

**SAA Advisors, Inc.
d/b/a: Strategic Asset Alliance**

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**FORM ADV PART 2
BROCHURE**

This brochure provides information about the qualifications and business practices of SAA Advisors, Inc. d/b/a Strategic Asset Alliance. If you have any questions about the contents of this brochure, please contact us at saa@saai.com or (360) 255-2500. 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 SAA Advisors, Inc. d/b/a Strategic Asset Alliance is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for SAA Advisors, Inc. d/b/a Strategic Asset Alliance is: 148763.

SAA Advisors, Inc. d/b/a Strategic Asset Alliance is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the filing of our last annual updating amendment, dated March 25, 2020, there have been no material changes made to this Form ADV Brochure.

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Item 4 Advisory Business

SAA Advisors, Inc. d/b/a Strategic Asset Alliance (hereinafter "SAA Advisors") is owned by Alton Cogert. We are based in Bellingham, Washington. SAA Advisors is organized as a corporation under the laws of the State of Washington, and is registered as an investment adviser with the U.S. Securities and Exchange Commission. We have been providing investment advisory services since 2008.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Strategic Asset Alliance and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Investment Advisory Consulting Services

Partner Clients

SAA Advisors provides investment advisory services, participant education and fiduciary services to pension plans, insurance companies, governmental risk pools and related entities on a non-discretionary basis. SAA Advisors offers a suite of investment advisory services to partner clients which include but are not limited to: strategic asset allocation, investment policy and guidelines, peer group analysis, investment manager education and selection, portfolio monitoring and performance measurement and analysis. These services are tailored to the specific needs and objectives of the client and terms are agreed upon by signing an Agreement. SAA Advisors will honor reasonable restrictions on investing in certain securities or types of securities imposed by the client in writing. A description of our services are described below:

Participation Education

SAA Advisors considers investment education for plan participants as an integral part of the services the Firm provides where the goal is to supply participants with information to allow them to make sound investment decisions. SAA Advisors' participant education program may include sessions which cover both basic and advanced topics such as the dynamics of existing and potential asset classes which may be suitable for a participant's portfolio.

Existing Plan Review

A plan review is a comprehensive exam of major components of the Client's pension plan in order to identify strengths and weaknesses. The review may cover such areas as overall plan structure, related costs, and plan documentation.

Investment Policy Development and Review

SAA Advisors considers the Investment Policy Statement to be a key component of a plan's investment program which SAA Advisors utilizes as a "road map" to govern the investment program.

SAA Advisors will initially meet with the plan sponsor, trustees and/or plan committee to gather information to allow SAA Advisors to fully understand the plan's risk tolerance and investment objectives.

Once SAA Advisors has completed the information gathering process, SAA Advisors will review the existing Investment Policy Statement or draft a new Investment Policy Statement which incorporates information gathered by SAA Advisors in discussions with the plan sponsor, trustee and/or plan committee. The Investment Policy Statement generally includes a purpose statement, investment goals and objectives, responsibilities of key personnel, identification of key constraints, eligible investments, asset allocation and liability process, portfolio rebalancing process, risk management process, performance benchmarks and performance reporting process.

Investment Manager Recommendations and Monitoring

SAA Advisors recommends and then monitors investment managers to ensure that the manager is performing in a manner which SAA Advisors believes is satisfactory taking into account the following factors:

1. Performance relative to benchmarks and peers on a continuous basis
2. Adherence to guidelines
3. Adherence to mandate/style
4. Rapid increase/decrease in assets under management
5. Consistency of process
6. Volatility and risk characteristics

In the event SAA Advisors concludes that a particular manager is deficient in any area, it will advise the Client and may make a recommendation of termination, however, the Client shall have sole discretion to take any action as deemed necessary.

Asset Allocation Advice

SAA Advisors will review the plan's menu of investments designed to analyze risk and return and correlations between asset classes with the purpose of achieving the goals and objectives of the Plan's Investment Policy. SAA Advisors process for recommending an overall portfolio structure takes many factors into consideration including:

1. Constraints detailed in the Investment Policy Statement
2. Views and predispositions of the responsible investment fiduciary
3. Investment sophistication of the responsible investment fiduciary
4. Cost/benefit of certain investment vehicles
5. Performance reporting implications

Vendor Searches

SAA Advisors will conduct a search of the marketplace and provide quotations from leading retirement plan vendors that are compatible with the plan's needs. SAA Advisors will then make recommendations regarding vendor selection based upon study results and the plan's goals and objectives.

