

DISCLOSURE BROCHURE

(Form ADV, Part 2A)

SAGE INVESTMENT COUNSEL LLC

142 5th Avenue North

Franklin, TN 37064

Phone: 615-591-1210

Email: info@SageInv.com

Website: www.SageInv.com

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This brochure provides information about the qualifications and business practices of Sage Investment Counsel LLC (hereinafter “Sage Investment Counsel”). If you have any questions about the content of this brochure, please contact us at 615-591-1210 or email us at info@SageInv.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Registration does not imply a certain level of skill or training.

Additional information about Sage Investment Counsel is also available at the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Summary of Material Changes

The purpose of this page is to inform you of any material changes since the previous version of this Brochure. We review and update our brochure at least annually to make sure that it remains current.

On February 12, 2021, we submitted our annual updating amendment for fiscal year 2020. Since our previous annual updating amendment filed on March 31, 2020, we have changed the legal name of our company from Mabry-Calvin, LLC to Sage Investment Counsel LLC. Dirk Calvin, sole member, Chief Investment Officer (CIO), and Chief Operating Officer (COO), now also serves as the Chief Compliance Officer (CCO) for Sage Investment Counsel LLC. Charlotte Mabry is no longer associated with the firm.

We have updated Item 4 of our brochure to reflect that as of January 15, 2021, we had approximately \$111,937,537 in client assets under management on a discretionary basis and no client assets under management on a non-discretionary basis.

We have updated Item 5 of our brochure to clarify that fees are payable either in arrears or advance depending on your agreement for services with our firm. If you did not receive our disclosure brochure document(s) at least 48 hours prior to signing a portfolio management agreement with our firm, you will have five (5) business days in which to cancel the agreement without penalty. Thereafter, either party may terminate the portfolio management agreement upon 30-days written notice to the other party. 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 are billed in arrears, any fees owed become due immediately. If you have pre-paid advisory fees in advance that we have not yet earned, you will receive a prorated refund of those fees.

We have updated Item 8 of our brochure to include risks associated with strategies using options, margin transactions, short-selling, and short-term trading.

We have also updated Item 12 of our brochure to include disclosures regarding the Schwab Securities Lending Program, a fully paid Securities Lending program, which enables qualified investors to lend fully paid-for securities to Schwab. Schwab earns revenue from lending these securities to other clients of Schwab and a portion of that revenue is shared with you and Sage Investment Counsel. If you elect to participate in this program, Sage Investment Counsel will receive compensation from Schwab. The receipt of this extra compensation creates a conflict of interest. This conflict triggered because this extra compensation may cause our firm to hold a security in your account that would otherwise be liquidated, but not for receipt of additional compensation. This conflict is mitigated by our adherence to our fiduciary obligations and the requirement that investment decisions made by the Associated Person servicing your account must be in your best interest. Additionally, if an account holds these positions, Sage Investment Counsel's compensation will increase nominally, but the security will also generate income for your account. Not all accounts or clients qualify for this program.

We updated Item 15 of our brochure to clarify that we your funds and securities will be held with an unaffiliated bank, broker-dealer, or other independent, qualified custodian. In some cases, as paying agent for our firm, the account custodian will calculate the advisory fee based on your advisory agreement with us; and they will directly debit your account(s) for the payment of our advisory fees. You will receive account statements from the independent, qualified custodian(s) holding your funds

and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. If you have questions or if you did not receive a statement from your custodian, please contact us at (615) 591-1210.

We updated Item 17 of our brochure to clarify that we do not accept authorization to vote proxies on behalf of clients. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you or your designated representative are responsible for exercising your right to vote as a shareholder. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies. If you have questions about a particular proxy voting matter, you can contact us at (615) 591-1210.

Please carefully review this brochure in its entirety. If you have any questions or if you would like to receive a copy of our current brochure free of charge at any time, contact us at 142 5th Avenue North, Franklin, TN 37064, or call 615-591-1210, or email us at info@SageInv.com.

