

Central Trust Bank

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ADV Part 2A, Brochure

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This Brochure provides information about the qualifications and business practices of Central Trust Bank. If you have any questions about the contents of this Brochure, please contact us at (573) 556-6813 or Joyce.Hoskins@centralbank.net. 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 Central Trust Bank also is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Central Trust Bank as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 Material Changes

Since the last annual amendment on March 15, 2020, there have been no material changes to this Disclosure Brochure

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Item 4 Advisory Business

- A. Central Trust Bank (the “Registrant”) is an unincorporated division of The Central Trust Bank. The Central Trust Bank was formed on January 9, 1902 in the State of Missouri. The Registrant became registered as an Investment Adviser Firm in February 2009. The Registrant is principally owned by the Sam B. Cook Revocable Trust. Donald Perdue is the Registrant’s President.
- B. As discussed below, the Registrant serves a limited group of institutional clients (i.e., retirement plans, insurance companies, associations, etc.) by providing investment advisory services. The Registrant **does not** hold itself out as providing financial planning, estate planning, or insurance planning services.

INVESTMENT ADVISORY SERVICES

The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis. The Registrant’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant’s management depending upon various objective and subjective factors (**See Fee Differential** discussion below). If a client determines to engage the Registrant on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). The services included in a wrap fee agreement will depend upon each client’s particular need. If the client determines to engage the Registrant on a non-wrap fee basis the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, brokerage, custody).

The Registrant provides investment advisory services specific to the needs of each client. Before providing investment advisory services, an investment adviser representative will ascertain each client’s investment objectives. Thereafter, the Registrant will allocate and/or recommend that the client allocate investment assets consistent with the designated investment objectives. The Registrant primarily allocates or recommends that clients allocate investment assets among individual equity and/or fixed income securities, exchange traded funds, and mutual funds, on a discretionary and non-discretionary basis in accordance with the client’s designated investment objective(s).

Once allocated, the Registrant provides ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives. Registrant also rebalances and/or recommends that clients rebalance accounts as necessary based on such reviews.

Non-Wrap Fee Basis

The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis. The Registrant’s annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under the Registrant’s management, generally between .10% and 1.0% (**See Fee Differential** disclosure below).

Central Trust Bank Wrap Fee Program

The Registrant provides investment management services on a wrap fee basis in accordance with the Registrant’s investment management wrap fee program (the “Program”). The services offered under, and the corresponding terms and conditions pertaining to, the Program are discussed in the Wrap Fee Program Brochure a copy of which is presented to all

prospective Program participants. Under the Program, the Registrant is able to offer participants discretionary investment and/or non-discretionary management services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and the Registrant's investment management fees. However, clients may incur additional fees as set forth below. The current annual Program fee ranges from .10% to 1.00% (*See* Fee Differential disclosure below), depending upon the amount and type of the Program assets. The terms and conditions for client participation in the Program are set forth in detail in the Wrap Fee Program Brochure, which is presented to all prospective Program participants in accordance with the disclosure requirements of Part 2A, Appendix 1 of Form ADV. All prospective Program participants should read both the Registrant's Brochure and the Wrap Fee Program Brochure, and ask any corresponding questions that they may have, prior to participation in the Program. Raymond James & Associates ("RJA") member FINRA/SIPC and/or The Central Trust Bank shall serve as the custodian(s) for Program accounts

Please Note: Under Registrant's wrap program, the client receives investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. As indicated in the Wrap Fee Program Brochure, participation in the Program may cost more or less than purchasing such services separately. As also indicated in the Wrap Fee Program Brochure, the Program fee charged by Registrant for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

