



# Part 2A Appendix 1 of Form ADV Wrap Fee Program Brochure

Sponsored by

## YellowWood Wealth Solutions, LLC

January 1, 2025

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This Wrap Fee Program Brochure provides information about the qualifications and business practices of YellowWood Wealth Solutions, LLC (“YellowWood” or “the Firm”), a dba under tru Independence Asset Management, LLC, a registered investment advisor with the Securities and Exchange Commission (“SEC”). If there are any questions about the contents of this Brochure, please contact us at the telephone number listed above. For compliance-specific requests, please call (971) 371-3450. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm has filed to become an SEC-registered investment adviser. Registration does not imply any level of skill or training.

## ITEM 2 - MATERIAL CHANGES

In this Item, tru Independence Asset Management, LLC dba YellowWood Wealth Solutions, LLC (hereby known as “YellowWood” or the “Firm”) is required to discuss any material changes that have been made to Part 2A Appendix 1 of Form ADV Wrap Fee Program Brochure (“Brochure”) since the last annual amendment on January 1, 2024.

Our Brochure dated January 1, 2025, provides information about the qualifications and business practices of YellowWood Wealth Solutions, LLC. The business practices of YellowWood Wealth Solutions, LLC are substantially the same as represented in this Firm’s previous and current years’ annual updated Brochures.

The material changes since the previous filing of this brochure in June 2024 include:

- The ADV has been updated to reflect a change in Assets Under Management
- The Firm is now utilizing Pontera, a third-party vendor, to provide asset management services for accounts held away from our primary custodial affiliations.

We will ensure that all current clients receive a Summary of Material Changes to this and subsequent Brochures within 120 days of the close of our business’s fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for YellowWood Wealth Solutions is #168256. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Our Brochure may be requested by contacting Stacy L. Sizemore, IACCP®, Chief Compliance Officer at (971) 371-3450 or [stacy@tru-ind.com](mailto:stacy@tru-ind.com).

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## **ITEM 4 – SERVICES, FEES, AND COMPENSATION**

tru Independence Asset Management, LLC (“TIAM”) provides investment advice under the name YellowWood Wealth Solutions. Hereafter, YellowWood Wealth Solutions, LLC may also be referred to as “YellowWood” or “the Firm,” with any descriptions of services, investment processes, fees, and other similar items being specific to YellowWood unless otherwise noted.

TIAM has been registered as an investment adviser since 2014 and is a wholly owned subsidiary of Sanctuary Wealth Group LLC (“Sanctuary Wealth”). Corporate Headquarters are located in Portland, OR. YellowWood is located in Charlotte, NC.

The YellowWood Wealth Wrap Program (the “Program”) is an investment advisory program sponsored by Yellowwood Wealth. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

As a registered investment adviser, the Firm is a fiduciary to the firm’s investment advisory clients and has an obligation to act in good faith, in the best interest of the client, and to place the client’s interests first and foremost. This would include a duty of care, which requires, among other things, advisers to ensure that their investment advice is suitable based on the client’s investment profile or mandate. As part of a duty of loyalty to clients, advisers must also attempt to eliminate or make full and fair disclosure of all material facts of any conflicts of interest so a client, or prospective client, can make an informed decision in each particular circumstance. The structure of the Program and other internal controls described in this Brochure are designed to support the Firm’s ongoing efforts to fulfill its fiduciary duties. This includes actions to either avoid or mitigate material conflicts of interest that may exist between the Firm and its clients and to provide clients with the required disclosure of these conflicts of interest. Clients and prospective clients should carefully consider the information set forth in this Brochure when evaluating the Program. The Firm’s Financial Advisors (each a “Financial Advisor” and collectively, “Financial Advisors”) serve as the primary point of contact for Program clients. Clients are encouraged to carefully read this Brochure in its entirety and contact their Financial Advisor with any questions.

While this Brochure generally describes the business of the Firm, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on the Firm’s behalf and is subject to the Firm’s supervision or control.

The information included in this Brochure is current as of the date of this Brochure and is subject to change at the Firm’s discretion. Please retain this Brochure for your records.