SAGE INVESTMENT COUNSEL LLC

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Note: In this document, the word “we” refers to our firm, Sage Investment Counsel. “You” refers to the reader, as a prospective or current client.

Item 4 Advisory Business

A) Description of our firm

We provide investment advice and/or manage investment securities for our clients. William Dirk Calvin, CIO, COO, and CCO, is the sole member of our firm (formerly known as Mabry-Calvin, LLC, which was founded in 1989). The company has been registered as an investment adviser since 2010. In addition to managing investment securities, we also monitor the return performance of our client’s discretionary, non-discretionary, and “held-away” assets. Clients decide which of the “held-away” accounts they wish to have monitored.

B) Description of our services

We offer ongoing portfolio management, as well as, recommend various mutual funds, index funds, ETF’s, fixed income securities, and outside Registered Investment Advisers to our clients. We manage some accounts on a discretionary basis. We also work with some accounts on a non-discretionary basis. In addition, we provide investment performance measurement on any, and all, accounts our clients choose to add to our third-party measurement service.

C) Tailoring our services to individual needs and restrictions on investing

While clients share many similarities, we manage portfolios with the purpose of reaching investment goals that are suitable for the individual client. We will not manage accounts if client goals are not compatible with one of our investment styles. We will, however, monitor any client accounts even if the goal is not compatible with our philosophy or investment style. Accounts that we manage will be separate, not pooled, and held at a custodian independent of us.

Clients may impose restrictions on investing in certain securities or types of securities in some of the portfolios in which we maintain discretion. We inform clients when, and if, these restrictions are not possible.

D) Wrap fee programs

We do not manage wrap fee programs.

E) Assets under management

As of January 15, 2021, we managed approximately \$111,937,537 in discretionary assets and no non-discretionary assets.

Item 5 Fees and Compensation

A) How we are compensated for our services

We are compensated by charging asset-based fees on accounts that we manage, oversee, consult upon, or monitor for performance. (In other words, our fees are based on a percentage of assets under management, consultation, or review.) These asset-based fees generally differ depending on the job we are hired to do. We clearly delineate the nature of each fee we charge and the service provided for the fee.

Our fees are negotiable, and we generally take into account portfolio size, and/or “familial relationship” (Where we group several clients together in order to provide a common discount.)

We charge a maximum annual fixed fee of 1.5% of assets under management, payable quarterly, in arrears or in advance, for accounts that we manage with discretion.

Our fees are generally lower when we construct a portfolio using primarily mutual funds, index funds, or ETF's.

Performance measurement services are billed at a lower rate than investment management services.

B) How we bill for our fees

Our clients pay us quarterly fees. Clients may pay by check, or have us invoice the custodian to deduct it from the accounts.

If your fees are due in arrears, we calculate quarterly fees on the ending value of your account for the relevant calendar quarter. For example, the fees for the first quarter (i.e., January, February, and March) are based on the ending account value as of March 31 and are due in April. Conversely, if your fees are due in advance, we calculate quarterly fees based on the ending value of your account as of the last day of the previous quarter. For example, fees for the first quarter (i.e., January, February, and March) are based on the account value as of December 31 and are due in January. Fees for partial periods will be prorated based on the number of days for which you were a client.

When management fees are billed directly, payment is due within 30 days of the invoice. Where agreed upon, we will deduct our fees directly from the designated account; we typically will invoice your custodian in the first month following the recently completed calendar quarter. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.

- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts disbursed from your account including the amount of the advisory fee paid directly to our firm.

We encourage you to carefully review the statement(s) you receive from the qualified custodian. If you have questions or if you did not receive a statement from your custodian, call our main office number located on the cover page of this brochure.