Performance Monitoring and Reporting

SAA Advisors provides plans with quarterly investment reviews including performance relative to established benchmarks, asset allocation and achievement of client goals and objectives.

Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide are described above, and in the service agreement that you have previously

signed with our firm. These services are designed to assist retirement plan sponsors, trustees and/or plan committees in meeting their plan management and fiduciary obligations under the Employee Retirement Income Security Act or other applicable law. Our compensation for these services is described below, at Item 5, and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you. In providing services to the Plan, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting as a fiduciary of the Plan as defined in Section 3(21)(A)(ii) under ERISA.

SAA Advisors offers non-discretionary investment advisory services under ERISA Section 3(21). When you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. Clients retaining SAA Advisors on a non-discretionary basis have full authority to accept or reject any fund recommendations made by SAA Advisors. Client retains and exercises the final decision-making authority and responsibility for the implementation (or rejection) of any recommendations or advice rendered by SAA Advisors.

SAA Solutions

SAA Solutions is our guided platform for insurance companies and governmental risk pools with an investment portfolio under \$25 million dollars. SAA Solutions provides the following for smaller insurance companies and governmental risk pools:

- Strategic Asset Allocation Analysis -Advice on the current investment asset allocation and risk profiles, subject to current insurance regulations, every two years or as material business changes occur.
- Investment Policy Generation - SAA Advisors will assist client in developing a policy utilizing SAA Advisors' "Best Practices" templates, including the setting of your company's benchmark (tied to asset allocation).
- Performance Monitoring - Ongoing monitoring of investment portfolio holdings and risks, based upon recommended benchmarks.
- Quarterly Review Call: Review and analysis of your portfolio's quarterly performance with the Board, Investment Committee and/or senior management via conference call.
- Quarterly Trade Execution- SAA Advisors executes quarterly trades via Vanguard Brokerage Services®, as necessary, to re-balance portfolio if outside of policy limits.

SAA Advisors offers non-discretionary investment advisory services. When you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. Clients retaining SAA Advisors on a non-discretionary basis have full authority to accept or reject any fund recommendations made by SAA Advisors. Client retains and exercises the final decision-making authority and responsibility for the implementation (or rejection) of any recommendations or advice rendered by SAA Advisors.

InsurerCIO

SAA Advisors also offers a complimentary membership, InsurerCIO. InsurerCIO is a resource for insurance companies to find the latest news and insight on the current financial landscape and provides the following including but not limited to: complimentary registration to the Insurer Investment Forum, peer group analysis, access to the Manager Select Database, reports, and newsletters.

Currently, InsurerCIO is not offered to users within the European Union.

Project Consulting Services

SAA Advisors also works with insurance companies and government risk pools on a per project basis. SAA Advisors provides the following per project services to insurers and risk pools including but not limited to: investment policy 'best practices' review, strategic asset allocation, peer group analysis, portfolio benchmarking investment manager search and evaluation, portfolio monitoring, performance measurement, quarterly investment review, SWOT ("strength, weakness, opportunity and threat") analysis, fiduciary and governance review, board/committee education, rating agency consulting, dynamic financial analysis, portfolio credit review, OTTI ("other than temporary impairment") review.

Strategic Asset Alliance, Inc.

Strategic Asset Alliance, Inc. was incorporated in 1994 and only provides consulting services to insurance companies. Under the Investment Advisers Act of 1940, 203.80b-3(a), Strategic Asset Alliance, Inc. is exempt from registration as all clients are insurers.

We perform similar investment consulting duties as SAA Advisors as noted above to insurers only. Since 2008, all new clients sign agreements with SAA Advisors, Inc. dba Strategic Asset Alliance.

Selection of Other Advisers

We may recommend that your entity use the services of an unaffiliated investment manager during the investment manager search and evaluation process for all, or a portion of, your investment portfolio. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the third party's expertise, performance, philosophy, process, methods of analysis, fees, your entity's financial needs, investment goals, risk tolerance, and investment objectives. We will monitor the third party adviser's performance to ensure its management and investment style remains aligned with your investment goals and objectives

Types of Investments

We offer advice on index mutual funds and exchange traded funds ("ETFs"). Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Assets Under Management

We do not manage assets on a continuous basis, our focus is providing consulting services to Insurers and Pension Plan clients.

Item 5 Fees and Compensation

Investment Advisory Consulting Services

Partner Clients

SAA Advisors provides investment advisory consulting services, participant education and fiduciary services to pension plans, insurance companies, governmental risk pools and related entities on a non-discretionary basis. SAA Advisors offers a suite of investment advisory consulting services to partner clients.