### **Assets Under Management**

As of December 31, 2024, TIAM managed approximately \$573,736,036 in assets for approximately 1255 accounts on a discretionary basis and approximately \$1,548,480 in assets for approximately six accounts on a non-discretionary basis. In total, TIAM managed approximately \$575,284,516 in assets for approximately 1261 accounts. Approximately \$237,541,967 in assets for approximately 857 accounts are under a wrap program.

YellowWood Wealth’s business model managed approximately \$240,406,704 in assets for 932 accounts, which are managed on a discretionary basis, and approximately \$1,548,480 in assets for six accounts, which are managed on a non-discretionary basis. In total, YellowWood Wealth Management managed approximately \$241,955,184 for approximately 938 accounts, of which approximately \$237,541,967 for approximately 857 accounts are Wrap accounts.

While this brochure generally describes the business of the Firm, certain sections also discuss the activities

of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees, or any other person who provides investment advice on the Firm's behalf and is subject to the Firm's supervision or control.

## **Advisory Services Offered**

The Firm offers discretionary investment management, investment advisory services, and financial planning. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement").

### *Investment Management Services*

The Firm offers continuous and regular investment supervisory services on a discretionary basis. While we work with clients, we have the ongoing responsibility to select and/or make recommendations based upon the objectives of the client, as to specific securities or other investments that he/she recommends or purchases/sells in clients' accounts. We utilize a variety of investment types when making investment recommendations/purchases in client accounts, which include, but are not limited to, equity securities, fixed-income securities, alternatives, mutual funds, and Independent Managers. The investments recommended/purchased are based on the client's individual needs, goals, and objectives. The Firm offers investment advice on any investment held by the client at the start of the advisory relationship. We describe the material investment risks under Methods of Analysis, Investment Strategies, and Risk of Loss. Financial Planning may be provided to clients as a part of the Investment Management Services. When being provided as a separate service, it is described in this section under Financial Consulting Services below.

We discuss our discretionary authority below. For more information about the restrictions clients can put on their accounts, see Tailored Services and Client Imposed Restrictions in this item below. We describe the fees charged for investment management services below.

### *Financial Planning and Consulting*

Our Financial Planning Service offers clients the ability to have their investment portfolio allocated among different financial institutions and reviewed by an Investment Adviser Representative for a negotiated fee. This consultation provides the client with a detailed look at their financial condition concerning their investment objectives, risk tolerance, time horizon, and any financial goals they may be seeking to achieve. This Financial Consultation Service offered by us may or may not be in conjunction with one of our other fee-based programs.

The Firm provides a variety of consulting services to individuals, families, and other clients regarding their financial resources based upon an analysis of the client's current situation, goals, and objectives. Consulting encompasses one or more of the following areas: additional Financial Planning, Performance Reporting, Investment Planning, Retirement Planning, Education Planning, and Business and Personal Financial Planning.

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management as part of a comprehensive wealth management engagement (described in more detail below).

In performing these services, the Firm is not required to verify any information received from the client or the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. The Firm may recommend that clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a

broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if a client engages the Firm or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by the Firm under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives to review, evaluate, or revise the Firm's recommendations and/or services.

We describe the fees charged for Financial Planning and Consultation Services below.

### *Use of Independent Managers and Sub-Advisors*

The Firm may select certain Independent Managers and/or Sub-Advisors to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager and/or Sub-Advisor may be set forth in a separate written agreement with the designated Independent Managers engaged in managing their assets.

The Firm evaluates a variety of information about Independent Managers and/or Sub-Advisors, which may include the Independent Managers' and/or Sub-Advisors' public disclosure documents, materials supplied by the Independent Managers themselves, and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the Independent Manager's and/or Sub-Advisor's investment strategies, past performance, and risk results concerning its clients' individual portfolio allocations and risk exposure. The Firm also takes into consideration each Independent Manager's and/or Sub-Advisor's management style, returns, reputation, financial strength, reporting, pricing, and research capabilities, among other factors.

The Firm continues to provide services relative to the discretionary selection of the Independent Managers and/or Sub-Advisor. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. The Firm seeks to ensure the Independent Managers and/or Sub-Advisor strategies and target allocations remain aligned with its client's investment objectives and overall best interests.

### *Sponsor and Manager of Wrap Program*

The Program described in this Brochure is provided to clients in a "wrap fee" arrangement. A wrap fee arrangement is one in which a single fee is charged based on the market value of assets in the client's account rather than the transactions in the account.