MISCELLANEOUS

Limitations of Consulting/Implementation Services. Although the Registrant does not hold itself out as providing financial planning, estate planning or accounting services, to the extent specifically requested by the client, the Registrant *may* provide limited consultation services to its investment management clients on investment and non- investment related matters, such as estate planning, tax planning, insurance, etc. Registrant shall not receive any separate or additional fee for any such consultation services. Neither the Registrant, nor any of its representatives, serves as an attorney, accountant, or licensed insurance agent, and no portion of the Registrant's services should be construed as legal, accounting, or insurance brokerage services. Accordingly, Registrant **does not** prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. Where applicable, clients may, on an unsolicited basis, engage Registrant's affiliate, Central Trust Company. The client is under no obligation to engage the services of any such recommended professional, including Central Trust Company. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Registrant and/or its representatives. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. If, and when, the Registrant is involved in a specific matter (i.e. estate planning, insurance, accounting-related engagement, etc.), it is the engaged licensed professionals (i.e. attorney, accountant, insurance agent, etc.), and not the Registrant, that is responsible for the quality and competency of the services provided.

Please Also Note: It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Please Note: Fee Differentials. As indicated below, the Registrant's annual investment advisory fee, which is based upon a percentage (%) of the market value of the assets placed under management, shall vary (between 0.10% and 1.00%), depending upon various objective and subjective factors that could include but are not limited to: the dollar amount of assets to be managed, the type of management services required, types of assets to be managed, historical relationship, and negotiations between the Registrant and the client. As a result, Registrant's clients could pay diverse fees based upon these factors. Moreover, the services to be provided by the Registrant to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

Because we shall generally price our advisory services based upon various objective and subjective factors, our clients could pay diverse fees based upon a combination of factors, including but not limited to the market value of their assets, the complexity of the engagement, the level and scope of the overall investment advisory services to be rendered, and negotiations. Similarly situated clients could pay diverse fees, and the services to be provided by Registrant to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. Furthermore, since the Registrant's representatives shall receive a portion of the advisory fee charged to the client, a **material conflict of interest** arises, because an increase in the management fee paid by the client may result in increased compensation received by the Registrant's representative. Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above fee disparity, impact on account performance, and conflict of interest.

Portfolio Activity. The Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including, but not limited to, investment performance, fund manager tenure, style drift, account additions/withdrawals, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Registrant will be profitable or equal any specific performance level(s). Clients nonetheless remain subject to the fees described in Item 5 below during periods of account inactivity.

Custodian Charges-Additional Fees. As discussed below at Item 12, when requested to recommend a broker-dealer/custodian for client accounts, Registrant generally recommends that *Raymond James and Associates ("RJA")* serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *RJA* charge brokerage commissions, transaction, and/or other type fees for effecting certain types of securities transactions (i.e., including transaction fees for certain mutual funds, and mark-ups and mark-downs charged for fixed income transactions, etc.). The types of securities for which transaction fees, commissions, and/or other type fees (as well as the amount of those fees) shall differ depending upon the broker-dealer/custodian (while certain custodians, including *RJA*, do not currently charge fees on individual equity transactions, others do). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through

broker-dealers with whom Registrant and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a “trade-away” fee charged by *RJA*). These fees/charges are in addition to Registrant’s investment advisory fee at Item 5 below. Registrant does not receive any portion of these fees/charges. **ANY QUESTIONS: Registrant’s Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above.**

Please Note: If Registrant executes transactions in conjunction with a wrap program, transaction fees shall generally be included in the wrap advisory fee paid to the wrap program sponsor.

Use of Mutual Funds and Exchange Traded Funds. While the Registrant may recommend allocating investment assets to mutual funds and exchange traded funds that are not available directly to the public, the Registrant may also recommend that clients allocate investment assets to publicly-available mutual funds or exchange traded funds that the client could obtain without engaging Registrant as an investment adviser. However, if a client or prospective client determines to allocate investment assets to publicly-available mutual funds or exchange traded funds without engaging Registrant as an investment advisor, the client or prospective client would not receive the benefit of Registrant’s initial and ongoing investment advisory services.

Please Note: In addition to Registrant’s investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

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Please Note: Non-Discretionary Service Limitations. Clients that determine to engage Registrant on a non-discretionary investment advisory basis **must be willing to accept** that Registrant cannot effect any account transactions without obtaining prior consent to such transaction(s) from the client. Thus, in the event that Registrant would like to make a transaction for a client’s account (including in the event of an individual holding or general market correction), and the client is unavailable, the Registrant will be unable to effect the account transaction(s) (as it would for its discretionary clients) without first obtaining the client’s consent.