Our fixed fees are negotiable and range between \$35,000 and \$200,000 annually depending on the scope and complexity of the services rendered. The actual fee will be determined mutually at the outset of each relationship based on the expected amount of work required, time involved, and the complexity of the engagement.

SAA Solutions

SAA Solutions is our guided platform for insurance companies and governmental risk pools with an

investment portfolio under \$25 million dollars.

Our fee is a fixed annual rate is \$25,000 for assets up to \$25,000,000 and is negotiable depending on the scope and complexity of the services rendered. Our fees are negotiated in advance with the client and the specific negotiated fee will be stated in the Agreement.

Project Consulting Services

SAA Advisors also works with insurance companies and government risk pools on a per project basis. SAA Advisors provides the following project services to insurers and risk pools.

Our per project fees range from \$7,500 and \$100,000 and is negotiable depending on the scope and complexity of the services rendered. Our fees are negotiated in advance with the client and the specific negotiated fee will be stated in the Agreement.

InsurerCIO

SAA Advisors also offers a complimentary membership, InsurerCIO, and does not charge a fee. Currently, InsurerCIO is not offered to users within the European Union.

Strategic Asset Alliance, Inc.

Strategic Asset Alliance, Inc. was incorporated in 1994 and only provides consulting services to insurance companies only. Under the Investment Advisers Act of 1940, 203.80b-3(a), Strategic Asset Alliance, Inc. is exempt from registration as all clients are insurers. Since 2008, all new clients sign agreements with SAA Advisors, Inc. dba Strategic Asset Alliance. See above for fees.

Our fees are billed quarterly, in advance, at the beginning of each calendar quarter based upon the balance at the end of the previous billing period. All terms of our engagement will be evidenced in the agreement that you sign with our firm. Under no circumstances will we require prepayment of a fee in excess of \$1200 for services not performed within six months of the advanced payment.

You may terminate the agreement upon 30 days notice. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Additional Fees and Expenses

In certain circumstances, clients may pay reasonable travel related expenses in connection with SAA Advisors advisory services.

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

Recommendation of Other Advisers

We may recommend that you use a third party money manager ("TPMM") based on your needs and suitability. We will not receive separate compensation, directly or indirectly, from the TPMM for recommending that you use their services. Moreover, we do not have any other business relationships with the recommended TPMM(s). Refer to the *Advisory Business* section above for additional disclosures on this topic.

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

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

SAA Advisors provides investment consulting and advisory services to insurers, pension plans sponsored by insurers, government risk pools and other entities related to insurers.

In general, we do not require a minimum dollar amount to open and maintain an advisory account.

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

SAA Advisors will use several different methods to analyze and recommend investment strategies, including determining the expected risk of loss.

Strategic Asset Allocation

As this decision is the most important decision you will make when reviewing your investment strategy, SAAA spends considerable time and effort in this area. Analyses used may include efficient frontier analysis, downside risk analysis, analysis of your entity's financial and operating leverage, profitability, taxability, asset/liability management and several other factors. Risk and reward is carefully considered in light of your firm's goals, objectives and risk appetite.

Investment Policy

Utilizing our experience of similar entities with 'successful' investment strategies, we will assist in constructing an investment policy with material safeguards, which can be successful in balancing risk and reward, tied to the preferred strategic asset allocation, and focused on your entity's goals and objectives.

Peer Group Analysis

Subject to data availability, SAAA will compare key statistics about your entity to relevant peers. These peers are typically in similar lines of business and have similar sized portfolios.

Investment Manager Evaluation and Search

Where applicable and requested by you, SAAA will evaluate your existing investment manager(s), as well as conduct an investment manager search for a given mandate. The search process will utilize an analysis and comparison of different manager's capabilities along the lines of: People, Process, Philosophy and Performance.

Investment Benchmarking

Based upon the preferred strategic asset allocation, SAAA will assist in constructing customized benchmarks (or utilize generic benchmarks) that will provide a reasonable 'hurdle' for performance of investment managers and other investments.

Portfolio Monitoring

As financial conditions can change in financial markets, the economy and at your entity between the availability of performance reporting (see below), SAAA will monitor the portfolio for material events that may impact your entity's investment strategies. These events may include regulatory, accounting and rating agency changes, as well.

Performance Measurement

Quarterly, or as directed by you, SAAA will provide an investment review that provides performance of your portfolio, in a material level of detail. Where applicable and requested by you, SAAA will consider after-tax performance, risk adjusted performance measures and performance compared to other similarly mandated accounts.