The Program allows clients to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is considered any arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a specified fee or fees not based upon transactions in their accounts where the total costs will generally increase or decrease as a result of the frequency of transactions in the account and the type of securities purchased.

At the onset of the Program, clients complete an investor profile describing their individual investment objectives, liquidity and cash flow needs, time horizon and risk tolerance, and any other factors pertinent to their specific financial situations. After an analysis of the relevant information, the Firm assists its clients in developing an appropriate strategy for managing their assets.

## **Fees for Participating in the Wrap Fee Program**

The Program is offered on an asset-based fee basis, meaning participants pay a single annualized fee based upon assets under management ("Program Fee") established as a flat fee or a percentage of the market value of assets in the account as of a particular date rather than on the transactions in the account as in a commission account where total costs will generally increase or decrease as a result of the frequency of transactions in the account and they type of securities purchased. The specific methodology and fee a client will pay is set forth in their Client Agreement.

The Wrap Fee covers advisory services related to the program, portfolio management services provided by third parties, the execution of transactions, custody services, account servicing, reporting, and other services.

In establishing the fee applicable to a client's account, the Advisor will take into consideration the value of the assets and the types of assets being deposited in the account participating in the relevant Program, other assets the client or the client's household may have invested with the Firm, and the nature of the client relationship. Not all clients with the same assets will be charged the same fee for the same program.

This management fee generally ranges up to 2%, depending on the size and composition of a client's portfolio and the type of services rendered. The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by the Firm on the last day of the previous billing period.

If assets are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. The fee is calculated on a pro-rata basis for the initial engagement period. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination, and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to specific client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), the Firm may negotiate a fee rate that differs from the range set forth above.

### **Additional Fee Information**

As referenced above, a portion of the fees paid to YellowWood are used to cover the securities brokerage commissions and transactional costs attributed to the management of its clients' portfolios.

The Firm has no internal arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation. A person recommending the Program will not earn more compensation than he or she would otherwise receive if a client elected another investment management program.

Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions made in clients' accounts and the commissions charged for each transaction determine the relative cost of the Program versus paying for execution on a per-transaction basis and paying a separate fee for advisory services. Therefore, the Firm has a conflict of interest where the Firm has an incentive to place fewer trades for clients in the Program since the Firm incurs transaction expenses. Fees paid for the Program may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs. The Firm mitigates this conflict through disclosure of the conflict in this Brochure, and because it provides investment advisory services to clients, the Firm and its Financial Advisors have a fiduciary duty to act solely in clients' best interest.

The fees not included in the advisory fee for our wrap services are charges imposed directly by a mutual fund, index fund, or exchange-traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed at a broker-dealer, wire transfer fees and other fees and taxes on brokerage accounts and transactions.

### Payments to Independent Managers

YellowWood pays a portion of the total fee from the client to the Independent Manager, if applicable, for services provided to the client through the relevant Program. In some cases, the Independent Manager may be paid directly through debiting the account. Although the amounts paid to third parties participating in the Program may be changed from time to time without notice to clients, such changes will not impact the amount of the fees paid by clients without prior notification to the client. The fees paid to these third parties vary based on factors such as the relevant manager's investment strategy or style and the client's account size.

### Direct Fee Debit

Clients generally provide the Firm with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to deduct fees directly, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to the Firm.

### Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to the Firm's right to terminate an account. Additions may be in cash or securities, provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients may withdraw account assets on notice to the Firm, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments, and the withdrawal of assets may impair the achievement of a client's investment objectives. The Firm may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges), and/or tax ramifications.

### Betterment Advisory Services

Betterment for Advisors is a digital wealth management platform generally serving independent investment advisory firms. Betterment LLC ("Betterment"), a registered investment advisor, serves as a sub-advisor to your clients ("Clients"). MTG LLC, dba Betterment Securities ("Betterment Securities"), a registered broker-dealer and member of FINRA and the SIPC, serves as broker-dealer and custodian.

