

Item 1 – Cover Page

Plains Advisory LLC

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Date of Disclosure Brochure: April 2020

This disclosure brochure provides information about the qualifications and business practices of Plains Advisory LLC (also referred to as we, us and Plains Advisory throughout this disclosure brochure). If you have any questions about the contents of this disclosure brochure, please contact John Posey at 308-210-7071 or info@plainsadvisory.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Plains Advisory is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for Plains Advisory LLC or our firm's CRD number 300110.

*Registration as an investment adviser does not imply a certain level of skill or training.

Item 2 – Material Changes

Item 4 – Advisory Business – Description of Advisory Services – Fixed Fees for Financial Planning & Consulting Services: Waiver of fixed fees have been amended to include clients receiving asset management services from Plains Advisory for an asset management fee and assets exceeding \$500,000.

Item 5 – Fees and Compensation – Asset Management Services – Fee schedule has been amended for accounts in excess of \$2,000,000.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

Plains Advisory is an investment adviser registered with the State of Nebraska and is a limited liability company (LLC) formed under the laws of the State of Nebraska.

- John W. Posey is the Chief Compliance Officer (CCO), Managing Member and Owner of Plains Advisory. John W. Posey owns 100.00% of Plains Advisory. Full details of the education and business background of John W. Posey are provided at *Item 19* of this Disclosure Brochure.
- Plains Advisory filed its initial application to become registered as an investment adviser in January 2019.

Introduction

The investment advisory services of Plains Advisory are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Plains Advisory (referred to as your investment adviser representative throughout this brochure).

Description of Advisory Services

The following are descriptions of the primary advisory services of Plains Advisory. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and Plains Advisory before we can provide you the services described below.

Asset Management Services – Plains Advisory offers asset management services, which involves Plains Advisory providing you with continuous and ongoing supervision over your specified accounts.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed by us based on your financial situation, investment objectives and risk tolerance. We actively monitor the Account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Sub-Advisory Services Through Betterment LLC – Plains Advisory also provides asset management services by recommending a client utilize a sub-advisor. Plains Advisory recommends this service to clients who typically have a longer time horizon, needing a more passive investment strategy and/or with assets of \$250,000 or less.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the "Account"). The Account consists only of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account,

Sub-advisors are utilized to manage the Account or a portion of the assets of the Account. Currently we recommend Betterment LLC be utilized as a sub-advisor to client accounts ("Betterment"). When Betterment is selected, Betterment will have discretionary authority on your Account to place trades and make changes to the Account or the portion of your Account that Betterment is authorized to manage. You will have to enter into a separate sub-advisory agreement directly with Betterment in order to do this.

Plains Advisory will conduct due diligence of any recommended sub-adviser and monitor the performance of the sub-adviser with respect to the sub-advisor's management of the designated assets of the Account relative to appropriate peers and/or benchmarks.

Plains Advisory will be available to answer questions client may have regarding any portion of client's Account managed by Betterment and will act as the communication conduit between Client and Betterment. The recommendation of sub-advisers, or other products and funds, will be done on a discretionary basis with the specific terms outlined in your Advisory Agreement. When a client authorizes Plains Advisory to have the ability to select sub-advisers or other products and funds on a discretionary basis, Plains Advisory will have the authority to select and terminate sub-advisers, products or funds without the client's specific approval.

A complete description of the Sub-Adviser's services, practices and fees will be disclosed in the Sub-Adviser's Form ADV Part 2A that will be provided to client.

Financial Planning & Consulting Services - Plains Advisory offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide written financial plans, which typically address the following topics: Investment Planning, Retirement Planning, Insurance

Planning, Tax Planning, Education Planning, Portfolios Review, Asset Allocation, and Estate Planning. When providing financial planning and consulting services, the role of your investment adviser representative is to find ways to help you understand your overall financial situation and help you set financial objectives. We also provide written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a written financial plan. Written financial plans prepared by us do not include specific recommendations of individual securities.

We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. We also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by you. Under an "as-needed" consultation, it will be incumbent upon you to identify those particular issues for which you are seeking our advice or consultation on.

Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. To the extent that you would like to implement any of our investment recommendations through Plains Advisory or retain Plains Advisory to actively monitor and manage your investments, you must execute a separate written agreement with Plains Advisory for our asset management services.

Workshops

Plains Advisory offers educational, informative and motivational workshops to the public as well as to associations, family foundations and employers. Workshops are always offered on an impersonal basis and do not focus on the individual needs of the participants.

Limits Advice to Certain Types of Investments

Plains Advisory provides investment advice on the following types of investments:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Foreign Issues
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- Variable Annuities
- Variable Life Insurance
- US Government Securities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Participation in Wrap Fee Programs

Asset Management Services through Plains Advisory are provided through a non-wrap fee program. However, if a client elects to use Betterment LLC as a sub-advisor for asset management services, their fees are charged through a wrap fee program. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Whenever a fee is charged to a client for services described in this brochure (whether wrap fee or non-wrap fee), we will receive all or a portion of the fee charged. For more information about the wrap fee program sponsored by Betterment please see their Form ADV Part 2A and Wrap Fee Brochure.

Tailor Advisory Services to Individual Needs of Clients

Plains Advisory's advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information. Our financial planning and consulting services are always provided based on your individual needs. When providing financial planning and consulting services, we work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Client Assets Managed by Plains Advisory

As of December 31, 2019 Plains Advisory has \$11,649,865 of assets under management on a discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm’s services along with descriptions of each service’s fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Plains Advisory.

Asset Management Services

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in advance (at the start of the billing period) on a quarterly calendar basis and calculated based on the fair market value of your account as of the last business day of the previous billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears at the same time as the next full billing period’s fee is billed.

The asset management services continue until terminated by either party (i.e., Plains Advisory or you) by giving thirty (30) days written notice to the other party. Any prepaid, unearned fees will be promptly refunded by Plains Advisory to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Fees charged for our asset management services are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client’s situation, the composition of the client’s account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

For our asset management services, client will be charged the following annual fee based upon the amount of assets under management:

| <u>Assets Under Management</u> | <u>Annual Fees</u> |
|--------------------------------|--------------------|
| \$0 – \$500,000 | 1.350% |
| \$500,001 – \$1,000,000 | 1.100% |
| \$1,000,001 – \$2,000,000 | 0.900% |
| \$2,000,001 - \$5,000,000 | 0.750% |
| \$5,000,001 and up | 0.500% |

This is **not** a tiered annual fee schedule in which each tier of assets is charged a different rate under the annual fee schedule creating the effect of a blended fee rate used at the time of billing. Under our fee schedule described above, only one rate is charged against all of the client’s assets under management in this program.

Plains Advisory believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., management fees and other fund expenses).

The investment advisory fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You will authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to our firm. Our firm will send you a billing statement following the fee deduction instruction sent to the qualified custodian(s) of your account. The billing statement will detail the formula used to calculate the fee, the assets under management and the time period covered. See *Item 15 – Custody* for more details.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. Plains Advisory does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than Plains Advisory in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by Plains Advisory are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

Sub-Advisory Services Through Betterment LLC

All fees charged for management services via the Betterment For Advisors Platform are part of a wrap fee program sponsored by Betterment LLC, the sub-advisor on accounts in this program. Betterment is in charge of calculating and deducting their own management fee as well as Plains Advisory's fees. Betterment's fee is in addition to and separate from the advisory fee charged to you by Plains Advisory. Below we've listed the Plains Advisory fee schedule for this service. For further information about the wrap fee program and fees charged by Betterment, please see their Wrap Fee Brochure.

Fees are charged based on a percentage of assets under management, billed in arrears (at the end of the billing period) on a quarterly calendar basis and calculated based on the average daily balance of the billing period. Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of a billing period, the prorated fee for the initial billing period is billed in arrears.

The asset management services continue until terminated by either party (i.e., Plains Advisory or you) by giving thirty (30) days written notice to the other party. Any prepaid, unearned fees will be promptly refunded by Plains Advisory to you. Fee refunds will be determined on a pro rata basis using the number of days services are actually provided during the final period.

Fees charged for sub-advisor services via the Betterment For Advisors Platform are negotiable based on the investment adviser representative providing the services, the type of client, the complexity of the client's situation, the composition of the client's account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with the investment adviser representative, and the total amount of assets under management for the client.