Tradeaway/Prime Broker Fees. Relative to its discretionary investment management services, when beneficial to the client, individual fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate “tradeaway” and/or prime broker fee charged by the account custodian.

Sub-Advisory Arrangement: The Registrant engages sub-advisors for the purpose of assisting with the management of a Health Savings Account program, including but not limited to Resources Investment Advisors, Inc. (d/b/a "Bukaty Companies Financial Services") which is an unaffiliated SEC-registered investment adviser firm. The sub-advisor shall provide certain asset allocation and administrative support services to the program. The sub-advisory arrangement shall continue in such capacity until such arrangement is terminated or modified by the Registrant. The Registrant shall pay a portion of the investment advisory fees received in relation to the services provided to the sub-advisor for its sub-advisory services.

Client Obligations. In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Disclosure Statement. A copy of the Registrant's written Brochure as set forth on Part 2A and Part 2B of Form ADV, along with Form CRS, shall be provided to each client prior to, or contemporaneously with, the execution of the applicable form of client Agreement.

- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Registrant's services.
- D. There is no significant difference between how the Registrant manages wrap fee accounts and non-wrap fee accounts. However, as stated above, if a client determines to engage the Registrant on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody) (See Item 4.B). The services included in a wrap fee agreement will depend upon each client's particular need. If the client determines to engage the Registrant on a non-wrap fee basis the client will select individual services on an unbundled basis, paying for each service separately (i.e. investment advisory, separate account manager fees, brokerage, custody, etc.).

Wrap Program-Conflict of Interest. Under Registrant's wrap program, the client generally receives investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the client more or less than purchasing such services separately. The terms and conditions of a wrap program engagement are more fully discussed in Registrant's Wrap Fee Program Brochure. **Conflict of Interest:** Because wrap program transaction fees and/or commissions are being paid by Registrant to the account custodian/broker-dealer, Registrant could have an economic incentive to maximize its compensation by seeking to minimize the number of trades in the client's account. *See separate **Wrap Fee Program Brochure.***

Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding a wrap fee arrangement and the corresponding conflict of interest.

- E. As of December 31, 2020, the Registrant had approximately \$416,998,908 in assets under management on a discretionary basis and \$124,020,176 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

A. INVESTMENT ADVISORY SERVICES

NON-WRAP FEE BASIS

If a client determines to engage the Registrant to provide discretionary and/or non- discretionary

investment advisory services on a *fee* basis, the Registrant's annual investment advisory fee shall be based upon a percentage (%) of the market value and type of assets placed under the Registrant's management (between 0.10% and 1.00%). However, fees shall vary depending upon various objective and subjective factors, that could include but are not limited to: the representative assigned to the account, the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and negotiations with the client. (See also Fee Differential discussion, above.) As a result, similar clients could pay different fees, which will correspondingly impact a client's net account performance. Moreover, the services to be provided by the Registrant to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly. Before engaging Registrant to provide investment advisory services, clients are required to enter into a discretionary or non-discretionary Investment Advisory Agreement, setting forth the terms and conditions of the engagement (including termination), which describes the fees and services to be provided. **Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above fee arrangements and the impact on account performance.**

CENTRAL TRUST BANK WRAP FEE PROGRAM

If a client determines to engage the Registrant to provide investment management services on a wrap fee basis in accordance with the Registrant's Program, the services offered under, and the corresponding terms and conditions pertaining to, the Program are discussed in the Wrap Fee Program Brochure, a copy of which is presented to all prospective Program participants. Under the Program, the Registrant is able to offer participants discretionary investment management services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. The current annual Program fee ranges from .10 to 1.0%, depending upon the amount and type of the Program assets.