The services provided by Betterment include:

- Goal-Based Investment Management: Betterment's goal-based investment platform allows advisors and Clients to identify multiple investment goals for each Client, each with specific portfolio allocations;
- Portfolio Construction Tools: Advisors and Clients have access to a set of portfolio strategies,
- each of which is comprised of low-cost, index-tracking exchange-traded funds or mutual funds
- (the latter only for advisors who are approved to construct portfolios with Dimensional Fund
- Advisors mutual funds), and are able to customize the risk-level for each investment goal;



- Automated Investment Management Services: Betterment's algorithms automate back-office tasks such as trading, portfolio management, tax loss harvesting, and account rebalancing;
- Website and Mobile Application: Betterment's website and mobile application provide a platform for account access and monitoring and delivery of account documentation and notices; and
- Advisor Dashboard: Advisors have access to a dashboard for purposes of monitoring and managing Client accounts.

#### *Betterment Fees and Compensation*

Unless you have negotiated a specific fee discount, Betterment charges clients an asset-based wrap fee on amounts invested via the Betterment for Advisors platform that is tiered based on the aggregate balance of all of the Firm's client accounts at Betterment (not including funds held in Betterment Everyday Cash Reserve). That wrap fee currently ranges from 0.12% to 0.20% of account balances. The asset-based wrap fee is charged quarterly in arrears. The services included for the wrap fee include all of the services provided by Betterment and Betterment Securities through the Betterment for Advisors platform, including advisory services, custody of assets, execution and clearing of transactions, and account reporting. Betterment collects wrap fees directly from Clients pursuant to the terms of the sub-advisory agreement between Betterment and each Client. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if the advisory, custodial, trade execution, and other services were purchased separately. Advisors with clients on this pricing structure typically also pay a fixed monthly fee to Betterment.

#### *Other Betterment Services and Potential Conflicts*

As part of your relationship with Betterment and Betterment Securities, Betterment may offer services intended to help manage and further develop the Firm's business enterprise, such as access to webinars and advice about using the Betterment for Advisors platform to grow their business. Betterment may offer different or expanded services in the future. These services could create an incentive for the Firm to recommend that clients invest through the Betterment for Advisors platform. This is a potential conflict given that interest in recommending Betterment could be influenced by the receipt of Betterment's and Betterment Securities' services. Other potential conflicts may exist regarding the use of the Betterment for Advisors platform.

#### *Financial Institution Consulting Services*

YellowWood Wealth provides investment consulting services to certain broker/dealers' customers ("Brokerage Customers") who provide written consent requesting to receive the firm's consulting services. Brokerage Customers have entered into a written advisory agreement with YellowWood.

#### *Other Third-Party Services*

The Firm has entered into a service agreement with Pontera to provide asset management services for accounts held away from our primary custodial affiliations. Through this, we are able to create a portfolio, consisting of the securities/investment opportunities available depending on the type of held away account being managed by our firm. The Pontera platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. The client's individual investment strategy is tailored to their specific needs and may include some or all of the securities made available. Portfolios will be designed to meet a particular investment goal, determined to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, portfolios are continuously and regularly monitored, and if necessary, rebalanced.

## **ITEM 5 - ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

### **Minimum Account Requirements**

YellowWood does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship.

### **Types of Clients**

The program is offered to the following types of clients: individuals, high-net-worth individuals, pension and profit-sharing plans, trusts, estates, corporations or other businesses, charitable organizations, state or local municipal government entities, partnerships, limited liability entities, and foundations and endowments.

## **ITEM 6 - PORTFOLIO MANAGER SELECTION AND EVALUATION**

### **Product Evaluation and Approval**

YellowWood's wrap fee and non-wrap fee accounts are managed by the Firm on an individual basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap-fee accounts in a different fashion than non-wrap-fee accounts. We also allow clients to impose reasonable restrictions on investing in specific securities or types of securities. The Firm does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

As stated above, the Firm may select certain Independent Managers to manage a portion of its client's assets in a separate written agreement with the designated Independent Manager, which will include the payment of any promoter fees by the Firm to the Independent Manager for their services. In these situations, the Firm continues to conduct ongoing due diligence of such managers. Still, such recommendations rely to a great extent on the Independent Managers' ability to implement their investment strategies successfully. In addition, the Firm generally may not have the ability to supervise the Independent Managers on a day-to-day basis.