Our firm refers clients to Third Party Money Managers ("TPMMs") who will provide advice to clients in accordance with the relevant programs they offer. We have reviewed the programs and strategies of the recommended TPMMs and determined that they may be appropriate for you based on your individual circumstances and investment goals.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

Liquidity Risk: The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

Credit Risk: Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

Inflation and Interest Rate Risk: Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

Time Horizon Risk: The risk that your investment horizon is shortened because of an unforeseen event. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money.

Outbreaks of Communicable Infections or Diseases.

Disease outbreaks and other public health conditions, such as the global outbreak of the novel COVID-19 ("coronavirus") currently being experienced, in markets in which *Investment Adviser* has made and will continue to make investments, can have a significant negative impact on certain investments. Global financial markets, which includes U.S. markets, have begun to reflect the uncertainty associated with the slowdown in the economy and the potential impact if businesses, workers, customers and others are prevented or restricted from conducting business activities due to quarantines, business closures or other restrictions imposed by businesses or governmental authorities in response to the coronavirus outbreak. This could result in an economic downturn and cause market disruption which negatively impacts to the *Investment Adviser's* investments.

The imposition of international and domestic travel restrictions and the potential disruption to the *Investment Adviser's* business if *Investment Adviser's* employees are subject to quarantine, contract coronavirus, or are otherwise unable to work due to restrictions related to the coronavirus outbreak could negatively impact *Investment Adviser's* business and could have a material adverse effect on the *Investment Adviser's* ability to manage client assets. Due to the significant disruptions resulting from the risks described above, the *Investment Adviser* has a business continuity plan that has been implemented, pursuant to which personnel will work from home or remote locations. The *Investment Adviser* believes that it has taken and will continue to take all necessary actions pursuant to its business continuity plan, but *Investment Adviser* will have increased exposure to such disruptions. *Investment Adviser* will monitor all these potential issues in order to ensure that *Investment Adviser's* business continues as normal to the greatest extent possible and the health and safety of its employees, clients, service providers and principals are given the highest priority.

Recommendation of Particular Types of Securities

We recommend mutual funds and exchange traded funds ("ETFs"). However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

Investing in securities involves risk of loss that clients should be prepared to bear. Client accounts are regulated under the Employee Retirement Income Securities Act and/or other applicable law. Material risks involved in our analyses are the assumptions used in the asset allocation model, the manner that the model uses those assumptions to produce analyses and the interpretation of those analyses to produce a recommendation. These risks are endemic to every modeling exercise utilized for asset allocation. In any event, our recommendations do not typically involve frequent trading of securities, as

the recommendations are typically strategic not tactical in nature.

SAA Advisors will recommend asset classes appropriate for the client. Asset classes will vary from those with low risk, low reward to those with high risk, high reward and are so explained to the client. Risks may include interest rate, credit, market valuation, liquidity, prepayment and optionality.

As appropriate, SAA Advisors may recommend clients invest in Exchange Traded Funds (ETFs) or Index Mutual Funds (Index Funds). In either case, the ETF or Index Fund would be one that tracks the performance of a passive equity or bond index. ETFs are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. ETFs will have a manager that trades the fund's investments in accordance with the fund's investment objective. While ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. During time of extreme market volatility ETF pricing may lag vs the actual underlying asset values. This lag usually resolves itself in a short period of time (usually less than one day) however there is no guarantee this relationship will always occur. The returns on ETFs can be reduced by the costs to manage the funds.

Index Funds are professionally managed mutual funds that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof and are designed to perform similar to investing in a diversified stock or bond index. Index Funds will have a manager that trades the fund's investments in accordance with the fund's investment objective. While Index Funds generally provide close tracking to a passive stock or bond index, risks can be increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities), depending upon the passive index being tracked. Index Funds, like Mutual Funds can only be bought and sold based upon end of trading day pricing. During time of extreme market volatility Index Fund pricing may lag vs the actual underlying asset values. This lag usually resolves itself in a short period of time (usually by the next day) however there is no guarantee this relationship will always occur. The returns on Index Funds can be reduced by the costs to manage the funds.

Item 9 Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

We are affiliated with Strategic Asset Alliance, Inc. through common control and ownership. Strategic Asset Alliance, Inc. provides consulting services to insurance companies. Alton Colgert is the President/CEO and Daniel Smereck, Managing Director spend a significant amount of time devoted to the operations of Strategic Asset Alliance, Inc. In one case, an insurance company client of the Firm is also a client of Strategic Asset Alliance, Inc. in that the Firm's client is a sponsor of a retirement plan. Our advisory services are separate and distinct from the compensation paid to our affiliate for their services. Since 2008, all new clients sign agreements with SAA Advisors, Inc.