For Clients referred to Betterment LLC for sub-advisor services, Plains Advisory will charge the following annual fee based upon the amount of assets under management:

| <u>Assets Under Management</u> | <u>Annual Fees</u> |
|--------------------------------|--------------------|
| \$0 – \$500,000 | 1.250% |
| \$500,001 – \$1,000,000 | 1.100% |
| \$1,000,001 – \$2,000,000 | 0.900% |
| \$2,000,001 - \$5,000,000 | 0.750% |
| \$5,000,001 and up | 0.500% |

A complete description of Betterment’s services, fee schedules and account minimums will be disclosed in their Wrap Fee Disclosure Brochure and Firm Brochure which will be provided to you prior to or at the time an agreement for services is executed and an account is established.

This is **not** a tiered annual fee schedule in which each tier of assets is charged a different rate under the annual fee schedule creating the effect of a blended fee rate used at the time of billing. Under our fee schedule described above, only one rate is charged against all of the client’s assets under management in this program.

Under this program, you may incur additional charges including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, and IRA and qualified retirement plan fees.

We have a conflict of interest by only offering a third-party sub-advisor that has agreed to pay a portion of their advisory fee to us and have met the conditions of our due diligence review. There may be other third-party sub-advisors that may be suitable for you that may be more or less costly. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered.

Financial Planning & Consulting Services

Fees charged for our financial planning and consulting services are negotiable based upon the type of client, the services requested, the investment adviser representative providing advice, the complexity of the client's situation, the composition of the client's account, other advisory services provided and the relationship of the client and the investment adviser representative. The following are the fee arrangements available for financial planning and consulting services offered by Plains Advisory.

Fees for Financial Planning Services

Hourly Fee

Plains Advisory provides financial planning services under an hourly fee arrangement. An hourly fee of \$200 per hour is charged by Plains Advisory for financial planning services under this arrangement. Before commencing financial planning services, Plains Advisory provides an estimate of the approximate hours needed to complete the requested financial planning services. If Plains Advisory anticipates exceeding the estimated amount of hours required, Plains Advisory will contact you to receive authorization to request additional time. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan.

Fixed Fee

Plains Advisory also provides financial planning services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for financial planning services under this arrangement. The minimum fixed fee is generally \$500, and the maximum fixed fee is generally no more than \$10,000. The amount of the fixed fee for your engagement is specified in your financial planning agreement with Plains Advisory. Upon completion and delivery of the financial plan, the fixed fee is considered earned by Plains Advisory and any unpaid amount is immediately due.

If Client is currently receiving asset management services from Plains Advisory for an asset management fee and assets exceed \$500,000, Plains Advisory waives any fees for services under this Agreement. Although Plains Advisory is not charging investment advisory fees under this Agreement, there are fees and expenses charged by mutual funds to their shareholders if Client invests in mutual funds due in part to the services under this Agreement. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee (known as 12(b)-1 fees). If the mutual fund also imposes sales charges, Client may pay an initial or deferred sales charge.

Likewise, although Plains Advisory is not charging investment advisory fees under this Agreement, if Client decides to invest through a qualified custodian due in part to the services under this Agreement, the qualified custodian or broker-dealer executing certain transaction will charge commissions for implementing transactions.

To the extent Plains Advisory provides you with general investment recommendations as part of the financial planning services and you implement such investment recommendations through Plains Advisory, we may offer in our agreement with you to waive or reduce the fees for financial planning services.

The financial planning services terminate upon delivery of the written financial plan or upon either party providing the other party with written notice of termination effective upon 30 days after the other party receives such notice.

In the event that you terminate the financial planning services at any time prior to presentment of the written plan by providing notice to Plains Advisory, there will be no penalty or fees due. For financial planning services performed by Plains Advisory under an hourly arrangement, you will pay Plains Advisory for any hourly fees incurred at the rates described above. For financial planning services performed by Plains Advisory under a fixed fee arrangement, you will pay an early termination fee for the hours worked by Plains Advisory multiplied by the hourly rate of \$200. In the event that there is a remaining balance of any fees paid in advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Plains Advisory to you within 10 business days. If you are not satisfied with the financial plan prepared by Plains Advisory, we may waive our fee; however, in such a situation, Plains Advisory retains intellectual property rights over any written financial plan prepared by Plains Advisory, and the written financial plan must be returned to Plains Advisory.