C) Fees or expenses paid in connection with our advisory services

In addition to the advisory fee that clients pay us, clients also pay brokerage fees and fees charged by any mutual fund or exchange-traded fund (together, “fund”) that they hold. There may also be incidental charges or fees charged by the custodian of your account for services that may or may not be related to trading.

For brokerage services, we recommend Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC for account brokerage and custodial services. Please see Item 12 of this brochure for more information about our brokerage practices and our relationship with Schwab.

Your investment return will be reduced by fees and expenses that a mutual fund or exchange-traded fund (together, “funds”) that you hold charges. When evaluating our services, you should take into account both the fees that we charge and the fees charged by the funds in your account. Funds can charge management fees, fund expense fees, and distribution fees. Some mutual funds impose an initial or deferred sales charge (although we try not to buy funds that have sales charges for our clients). Funds deduct fees from your investment in the fund. You will find a description of a fund’s fees and expenses in its prospectus. You can invest in a fund on your own, without using our services.

We currently recommend the use of Schwab as the custodian of your discretionary and non-discretionary accounts.

We may make trades as a block where possible and when we believe it is advantageous to our clients. This permits the trading of aggregate blocks of securities coming from or going to multiple client accounts. When your account participates in an aggregate trade, the price for the security will be the average cost per unit for the block.

Broker transaction costs are shared equitably among clients, but may still vary from account to account based on activity.

See section titled “Brokerage Practices” of this brochure for additional information.

D) Termination of advisory contract

If you did not receive our disclosure brochure document(s) at least 48 hours prior to signing a portfolio management agreement with our firm, you will have five (5) business days in which to cancel the agreement without penalty. Thereafter, either party may terminate the portfolio management agreement upon 30-days written notice to the other party. 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 are billed in arrears, any fees owed become due immediately. If you have pre-paid advisory fees in advance that we have not yet earned, you will receive a prorated refund of those fees.

E) Compensation for the sale of securities or other investment products

We do not accept compensation for the sale of securities. We do receive benefits (see section titled “Brokerage Practices”) through participation in the institutional service program at Schwab. However, the benefits we receive do not depend upon the amount of brokerage commissions we direct to them.

One or more persons providing investment advice on behalf of our firm are licensed insurance brokers/agents. Such licensed persons are eligible to earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions are separate and in addition to our advisory services and fees.

Receipt of commission-based compensation presents a conflict of interest because persons providing investment advice on behalf of our firm who are licensed insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than recommendations made solely based on your needs. We address this conflict of interest by recommending insurance products only where suitable and in accordance with investment advice being provided to the client. Clients are under no obligation contractually or otherwise, to purchase insurance products through any person or entity affiliated with our firm.

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

In addition to charging an “Asset-based fee,” or a fee as a percentage of assets under management or review, Sage Investment Counsel currently offers one investment program known as the “MAGI” where the fee is based solely on the performance of the client account. These accounts are primarily comprised of individual equity positions and for the most part considered “concentrated portfolios” as they generally hold less than 25 stocks or ETF’s. All accounts will hold some level of cash. There is no annual management fee charged against a “MAGI” account. Instead the fee is based on a share of the capital gains/Dividends and Income or capital appreciation of the account for the contract period of the account (usually a 12-month period.) Each account in this program is subject to one or more “hurdles” which must be surmounted for the contract period in question before the fee can be calculated and invoiced.

The performance fee is subject to negotiation but cannot exceed 15% of the account Total Return for any given contract year. The hurdles may be negotiated. For example: An annual contract period hurdle of 6% return, plus additional hurdles such as a cumulative return of 6% since the inception of an account may apply. Each “MAGI” account may also include a “high water mark” based on the highest closing Net Balance recorded for previous contract years. The performance fee may be entirely eliminated or reduced if a previous anniversary “high water mark” is not reached. Each MAGI account is negotiated in advance as to these particulars and ruled by an agreement signed in advance by the client and Sage Investment Counsel. Each agreement is for a 12-month period and may be cancelled by either party, at any time, with 30 days written notice.

