser and the

client by reviewing the relationship of Nicollet with the issuer of each security to determine if Nicollet or any employee has a financial, business or personal relationship with the issuer. If a material conflict of interest exists, we will determine if it is appropriate to give the client an opportunity to vote the proxy themselves or to address the voting issue through other objective means such as receiving an independent third party voting recommendation.

Nicollet makes its Proxy Voting Policy and Procedures available to its clients upon request. Also upon request, clients may receive the proxy voting record for their account.

#### Financial Advisory Service

For clients who hire Nicollet for Financial Advisory Services, Nicollet does not accept authority to vote client held securities.

### **Item 18: Financial Information**

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#### **Balance Sheet**

A balance sheet is not required to be provided because Nicollet does not serve as a custodian for Client funds or securities and Nicollet does not require prepayment of fees of more than \$1200 per Client and six months or more in advance.

#### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Nicollet has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

#### **Bankruptcy Petitions during the Past Ten Years**

Neither Nicollet nor its management has had any bankruptcy petitions in the last ten years.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Mark C. Hoonsbeen

Nicollet

EST.



1971

INVESTMENT MANAGEMENT, INC.

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Suite 150  
Minneapolis, MN 55401

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[www.nicolletinvest.com](http://www.nicolletinvest.com)

This brochure supplement provides information about Mark C. Hoonsbeen and supplements the Nicollet Investment Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Mark C. Hoonsbeen if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Mark C. Hoonsbeen (CRD #2599964) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARCH 8, 2021**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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#### Principal Executive Officer – Mark C. Hoonsbeen

- Year of birth: 1961
- 

#### Item 2 - Educational Background and Business Experience

Educational Background:

- University of Illinois – MS Finance
- St. Cloud State University – BS Political Science/Economics

Business Experience:

- Nicollet Investment Management, Inc.; Principal and Portfolio Manager; 2000-Present
  - Investment Advisers, Inc.; Equity Portfolio Manager; 1994-1999
  - St. Paul Companies, Inc.; Investment Analyst/Portfolio Manager; 1986-1994
- 

#### Item 3 - Disciplinary Information

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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#### Item 4 - Other Business Activities Engaged In

Mr. Hoonsbeen has no other business activities to report.

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#### Item 5 - Additional Compensation

Mr. Hoonsbeen receives no additional compensation.

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#### Item 6 - Supervision

Nicollet Investment Management uses a team approach of all investment personnel in managing our clients' accounts. All investment advice provided to clients has also been discussed as a team.

Kathy Carlson is the Chief Compliance Officer of Nicollet Investment Management, Inc. She is ultimately responsible for all supervision. She will adhere to the policies and procedures as described in the firm's Compliance Manual. She can be reached at [KathyC@NicolletInvest.com](mailto:KathyC@NicolletInvest.com) or 612-915-3033

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#### Item 7 - Requirements for State-Registered Advisors

*Arbitration Claims:* None to report.

*Self-Regulatory Organization or Administrative Proceeding:* None to report.

*Bankruptcy Petition:* None to report.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Nicholas K. Heyer

Nicollet

EST.



1971

INVESTMENT MANAGEMENT, INC.

**Office Address:**

800 Washington Avenue North  
Suite 150  
Minneapolis, MN 55401

Tel: 612-915-3033

[www.nicolletinvest.com](http://www.nicolletinvest.com)

This brochure supplement provides information about Nicholas K. Heyer and supplements the Nicollet Investment Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Nicholas K. Heyer if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Nicholas K. Heyer (CRD #2221255) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARCH 8, 2021**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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#### Principal Executive Officer - Nicholas K. Heyer

- Year of birth: 1968
- 

#### Item 2 - Educational Background and Business Experience

Educational Background:

- Drake University- BS Business Administration

Business Experience:

- Nicollet Investment Management, Inc.; Managing Director and Mid/Small Cap Equity Portfolio Manager; 2002-Present
  - Zak Capital, Inc.; Managing Director and Mid/Small Cap Equity Portfolio Manager; 1997-2002
  - Investment Advisers, Inc.; Finance Manager; 1991-1997
- 

#### Item 3 - Disciplinary Information

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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#### Item 4 - Other Business Activities Engaged In

Mr. Heyer has no other business activities to report.

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#### Item 5 - Additional Compensation

Mr. Heyer receives no additional compensation.