- B. Clients may elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/ clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients monthly in arrears, based upon the market value of the assets on the last business day of the previous month or another methodology agreed upon by Registrant and client, unless a minimum charge applies.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend that *RJA* serve as the broker-dealer/custodian for client investment management assets and that certain investment management accounts be custodied by Registrant (fixed income and cash balances) (See disclosure at Item 10 C.5). Broker-dealers such as *RJA* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual debt and/or equity transactions may be effected through broker-dealers

with whom Registrant and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through *RJA*, or other various SEC registered and FINRA member broker-dealers (in which event, the client shall incur both the transaction fee charged by the executing broker-dealer and a “tradeaway” fee charged by the account custodian). **Please Note:** The brokerage commissions and/or transaction fees charged by *RJA* may be higher or lower than those charged by other broker-dealers/custodians.

Please Note: Clients who engage the Registrant on a wrap fee basis **will not** incur brokerage commissions and/or transaction or asset based custodial fees in addition to the Program fee.

Please Also Note: Certain non-transaction custodial and safekeeping charges may be waived for Registrant’s clients who custody funds and securities at its related custodian.

- D. Registrant's annual investment advisory fee shall be prorated and paid monthly, in arrears, based upon the market value of the assets on the last business day of the previous month. The Registrant does not generally require an annual minimum fee or asset level for investment advisory services. However, Registrant, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, the Registrant shall debit the account for the pro-rated portion of the unpaid advisory fee based upon the number of days that services were provided during the billing quarter.

E. **Securities Commission Transactions.**

Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

Item 7 Types of Clients

The Registrant’s clients shall generally be limited to institutional clients (i.e., retirement plans, insurance companies and associations). The Registrant does not generally require an annual minimum fee or asset level for investment advisory services. However, Registrant, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). As a result, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

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

- A. The Registrant shall utilize the following methods of security analysis:
- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
 - Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
 - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

The Registrant shall utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

Please Note: Investment Risk. Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis, the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

- C. Currently, the Registrant primarily allocates client investments among individual equity and/or fixed income securities, exchange traded funds, mutual funds, and publically- traded master limited partnerships on a discretionary and non-discretionary basis in accordance with the client's designated investment objective(s).

Transactions involve the risk of loss of capital and contain transaction costs associated with conducting trades and the settlement process as well as potential tax consequences. It is not the intent of the investment strategy or process to result in frequent trading of securities, however more frequent or shorter-term holding periods may occur if market conditions change quickly or valuations are altered unexpectedly. A client's investment portfolio will fluctuate in value as market conditions change and the client could lose all or a portion of the value of the investment portfolio over short or long periods of time.

Risks associated with these asset types include:

1. Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
2. Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of the fund's specific investments as well as due to the fund's specific investments. Additionally, each security's price will fluctuate based on market movement and emotion, which may, or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.
3. Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
4. Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
5. Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
6. Market Risk (Systematic Risk): Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities to rise or fall. Because the value of your portfolio will fluctuate, there is a risk that you will lose money.
7. Unsystematic Risk: Unsystematic risk is the company-specific or industry-specific risk in a portfolio. The combination of systematic (market risk) and unsystematic risk is defined as the portfolio risk that the investor bears. While the investor can do little to reduce systematic risk, he or she can affect unsystematic risk. Unsystematic risk may be significantly reduced through diversification. However, even a portfolio of well-diversified assets cannot escape all risk.
8. Credit Risk: Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value, and thus, impact performance. Credit risk is greater for fixed income securities with ratings below investment grade (BB or below by Standard & Poor's Rating Group or Ba or below by Moody's Investors Service, Inc.). Fixed income securities that are below investment grade involve higher credit risk and are considered speculative.
9. Income Risk: Income risk is the risk that falling interest rates will cause the investment's income to decline.
10. Call Risk: Call risk is the risk that during periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the investment

to reinvest in bonds with lower interest rates than the original obligations.

11. **Purchasing Power Risk:** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply. Rising inflation means that if you have \$1,000 and inflation rises 5 percent in a year, your \$1,000 has lost 5 percent of its value, as it cannot buy what it could buy a year previous.
12. **Political Risks:** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
13. **Regulatory Risk:** Changes in laws and regulations from any government can change the market value of companies subject to such regulations. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
14. **Risks Related to Investment Term:** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not what we believe it is truly worth. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value.