The account will incur additional execution-related expenses included but not limited to commissions, markups/markdowns, security exchange fees, foreign security fees or taxes, or other Custodial/Broker-Dealer fees. The annual return used to calculate the “Performance-based Fee” will be net of these account fees and expenses.

In the interest of full and fair disclosure and fully informed consent, the following possibilities arise from the Incentive Fee based on Performance:

Incentive fee arrangements may create an incentive for the Adviser to make investments that are more risky or speculative than might be the case in the absence of a fee based on performance. Investors are advised that the Adviser may receive increased compensation (compared to a fixed Asset-based fee) based on unrealized appreciation as well as realized gains on assets.

Sage Investment Counsel offers this “Performance-Based Fee” program only to “Qualified Investors” as defined by the Securities Exchange Commission Rule 205-3(d)(1).

Item 7 Types of Clients

We offer investment advice to individuals, pension and profit sharing plans, trusts, charitable organizations, and businesses.

We generally prefer that our clients have Total Investment accounts with a dollar value of at least \$2,000,000. Account minimums are negotiable, and can vary depending on the clients and our willingness at any time to undertake new business. In some cases, we would impose no minimum.

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

A) Method of analysis and investment strategy used in formulating investment advice

All investments contain some element of risk. We make no guarantee of investment success.

We try to mitigate risk by managing portfolios with a long-term approach to investing. Occasionally, we might use shorter-term strategies when buying or selling securities, but that is not our focus. Our strategy is to concentrate investments in a fewer number of holdings when possible. We believe this approach allows us to focus on our best investment ideas.

Client accounts may make use of money market funds to hold cash balances. Your account may also make use of mutual funds or exchange-traded funds.

You may not be invested in the same securities as other clients. For example, we may consider a security worth holding for a client who has already bought it, but determine that the same security is not priced low enough in relation to our estimate of its intrinsic worth to be an appropriate investment for a new client, or for new additions of capital by existing clients. One outcome of this approach to investing is that newer clients often will not hold some securities that older clients have bought and continue to hold.

We often hold U.S. Treasury Inflation-protected security funds, Short-term Government and Corporate Bonds, Bond funds, ETF's, Money Markets, or Cash when we do not find stocks or other investments we want to buy.

In cases in which clients wish to be fully invested in equities at all times, or maintain an over-weighted position in a particular security, or wish to place constraints on ownership of certain securities, we can accommodate them. In most cases, however, we recommend that clients let us have the full range of discretion.

We use a variety of techniques, resources, and methods to help determine the types of securities we wish to own in your account. We also learn as much about you, your needs, and your goals as we possibly can before we make recommendations to you about your investments.

B) Risk involved in our investment strategies

Despite our belief in the long-term desirability of focusing capital in a relatively few securities, concentration can expose your portfolio to greater company-specific and industry-related risk, especially if one or more particular investments performs poorly. You should consider the risk that greater concentration poses, weigh it against the possible benefits (which are not guaranteed and may not occur), and seek investment advice elsewhere if you would prefer a more diversified approach.

Even a diversified portfolio of stocks can suffer losses, of course. Risk to investments can come from declines in all investment markets in general, or from declines to particular sectors or individual securities.

Global, national, and regional economic risks, such as war or recession, can also cause losses. Industry-

specific and company-specific problems, such as changes in the nature of a business, or adverse legal or regulatory developments, are possible causes of loss as well.

Investments other than common stock can also suffer losses. For example, fixed-income instruments (such as bonds, notes, and bills) typically decline in value when interest rates rise (and increase in value when rates decline). Also, the bonds of a company that suffers a credit agency rating downgrade, or that cannot make scheduled bond payments, will generally decline in price.

Inflation may erode the purchasing power of an investment. It is possible that an investment that has returned a positive amount in nominal terms may not have kept up with inflation, particularly after taxes, and thus could still have a negative “real” (inflation-adjusted) return.