Referral arrangements with an affiliated entity presents a conflict of interest for us because we may

have a direct or indirect financial incentive to recommend an affiliated firm's services. While we believe that compensation charged by an affiliated firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use the services of any firm we recommend, whether affiliated or otherwise, and may obtain comparable services and/or lower fees through other firms.

SAA Advisors has contracted with Strategic Asset Alliance, Inc. to provide performance reports and investment analyses for its clients. These reports and analyses are reviewed by SAA Advisors and discussed with clients.

Strategic Asset Alliance, Inc. holds an annual conference for its clients which is sponsored and partially paid for by certain third party investment advisers, which SAA Advisors may recommend to clients. Under their sponsorship agreement with Strategic Asset Alliance, such sponsors acknowledge that their sponsorship does not result in Strategic Asset Alliance giving them any preferential treatment. However, as a result of this arrangement, SAA Advisors may have a conflict of interest and incentive to recommend these advisers over others. While we believe that compensation charged by an affiliated firm is competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. Clients are under no obligation to utilize any third party advisers recommended by SAA Advisors and may use the third party adviser of their choice.

Recommendation of Other Advisers

We may recommend that you use a third party money manager ("TPMM") based on your needs and suitability. We will not receive separate compensation, directly or indirectly, from the TPMM for recommending that you use their services. Moreover, we do not have any other business relationships with the recommended TPMM(s). Refer to the *Advisory Business* section above for additional disclosures on this topic.

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

SAA Advisors has adopted a Code of Ethics, the full text of which is available to clients or prospective clients upon request. SAA Advisors has several goals in adopting this Code. SAA Advisors strives to comply with all applicable laws and regulations governing its practice. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. The management of SAA Advisors has determined to set forth guidelines for professional standards, under which all associated persons of SAA Advisors are to conduct themselves. SAA Advisors has set high standards, the intention of which is to protect client interests at all times and to demonstrate its commitment to its fiduciary duties of honesty, good faith and fair dealing with clients. All associated persons are expected to adhere strictly to these guidelines, as well as the procedures for approval and reporting established in the Code of Ethics primarily related to personal securities transactions, and violations of the Code. In addition, SAA Advisors maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by SAA Advisors or any person associated with the Firm.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory or portfolio management services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to

you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Block Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Refer to the *Brokerage Practices* section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We recommend the brokerage and custodial services of multiple custodians (whether one or more "Custodian"). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.
- The likelihood that your trades will be executed.
- Availability of investment research and tools.
- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Economic Benefits

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other client accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Mutual Fund Share Classes

Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. When we purchase, or recommend the purchase of, mutual funds for a client, we select the share class that is deemed to be in the client's best interest, taking into consideration cost, tax implications, and other factors. When the fund is available for purchase at net asset value, we will purchase, or recommend the purchase of, the fund at net asset value. We also review the mutual funds held in accounts that come under our management to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent deferred sales charges.

Item 13 Review of Accounts

Either Alton Cogert, President and Chief Compliance Officer or Daniel Smereck, Managing Director, will conduct a formal review of client accounts on at least a quarterly basis or more frequently if requested by the client and part of the agreement with the client. Reviews are conducted to ensure the advisory services provided are consistent with client goals and objectives, performance relative to established benchmarks and asset allocation.

SAA Advisors provides clients with written reports. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Item 14 Client Referrals and Other Compensation

We do not receive any compensation from any third party in connection with providing investment advice to you nor do we compensate any individual or firm for client referrals.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

Item 15 Custody

SAA Advisors does not receive any fees from your investment accounts in any manner. SAA Advisors' fees are billed separately directly to your entity.

We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. You should carefully review account statements for accuracy.

Item 16 Investment Discretion

Once you enter into a non-discretionary agreement with SAA Advisors, you will retain and exercise the final decision-making authority and responsibility for the implementation (or rejection) of any recommendations or advice rendered by SAA Advisors. Under this non-discretionary arrangement with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

SAA Advisors will not take any action or render any advice with respect to voting of proxies solicited by, or with respect to, the issuers of securities in which client assets may be invested. Proxies or other solicitations are not received from SAA Advisors to the client, but instead are typically forwarded by their custodian or transfer agent. Clients may contact SAA Advisors with questions about a particular solicitation, but SAA Advisors will not render a recommendation on such.

Item 18 Financial Information

SAA Advisors does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, thus a balance sheet or other financial disclosure is not required.

We have not filed a bankruptcy petition at any time in the past ten years.

Item 19 Requirements for State-Registered Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.