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#### Item 6 - Supervision

Nicollet Investment Management uses a team approach of all investment personnel in managing our clients' accounts. All investment advice provided to clients has also been discussed as a team.

Kathy Carlson is the Chief Compliance Officer of Nicollet Investment Management, Inc. She is ultimately responsible for all supervision. She will adhere to the policies and procedures as described in the firm's Compliance Manual. She can be reached at [KathyC@NicolletInvest.com](mailto:KathyC@NicolletInvest.com) or 612-915-3033

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#### Item 7 - Requirements for State-Registered Advisors

*Arbitration Claims:* None to report.

*Self-Regulatory Organization or Administrative Proceeding:* None to report.

*Bankruptcy Petition:* None to report.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Shannon L. Clark, CFP®

Nicollet

EST.



1971

INVESTMENT MANAGEMENT, INC.

**Office Address:**

800 Washington Avenue North  
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Tel: 612-915-3033

[www.nicolletinvest.com](http://www.nicolletinvest.com)

This brochure supplement provides information about Shannon L. Clark and supplements the Nicollet Investment Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Shannon L. Clark if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Shannon L. Clark (CRD #3155722) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARCH 8, 2021**



## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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**Shannon L. Clark, CFP®**

- Year of birth: 1971
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#### **Item 2 - Educational Background and Business Experience**

Educational Background:

- Carleton College – BA Psychology
- Kaplan University – Certified Financial Planner™
- CFP® Board of Standards – CFP

Business Experience:

- Nicollet Investment Management, Inc.; Financial Advisor; 2017-Present
- Wilkerson Resource Advisors; Financial Advisor; 2015-2017
- Catalyst Consulting Solutions; Consultant; 2005-2015
- KLB Financial; Manager; 2004-2005
- Swenson Anderson Financial Group; Advance Markets Consultant; 2001-2004
- First Trust Corp; Mutual Fund Operations Specialist; 1999-1999
- Linsco Private Ledger; Mutual Fund Operations Specialist; 1999-1999
- Nicholas Applegate Capital Management; Mutual Fund Operation Specialist; 1998-1999

#### Professional Certifications

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Employees have earned certifications and credentials that are required to be explained in further detail.

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with Clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee

benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and Client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their Clients. CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

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**Item 3 - Disciplinary Information**

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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**Item 4 - Other Business Activities Engaged In**

Ms. Clark has no other business activities to report.

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**Item 5 - Additional Compensation**

Ms. Clark receives no additional compensation.

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**Item 6 - Supervision**

Nicollet Investment Management uses a team approach of all investment personnel in managing our clients' accounts. All investment advice provided to clients has also been discussed as a team.

Kathy Carlson is the Chief Compliance Officer of Nicollet Investment Management, Inc. She is ultimately responsible for all supervision. She will adhere to the policies and procedures as described in the firm's Compliance Manual. She can be reached at [KathyC@NicolletInvest.com](mailto:KathyC@NicolletInvest.com) or 612-915-3033

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**Item 7 - Requirements for State-Registered Advisors**

*Arbitration Claims:* None to report.

*Self-Regulatory Organization or Administrative Proceeding:* None to report.  
*Bankruptcy Petition:* None to report.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Marc C. Hadley, CFP®

Nicollet

EST.



1971

INVESTMENT MANAGEMENT, INC.

**Office Address:**

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This brochure supplement provides information about Marc C. Hadley and supplements the Nicollet Investment Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Marc C. Hadley if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Marc C. Hadley (CRD #1454947) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARCH 8, 2021**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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**Marc C. Hadley, CFP®**

- Year of birth: 1951
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#### **Item 2 - Educational Background and Business Experience**

##### Educational Background:

- University of Minnesota – BA
- St. Cloud State University – Education Administration
- College for Financial Planning – Certified Financial Planner™
- CFP® Board of Standards – CFP

##### Business Experience:

- Nicollet Investment Management, Inc.; Financial Advisor; 2017-Present
- Wilkerson Resource Advisors; Financial Advisor; 2010-2017
- Wilkerson Associates; Resource Planning Services; 1995-2010
- Investment Centers of America; Registered Representative; 1990-1995
- Johnson, Hadley, Ward & Company; Investment Management Services; 1987-1990
- Investacorp, Inc.; Registered Representative; 1987-1990
- Financial Resource Management Group; Financial Management Services; 1984-1987

##### Professional Certifications

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- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies

and Client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
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- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their Clients. CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

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**Item 3 - Disciplinary Information**

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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**Item 4 - Other Business Activities Engaged In**

Mr. Hadley has no other business activities to report.