In some cases we may use a combination of securities to allocate your assets and attempt to mitigate your risk through a balanced portfolio. Securities may include mutual funds, index funds, and ETF’s. Other securities we may or may not use are individual equities or bonds. We attempt to mitigate some investment risk by diversifying your account across markets (i.e., Domestic, International, and Emerging) and market segments (i.e. Equities, Bonds, Cash.) For the most part we will use broadly-diversify mutual funds, indexes, and ETF’s which will further help to mitigate some forms of investment risk.

However, as we stated above, Even a diversified portfolio of securities can suffer losses.

Although it is not part of our core strategy, from time-to-time, where suitable, clients with higher risk tolerance may elect to make use of the following investment strategies or techniques: hedging strategies (using options and margin transactions), short-selling, and/or short-term trading.

- Hedging Strategies using Options and Margin Transactions:
 - **Options** are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. Covered Calls are Options that are sold on existing positions held in the account. This strategy has the potential to add additional income to the portfolio while reducing volatility in the account. Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk, and interest rate risk. We do not utilize “uncovered” or “naked” calls as those transactions carry high risk with the potential of unlimited loss.

- **Margin** strategies allow an investor to purchase securities on credit and to borrow on securities already in their custodial account. Interest is charged on any borrowed funds for the period that the loan is outstanding. When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your broker/dealer. If you intend to borrow funds in connection with your account, you will be required to open a margin account, which will be carried by the broker/dealer of your account. The securities purchased in such an account are the broker/dealer's collateral for its loan to you. If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, a brokerage firm is required to take action, such as issue a margin call and/or sell securities or other assets in your accounts, in order to maintain necessary level of equity in the account. It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any Margin Account that may be established as a part of our advisory services and held by your broker/dealer. These risks include the following:
 - You can lose more funds than you deposit in your margin account.
 - The broker/dealer can force the sale of securities or other assets in your account.
 - The broker/dealer can sell your securities or other assets without contacting you.
 - You may not be able to choose which securities or other assets in your margin account are liquidated or sold to meet a margin call.
 - The broker/dealer may move securities held in your cash account to your margin account and pledge the transferred securities.
 - You may not be entitled to an extension of time on a margin call.
- **Short-term trading** generally holds a greater risk and clients should be aware that there is a material risk of loss using any of those strategies.
- **Short-selling** involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales are the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C) Risk involved in our security selection

While we may provide advice on a number of different types of securities, our primary focus is on exchange-listed and over-the-counter equity securities, mutual funds, ETF's and bonds issued by the United States government and United States corporations.

As discussed above, the securities that we focus on carry systematic risk (associated with fluctuation in the general level of securities prices and overall market risks), and unsystematic risk (associated with individual events that affect a particular security). Even a security we analyze properly may lose money for our clients. We analyze securities in good faith, but our judgment may be incorrect, causing losses

for our clients.

Item 9 Disciplinary Information

With regard to the regulatory record of our firm and employees:

- A) Our firm and employees have not been involved in any legal event involving a criminal or civil action in a domestic, foreign, or military court of competent jurisdiction.
- B) Our firm and employees have not been involved in any administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority.
- C) Our firm and employees have not been involved in a self-regulatory organization proceeding.

Item 10 Other Financial Industry Activities and Affiliations

A) Broker-dealer registration

Neither the firm nor Dirk Calvin are registered as, or have pending applications to register as, a broker-dealer, Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or as an associated person of any the foregoing types of entities.

B) Other industry registrations

Insurance Activities

Please refer to Item 5 above for information about compensation received by licensed individuals associated with our firm for the sale of insurance products. Clients are under no obligation to utilize the insurance services offered through persons associated with our firm.

C) Affiliations

Not applicable.