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as ETFs and mutual funds are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss. As such, a mutual fund or ETF client or investor may incur substantial tax liabilities even when the fund underperforms.

Shares of mutual funds are distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholder's fees (e.g., sales loads, purchase fees, redemption fees). The per-share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes in the market value of the fund's holdings. The trading prices of a mutual fund's shares can differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies can cause the shares to trade at a premium or discount to their pro-rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. While clients and investors may be able to sell their ETF shares on an exchange, ETFs generally only redeem shares directly from shareholders when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular

ETF, a shareholder may have no way to dispose of such shares.

Item 9 Disciplinary Information

The Registrant has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

- C. **Bank.** The Registrant is an unincorporated division of The Central Trust Bank (the “Bank”) primarily located in Jefferson City, Missouri. The Bank is a privately held Missouri chartered bank that offers traditional banking services to the public. The Bank also serves a municipal securities dealer. The Bank shall maintain custody of Registrant’s client investment assets, limited to fixed income securities and cash balances. No client is required to use the Bank’s custody services, and may advise the

Registrant, in writing, should he/she/it desire to maintain custody of fixed income securities and cash balances at *RJA*. Certain of Registrant’s representatives are also employed by or provide support to the Bank. **The Registrant’s Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the Bank’s custodial services and the corresponding conflict of interest that is presented.**

Trust Company. The Registrant is under common control and ownership with the Central Trust Company. Central Trust Company is an unincorporated division of the Bank that provides fiduciary and financial services to its clients. The Registrant’s ownership relationship with Central Trust Company is not material to its advisory business. Registrant’s clients, on an unsolicited basis, may become clients of the Central Trust Company. In the event of such arrangement, no compensation is shared directly or indirectly with the Registrant.

- D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant’s overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant’s Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as “scalping” (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of the Registrant’s clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant’s “Access Persons”. The Registrant’s securities transaction policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a conflict of interest. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant’s Access Persons.

Item 12 Brokerage Practices

- A. In the event that the client requests that the Registrant recommend a broker- dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at *RJA* and that certain investment management accounts be held at Registrant (fixed income and cash balances) (See disclosure at Item 10.C.). Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.
- B. Factors that the Registrant considers in recommending *RJA* (or any other broker-dealer/custodian to clients) include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. For client assets custodied at The Central Trust Bank, fixed income trades are conducted with approved broker-dealer counterparties. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to obtain best execution, a client

may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant receives from *RJA* (another broker-dealer/custodian, investment platform, unaffiliated investment manager, mutual fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that are received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *RJA* because of this arrangement. There is no corresponding commitment made by the Registrant to *RJA* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

The Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest presented.

1. The Registrant does not receive referrals from broker-dealers.
2. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by

Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Please Note: In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

The Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- C. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom the Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Portfolio Managers. It remains the client's responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues, investment objectives and account performance with the Registrant on an annual basis, as applicable.

Registrant *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

- B. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, the Registrant receives economic benefits from *RJA* including services and/or products without cost or at a discount.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *RJA* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *RJA* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

The Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest created by such arrangement.

- B. Neither the Registrant nor its Representatives compensate any person for client referrals.

Item 15 Custody

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a monthly basis. Clients are provided with transaction confirmation notices and regular summary account statements directly from the account custodian. Those clients to whom Registrant provides investment supervisory services may also receive a periodic report from the Registrant summarizing account activity and performance.

Please Note: To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

Please Also Note: Custody Situations: The Registrant engages in other practices and/or services on behalf of its clients that require disclosure at the Custody section of ADV Part 1, which practices and/or services are subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940. The Registrant also obtains an Internal Control report in connection with use of a related custodian. The Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding custody-related issues.

Item 16 Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, the client shall be required to execute *Investment Advisory Agreement*, naming the Registrant as the client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name for found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at any time, impose restrictions, **in writing**, on the Registrant's discretionary authority. (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

Item 17 Voting Client Securities

- A. The Registrant does not vote client proxies. Clients maintain exclusive responsibility for:
(1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

ANY QUESTIONS: The Registrant's Chief Compliance Officer, Joyce Hoskins, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.