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**Item 5 - Additional Compensation**

Mr. Hadley receives no additional compensation.

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**Item 6 - Supervision**

Nicollet Investment Management uses a team approach of all investment personnel in managing our clients' accounts. All investment advice provided to clients has also been discussed as a team.

Kathy Carlson is the Chief Compliance Officer of Nicollet Investment Management, Inc. She is ultimately responsible for all supervision. She will adhere to the policies and procedures as described in the firm's Compliance Manual. She can be reached at [KathyC@NicolletInvest.com](mailto:KathyC@NicolletInvest.com) or 612-915-3033

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**Item 7 - Requirements for State-Registered Advisors**

*Arbitration Claims:* None to report.

*Self-Regulatory Organization or Administrative Proceeding:* None to report.

*Bankruptcy Petition:* None to report.

Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Timothy S. Fahey

Nicollet



INVESTMENT MANAGEMENT, INC.

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[www.nicolletinvest.com](http://www.nicolletinvest.com)

This brochure supplement provides information about Timothy S. Fahey and supplements the Nicollet Investment Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Timothy S. Fahey if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Timothy S. Fahey (CRD #2591847) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARCH 8, 2021**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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#### Timothy S. Fahey

- Year of birth: 1968
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#### Item 2 - Educational Background and Business Experience

Educational Background:

- Attended College of St. Thomas – Area of Study: History/Finance

Business Experience:

- Nicollet Investment Management, Inc.; Portfolio Manager; 11/2016 - Present
  - Northland Securities, Inc.; Registered Representative; 10/2007-11/2016
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#### Item 3 - Disciplinary Information

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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#### Item 4 - Other Business Activities Engaged In

Mr. Fahey has no other business activities to report.

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#### Item 5 - Additional Compensation

Mr. Fahey receives no additional compensation.

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#### Item 6 - Supervision

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[KathyC@NicolletInvest.com](mailto:KathyC@NicolletInvest.com) or 612-915-3033



Item 1 Cover Page

**SUPERVISED PERSON BROCHURE**  
FORM ADV PART 2B

Nathan Travis

Nicollet



INVESTMENT MANAGEMENT, INC.

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[www.nicolletinvest.com](http://www.nicolletinvest.com)

This brochure supplement provides information about Nathan Travis and supplements the Nicollet Investment Management, Inc.'s brochure. You should have received a copy of that brochure. Please contact Nathan Travis if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Nathan Travis (CRD #6249368) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARCH 8, 2021**

## Brochure Supplement (Part 2B of Form ADV)

### Supervised Person Brochure

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#### Nathan Travis

- Year of birth: 1989
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#### Item 2 - Educational Background and Business Experience

Educational Background:

- University of Minnesota; Applied Economics, Finance, & Sociology; 2012

Business Experience:

- Nicollet Investment Management, Inc.; Investment Advisor Representative; 11/2019 - Present
  - Morgan Stanley; Registered Representative; 10/2013 – 10/2019
  - Epicore Software Business Development Representative; 05/2011 – 08/2013
  - University of Minnesota; Student; 09/2009 – 05/2013
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#### Item 3 - Disciplinary Information

*Criminal or Civil Action:* None to report.

*Administrative Proceeding:* None to report.

*Self-Regulatory Proceeding:* None to report.

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#### Item 4 - Other Business Activities Engaged In

Mr. Travis has no other business activities to report.

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#### Item 5 - Additional Compensation

Mr. Travis receives no additional compensation.

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#### Item 6 - Supervision

Nicollet Investment Management uses a team approach of all investment personnel in managing our clients' accounts. All investment advice provided to clients has also been discussed as a team.

Kathy Carlson is the Chief Compliance Officer of Nicollet Investment Management, Inc. She is ultimately responsible for all supervision. She will adhere to the policies and procedures as described in the firm's Compliance Manual. She can be reached at

[KathyC@NicolletInvest.com](mailto:KathyC@NicolletInvest.com) or 612-915-3033