### **Methods of Analysis and Investment Strategies**

YellowWood may utilize several methods of analysis when structuring client portfolios, including fundamental analysis and technical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. The Firm may analyze the financial condition, capabilities of management, earnings, new products, and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while a company's overall health and position may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve using charts to identify market patterns and trends based on investor sentiment rather than the company's fundamentals. The primary risk in using technical analysis is that spotting historical trends may not help predict such trends. Even if the trend eventually reoccurs, there is no guarantee that the Firm will be able to predict such a reoccurrence accurately.

To implement its recommendations, the Firm primarily allocates client assets among various individual equity and debt securities, fixed income, mutual funds, and exchange-traded funds ("ETFs") in accordance with their stated investment objectives. The Firm may utilize mutual funds or other securities to meet a client's investment needs on a more limited basis.

## **Portfolio Management by Affiliates and Related Persons**

Portfolio Management services provided by YellowWood, a Related Person, certain Affiliates, and the models provided by the Firm present a conflict of interest because, under these circumstances, the entire client fee is retained by the Firm and its Affiliates. This means that, through these arrangements, the Firm and its Affiliates or Related Persons may receive higher total compensation than if the client selected a third-party or otherwise non-affiliated investment manager. However, the Firm mitigates this conflict through disclosure of the conflict in this Brochure, and because it provides investment advisory services to clients, the Firm and its Financial Advisors have a fiduciary duty to act solely in clients' best interest.

Further information about the Firm's Related Persons, the conflicts of interest noted above, and how the Firm addresses these conflicts of interest is included in the Other Financial Industry Activities and Affiliations and Code of Ethics sections below.

## **Performance-Based Fees**

YellowWood does not charge performance-based fees (i.e., fees based on a share of capital gains or capital appreciation of the client's account assets).

## **Risk of Loss**

### *Market Risks*

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of the Firm's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds, and other asset classes. There can be no assurance that the Firm will be able to predict those price movements accurately or capitalize on any such assumptions.

### *Mutual Funds and Exchange Traded Funds (ETFs)*

An investment in a mutual fund or exchange-traded funds (ETFs) 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 mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that a corresponding loss cannot offset.

Shares of mutual funds are generally 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 shareholders 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 to the market value of the fund's holdings. The trading prices of a mutual fund's shares may 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 the actual 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 potentially more frequently for actively managed ETFs. However, certain inefficiencies may 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. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 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.

## **Proxy Voting Authority**

### *Voting of Proxies*

In regard to SEC Rule 206(4)-6 under the Advisers Act, YellowWood will not vote proxies relating to equity securities in client accounts nor offer guidance on how to vote proxies.

Account holders may receive voting proxies or other similar solicitations sent directly from the custodian of record or transfer agent. Note that we do not forward duplicate copies of these or any correspondence relating to the voting of securities, class action litigation, or other corporate actions.

Each account holder will maintain exclusive responsibility for directing how proxies solicited by issuers of beneficially owned securities shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers, or other events pertaining to such holdings. We will answer limited questions with respect to what a proxy voting request or other corporate matter may be and how to reach the issuer or their legal representative.

Account holders of record maintain responsibility for directing the manner in which proxies solicited by issuers of securities that are beneficially owned shall be voted, as well as making all other elections relative to mergers, acquisitions, tender offers, or other legal matters or events pertaining to their holdings. The account holder should consider contacting the issuer or their own legal counsel involving specific questions they may have with respect to a particular proxy solicitation or corporate action.

### *Class Action Lawsuits*

As a matter of company policy, Advisor does not file proofs of claim relating to class action lawsuits affecting individual client accounts. However, upon client's request, the Advisor will provide any and all documentation required to complete any such proof of claim.

### *Mutual Funds*

The investment advisor that manages the assets of a registered investment company (i.e., mutual fund) generally votes proxies issued on securities held by the mutual fund.

### *Betterment Voting Client Securities*

For assets managed on the Betterment for Advisors platform, Clients delegate to Betterment the authority to receive and vote on all proxies and related materials. Betterment will only vote on proxies and respond to corporate actions associated with securities that Betterment recommends be purchased for client accounts. Additional information about proxy matters is contained in Betterment's Form ADV Part 2A.

## **ITEM 7 - CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

YellowWood is required to describe the information about you that we communicate to your portfolio manager(s) and how often or under what circumstances we provide updated information. The Firm communicates with your portfolio manager(s) on a regular basis as needed to ensure your most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you request us to, when market or economic conditions make it prudent to do so, etc.