D) Selection of other investment advisers

Occasionally we will recommend other investment advisers to our clients. We receive no compensation directly or indirectly from these investment advisers that would create a material conflict of interest. These investment Advisers charge their own fees. On occasion we are able to negotiate lower fees for you with these advisers but we make no guarantee that this will always be the case.

We receive no compensation if we refer you to a lawyer, accountant, or other professional.

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

A) Code of Ethics

We have adopted a Code of Ethics that affirms our investment policies and fiduciary duties to our clients. We will be happy to send you a copy of this Code of Ethics upon request. You can also find a copy of our Code of Ethics on our web site at www.SageInv.com.

B) Recommendation of securities to clients in which our firm or a related person has a material financial interest

We do not recommend securities to you for which our firm or employees have a material financial interest.

C) Investment in the same securities as clients

Our firm and our employees may buy or sell securities identical to those we recommend to you. We have a policy that no person employed by us may purchase or sell a security in such a way as to disadvantage you. We have established the following procedures to avoid a conflict of interest so that we can meet our fiduciary responsibilities to you:

- Our firm and employees shall not buy or sell securities for their portfolios when their decision is derived from information gathered while working at our firm, unless the information is also available to the investing public on inquiry.
- Our firm and employees shall not make any personal gain from the market impact of a trade by our firm on your behalf.
- Our list of securities holdings for everyone associated with our firm is updated daily.
- We require that our employees act in accordance with applicable federal and state laws, and rules and regulations governing registered investment advisory practices.
- Employees not in observance of the above are subject to termination.

D) Timing of the firm's or related person's trading

We allow our firm and employees to trade securities at the same time we trade for you, if the trading is done as part of an allocated trade where clients and the firm/employees are on equal footing. We do not allow the firm and our employees to use trading to take advantage of clients, and we and they

cannot knowingly trade before clients.

Item 12 Brokerage Practices

A) Factors for selecting broker-dealers

Sage Investment Counsel has an institutional custodial relationship with Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC. Schwab Advisor Services is Schwab's business serving independent investment advisory firms like us. We are independently owned and operated and not affiliated with Schwab. Schwab will hold your assets in a brokerage account and will buy and sell securities in your account(s) upon our instructions. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and you will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you.

Your Custody and Brokerage Costs

Schwab generally does not charge you separately for custody services, but is compensated by charging commissions or other fees on trades that it executes or that settle into your Schwab account. However, Schwab offers commission-free trades for certain online transactions, including equities and exchange traded funds ("ETFs").

In addition to commissions, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account.

A1) Research and other soft dollar benefits

Although not considered "soft dollar" compensation, Sage Investment Counsel receives some economic benefits from Schwab Advisor Services in the form of access to its institutional brokerage, trading, custody, reporting and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us as long as we keep a total of at least \$10 million of our clients' assets in accounts at Schwab. If we have less than \$10 million in client assets at Schwab, Schwab may charge us quarterly service fees. Below is a detailed description of Schwab's support services.

Services that Benefit You: Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that May Not Directly Benefit You: Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial

number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services that Generally Benefit Only Us: Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

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

Schwab provides some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab also discounts or waives its fees for some of these services or pay all or a part of a third party's fees. Schwab also offers us other benefits such as occasional business entertainment of our personnel.

Additionally, we have received certain hard dollar benefits from Schwab to help us pay for certain transition costs, software purchases, and compliance assistance services. Clients should be aware of this conflict and take it into consideration in making a decision whether to custody their assets with firms recommended by our firm. However, Sage Investment Counsel understands its duty for best execution and considers all factors in making recommendations to clients. These additional services may be useful in servicing all Sage Investment Counsel clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While we may not always obtain the lowest commission rate, Sage Investment Counsel believes the rate is reasonable in relation to the value of the brokerage and research services provided.