## **ITEM 8 - CLIENT CONTACT WITH PORTFOLIO MANAGERS**

YellowWood's clients may directly contact their portfolio manager(s) with questions or concerns or by calling the number on this Brochure for contact information.

## **ITEM 9 - ADDITIONAL INFORMATION**

### **Disciplinary Information**

YellowWood has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

### **Other Financial Industry Activities and Affiliations**

This item requires investment advisers to disclose certain financial industry activities and affiliations.

#### *Relationship with tru Independence, LLC*

YellowWood maintains a business relationship with tru Independence, LLC ("tru Independence"), a service platform for investment professionals and the owner of two SEC-registered investment advisers – tru Independence Asset Management, LLC and tru Independence Asset Management2, LLC, which are related advisors. Through its relationship with tru Independence, the Firm gains access to services related to reporting, compliance, technology, transition support, and other related services.

In fulfilling its duties to its clients, the Firm endeavors at all times to put the interests of its clients first. The Firm reviews all of its service provider relationships on an ongoing basis in an effort to ensure decisions are made in the best interests of clients. Clients should be aware, however, that this relationship may pose certain conflicts of interest. Specifically, tru Independence charges the Firm a platform fee that decreases as assets increase. Accordingly, the Firm has an incentive to increase the assets it places through the tru Independence platform. tru Independence also provided transition support aimed at helping the Firm launch its new advisory firm. The receipt of economic and other benefits as described above from tru Independence creates an incentive for the Firm to choose tru Independence over other service providers that do not furnish similar benefits.

#### *Registered Representatives of a Broker-Dealer*

Certain of the Firm's Supervised Persons are registered representatives of APW Capital, Inc. ("APW") and may provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement allows YellowWood's Supervised Persons to offer certain qualified clients trading services, which gives the Firm the ability to execute trades of client assets custodied at a qualified custodian. Although APW is also a Registered Investment Adviser, the Supervised Persons are only registered as Registered Representatives at APW.

#### *Insurance Agents*

Certain of the Firm's Supervised Persons are licensed insurance agents and may offer certain insurance products on a fully disclosed commissionable basis. A conflict of interest exists to the extent that the Firm recommends the purchase of insurance products where its Supervised Persons may be entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Sanctuary Wealth, which is the sole owner of TIAM is affiliated with the following entities:

- **Sanctuary Advisors, LLC** is a SEC-registered investment advisor based in Indianapolis, IN which is

wholly owned by Sanctuary Wealth.

- **Two West Capital Advisors, LLC** is a separately owned SEC registered investment advisor based in Overland Park, KS that operates under the names Two West Advisors (TWA) and GoalPath. Sanctuary Wealth has a 5% ownership interest in TWA.
- **KL SWG AIV, LLC** (the “KL Fund”), a pooled investment vehicle, as a result of the KL Fund holding a convertible loan entitling the KL Fund and certain of its affiliates to certain consent and board appointment rights with respect to Sanctuary Wealth both prior to and following conversion of the loan. As a result of the KL Fund’s convertible loan, TIAM is also affiliated with the KL Fund, as well as the following:
  - Kennedy Lewis Management LP (“KLM” and together with its affiliates, “Kennedy Lewis”), a registered investment adviser, because KLM is affiliated with the manager of the KL Fund; and
  - Generate Advisors, LLC (“Generate Advisors” and together with the KL Fund, KLM, and their affiliates, “Kennedy Lewis”), a registered investment adviser that manages collateralized loan obligation assets, because Generate Advisors is under common control with KLM.
- **Azimut US Holdings, Inc.** (“AZ US Holdings”), a holding company, as a result of AZ US Holdings holding equity interests in Sanctuary Wealth that entitle AZ US Holdings to certain consent and board appointment rights with respect to Sanctuary Wealth. As a result of AZ US Holdings’ equity interests in Sanctuary Wealth, TIAM is also affiliated with AZ US Holdings, as well as the following:
  - Azimut Group, a European investment manager, because AZ US Holdings is a subsidiary of Azimut Group;
  - Azimut Genesis Advisors, LLC (“Azimut Genesis”), a registered investment adviser because AZ US Holdings holds a majority ownership interest in Azimut Genesis; and
  - AZG Capital LLC (“AZG Capital” and together with AZ US Holdings, Azimut Group, Azimut Genesis, and their affiliates, “Azimut”), a registered investment adviser, because AZ US Holdings holds a majority ownership interest in AZG Capital.
- **Sanctuary Insurance Solutions, LLC** provides wealth and succession plans for high-net-worth clients.
- **Sanctuary Global, LLC** provides services, solutions, and resources for conducting business globally.
- **Sanctuary Asset Management Solutions, LLC** is an integrated asset management solution that provides the opportunity to create scale and efficiency within their investment process.
- **Sanctuary Global Family Office, LLC** advises on family office formation, needs assessment, and assessing governance and controls of the family office.

From time to time, TIAM or its affiliates will make certain investment products (including, without limitation, business development companies and private funds), sponsored or managed by or services provided by Kennedy Lewis or Azimut or other affiliates (such products, “Affiliate Products and Services”) available to the Firm’s clients through Sanctuary Wealth’s platform, and TIAM may recommend that its clients invest in Affiliate Products and Services. In such instances, we will be subject to conflicts of interest because the KL Fund’s and AZ US Holdings’ interests in Sanctuary Wealth create an incentive for Sanctuary Wealth and its affiliates (including TIAM) to increase clients’ investments in products that, like the Affiliate Products, and Services financially benefit Kennedy Lewis and Azimut. The Firm believes that these conflicts are mitigated by the fact that investment products, including Affiliate Products and Services, are generally subject to investment committee review prior to being included on Sanctuary Wealth’s platform and because the Firm requires that investment recommendations be in the client’s best interest.

The Firm will at all times put the interests of its clients ahead of its own as part of its fiduciary duties. Clients should be aware that the payment of referral fees between the parties creates a conflict of interest and may affect the judgment of individuals who make referral recommendations as they may be incented to recommend programs based on compensation received, rather than on the client’s needs. Clients are under no obligation to purchase services recommended by TIAM or TWA-associated persons or to purchase services through TWA. TIAM may provide investment advisory services to its affiliates.

## **Code of Ethics**

YellowWood has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. The Firm’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices, such as using material non-public information by the Firm or any of its Supervised Persons and trading by the same of securities ahead of clients to take advantage of pending orders.

The Code of Ethics also requires certain of the Firm’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, the Firm’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person will access to this information, may knowingly affect themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements, and other high-quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact the Firm to request a copy of its Code of Ethics.

## **Account Reviews**

YellowWood monitors client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least an annual basis. Such reviews are conducted by the Firm’s Investment Committee and/or investment adviser representatives and are intended to fulfill the Firm’s fiduciary obligations to their advisory clients. All advisory clients are encouraged to discuss their needs, goals, and objectives with the Firm and to keep the Firm informed of any changes thereto. YellowWood contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the client’s financial and/or investment objectives.

## **Account Statements and General Reports**

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time to time or as otherwise requested, clients may also receive written or electronic reports from YellowWood and/or an outside service provider contains certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from the Firm or an outside service provider.

## **Client Referrals and Other Compensation**

Although YellowWood does not currently provide compensation to third-party solicitors for client referrals; it is permitted by the Firm. In the event a client is introduced to the Firm by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from the Firm's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with the Firm's written brochure(s) and a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of the Firm is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Betterment may receive an indirect benefit in the form of the asset-based fees it receives from clients. The Firm may also receive a non-economic benefit from Betterment in the form of the support products and services it makes available to you.

## **Brokerage Practices**

YellowWood Wealth generally recommends that clients utilize the custody, brokerage and clearing services of Raymond James & Associates, Inc. a registered broker-dealer and member SPIC ("Raymond James") for investment management accounts. Factors which YellowWood Wealth considers in recommending Raymond James or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research, and service.