Schwab Securities Lending Program

Through your relationship with Schwab, you are able to enroll in Schwab's fully paid Securities Lending program, which enables qualified investors to lend fully paid-for securities to Schwab. Schwab earns revenue from lending these securities to other clients of Schwab and a portion of that revenue is shared with you and Sage Investment Counsel. If you elect to participate in this program, Sage Investment Counsel will receive compensation from Schwab. The receipt of this extra compensation creates a conflict of interest. This conflict is triggered because this extra compensation may cause our firm to hold a security in your account that would otherwise be liquidated, but not for receipt of additional compensation. This conflict is mitigated by our adherence to our fiduciary obligations and the requirement that investment decisions made by the Associated Person servicing your account must be in your best interest. Additionally, if an account holds these positions, Sage Investment Counsel's compensation will increase nominally, but the security will also generate income for your account. Not all accounts or clients qualify for this program.

A2) Brokerage for client referrals

We do not recommend broker-dealers based on referrals.

A3) Directed Brokerage

As mentioned above in this section, we ask you to allow us to control the selection of the broker/dealer used for your account. We do this because we believe there are great efficiencies to be had from concentrating our volume with a limited number of brokerage firms.

If you direct us to use a particular broker-dealer, and if we made an exception and consented to this restriction, you should understand that we may not be authorized to negotiate trading costs and may not be able to achieve volume discounts or best execution for you. Under these conditions, you might pay higher trading costs and commissions than other clients.

B) Aggregate trades

When we have a trade to do for multiple clients, we may place the trade in a block. When we make a block trade, we use the block-trading methodology provided by Schwab.

Item 13 Review of accounts

A) Frequency and nature of review

Dirk Calvin, CCO, and/or the investment adviser representative assigned to your account performs frequent reviews of your accounts to analyze funds available, asset weightings, and asset mixes. Account performance reports are generated and evaluated at a minimum of once per quarter.

B) Other than periodic review of accounts

We may make a more frequent review of your account if there are unusual market, economic, or political events, if there is a significant change in your life or circumstances, or if there is a need or opportunity to execute a trade.

C) Reports provided to clients

We write and send periodic newsletters to our clients. Account Performance reports are generated every calendar quarter. Clients may view the holdings, allocations, and performance of all the accounts we manage or monitor for them on a daily basis by accessing the client web portal of Schwab or on the client web platform of our third-party performance measurement service. Clients must request and receive credentials to access these platforms.

See section titled “Custody” below for reports that your custodian will provide to you.

Item 14 Client Referrals and Other Compensation

A) Economic benefits to our firm from sources other than clients

We receive payments for our services only from clients.

B) Compensation

We do not compensate any person outside of our firm for client referrals.

Item 15 Custody

We do not have physical custody of any of your funds and/or securities. However, we are deemed to have limited or constructive custody over your funds or securities solely because of the fee deduction authority granted by you. We maintain safeguards in accordance with regulatory requirements regarding custody of client assets. Your funds and securities will be held with an unaffiliated bank, broker-dealer, or other independent, qualified custodian. In some cases, as paying agent for our firm, the account custodian will calculate the advisory fee based on your advisory agreement with us; and they will directly debit your account(s) for the payment of our advisory fees.

Statements and confirms are sent to you by the custodian of your account. The statements may be monthly or quarterly. The statement will show all cash, cash-equivalents, and security transactions in your account, as well as, account balances and market value of your account.

You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have questions or if you did not receive a statement from your custodian, please contact us at (615) 591-1210.

Item 16 Investment Discretion

If we manage your account on a discretionary basis, you give our firm written authority to determine the securities we buy or sell for you, the amount of securities we buy or sell for you, and to determine the broker-dealer we use for your securities transactions. In some cases, you may impose limitations on our discretionary authority.

Item 17 Voting Client Securities

We do not accept authorization to vote proxies on behalf of clients. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you or your designated representative are responsible for exercising your right to vote as a shareholder. In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies. If you have questions about a particular proxy voting matter, you can contact us at (615) 591-1210.

Item 18 Financial Information

Not applicable.