The Custodian maintains custody of the client's assets and effects and settles trades for their accounts. The final decision to custody assets with any Custodian is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. Note that the Firm is not affiliated with any such Custodian. The Custodian provides the Firm access to its institutional trading and custody services, which are typically unavailable to retail investors. These services are generally available to independent investment advisors on an unsolicited basis and at no charge to advisors. Custodian services include brokerage services that are related to the execution of securities transactions, research, including in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

The custodians generally do not charge clients separately for custody services. Still, they are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodians or that settle into accounts at the custodians. The custodians charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, and commissions are charged for individual equity and debt securities transactions). The custodians enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The custodians' commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by the custodians may be higher or lower than those charged by other custodians and broker-dealers. These fees are included in your wrap fee program.

We may aggregate (combine) trades for ourselves or our associated persons with client trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;



2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek the best price) for the client and is consistent with the terms of our investment advisory agreement with the client for which trades are being aggregated.
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;
4. We will prepare a procedure specifying how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, it will be allocated pro-rata based on the allocation statement;
6. Our books and records will separately reflect, for each client account, the orders that are aggregated and the securities held by and bought for that account.
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation and
8. Individual advice and treatment will be accorded to each advisory client.

The execution clients receive from the Custodian will comply with the Firm's duty to obtain "best execution." 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 Financial Institution's services, including, among others, the value of research provided, execution capability, commission rates, and responsiveness.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services that assist YellowWood in its investment decision-making process. The receipt of investment research products and/or services, as well as the allocation of the benefit of such investment research products and/or services, poses a conflict of interest because the Firm does not have to produce or pay for the products or services.

The Firm periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

The Custodian also makes available other products and services that benefit YellowWood but may not benefit its clients' accounts. These benefits may include national, regional, or firm-specific educational events organized and/or sponsored by the Custodian. Other potential benefits may include occasional business entertainment of personnel, including meals, invitations to sporting events, golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist the Firm in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of the Firm's fees from its client's accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm's accounts, including accounts not maintained at the Custodian. The Custodian also makes available to the Firm other services intended to help YellowWood manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance, and marketing. In addition, the Custodian may make available, arrange, and/or pay vendors for these types of services rendered to the Firm by independent third parties. The Custodian may

discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to the Firm. While, as a fiduciary, the Firm endeavors to act in its client's best interests, the Firm's recommendation/requirement that clients maintain their assets in accounts at the Custodian may be based in part on the benefit to YellowWood of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost, or quality of custody and brokerage services provided by the Custodian, which may create a potential conflict of interest.

YellowWood does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

### Betterment Brokerage Services

Betterment Securities is responsible for the execution of securities transactions and maintains custody of customer assets. Betterment Securities exercises no discretion in determining if and when trades are placed; it places trades only at the direction of Betterment. Clients should understand that the appointment of Betterment Securities as the broker for their accounts held at Betterment may result in their receiving less favorable trade executions than may be available through the use of broker-dealers that are not affiliated with Betterment. If your clients do not wish to place assets with or execute trades through Betterment Securities, then Betterment cannot manage your client accounts on the Betterment for Advisors platform.

Betterment uses algorithms to advise clients and manage their accounts. These algorithms are developed, overseen, and monitored by Betterment's investment advisory personnel. To use Betterment's investment services, Clients and/or you inform Betterment of a Client's financial goals and personal information through Betterment's online applications, and Betterment's algorithm then recommends and builds a portfolio of exchange-traded funds for each of the client's financial goals and account types. Each portfolio is associated with a target allocation of investment types and/or asset classes, but you can modify Betterment's initial allocation recommendation as you see fit in the absence of a contrary direction. Betterment periodically rebalances client portfolios so that in the face of fluctuating market prices each Client's portfolio remains within a range of the target allocation. Betterment also offers optional tax loss harvesting and automated asset location services.

If you allow clients to place limits on your discretionary authority to manage accounts other than the limits described in Betterment's Form ADV Part 2A, you should consider including any such limits in your ADV.

Betterment Securities maintains custody of clients' assets, which are managed by Betterment. Clients' account statements are available for review on the activity section of the Betterment for Advisors client portal. Clients receive periodic emails from Betterment with information about their accounts as well as links to account statements. Clients should carefully review those statements promptly.

Additional information regarding Betterment Securities can be found on FINRA's BrokerCheck.

### **Financial Information**

Registered investment advisors are required in this item to provide clients with certain financial information or disclosures about the firm's financial condition. YellowWood does not require the prepayment of more than \$1,200 in fees per client, six months or more in advance, does not have or foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy proceeding.