Fees for Consulting Services

Hourly Fee

Plains Advisory provides consulting services under an hourly fee arrangement. An hourly fee of \$200 per hour is charged by Plains Advisory. Before providing consulting services, Plains Advisory will provide an estimate of the approximate hours needed to complete the consulting services. If Plains Advisory anticipates exceeding the estimated amount of hours required, Plains Advisory will contact you to receive authorization to request additional time. Any unpaid hourly fees will be due immediately upon completion of the consulting services. Upon presentment of the invoice to Client, Plains Advisory will deduct the hourly fees due Plains Advisory against Client's current retainer balance and Client will immediately pay Plains Advisory any outstanding balance of hourly fees due. Client agrees to notify Plains Advisory within ten (10) days of receipt of an invoice if Client disputes any billing entry.

Fixed Fee

Plains Advisory provides consulting services under a fixed fee arrangement. A mutually agreed upon fixed fee is charged for consulting services under this arrangement. The minimum fixed fee for consulting services will be \$500, and maximum fixed fee for consulting services will be generally no more than \$10,000. The amount of the fixed fee for your engagement is specified in your consulting agreement with Plains Advisory. The fixed fee will be considered earned by Plains Advisory and immediately due from Client upon completion of the consulting services.

If Client is currently receiving asset management services from Plains Advisory for an asset management fee and assets exceed \$500,000, Plains Advisory waives any fees for services under this Agreement. Although Plains Advisory is not charging investment advisory fees under this Agreement, there are fees and expenses charged by mutual funds to their shareholders if Client invests in mutual funds due in part to the services under this Agreement. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee (known as 12(b)-1 fees). If the mutual fund also imposes sales charges, Client may pay an initial or deferred sales charge.

To the extent Plains Advisory provides you with general investment recommendations as part of our consulting services and you implement such investment recommendations through us, Plains Advisory at our discretion may offer to waive or reduce the fee for certain consulting services.

To the extent you paid Plains Advisory a fee for a written financial plan, Plains Advisory at our discretion may offer to waive or reduce the fee for any consulting services provided by Plains Advisory to you during the first twelve (12) months following the execution of an agreement with us.

The one-time consulting services will terminate upon completion of the consultation or either party providing the other party with written notice. Either you or Plains Advisory may terminate the consulting services upon providing the other party with written notice of termination effective upon 30 days after the other party receives such notice.

In the event that you terminate consulting services at any time prior to completing the consultations by providing notice to Plains Advisory, there will be no penalty or fees due. For consulting services performed by Plains Advisory under an hourly arrangement, you will pay Plains Advisory for any hourly fees incurred at the rates described above. For consulting services performed by Plains Advisory under a fixed fee arrangement, you will pay an early termination fee for the hours worked by Plains Advisory multiplied by the hourly rate of \$200. In the event that there is a remaining balance of any fees paid in

advance after the deduction of fees from the final invoice, those remaining proceeds will be refunded by Plains Advisory to you within 10 business days.

Other Fee Terms for Financial Planning & Consulting Services

You may pay the investment advisory fees owed for the financial planning and/or consulting services by submitting payment directly (for example, by check) or having the fee deducted from an existing investment account.

If you elect to pay by automatic deduction from an existing investment account, you will provide written authorization to Plains Advisory for the fee deduction.

You should notify Plains Advisory within ten (10) days of receipt of an invoice if you have questions about or dispute any billing entry.

All fees paid to Plains Advisory for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to Plains Advisory and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

If you elect to have your investment adviser representative, in his or her separate capacity as an insurance agent, implement the recommendations of Plains Advisory, your investment adviser representative at his or her discretion may waive or reduce the investment advisory fee charged for these services by the amount of the commissions received by your investment adviser representative as an insurance agent. Any reduction of the investment advisory fee will not exceed 100% of the insurance commission received.

All fees paid to Plains Advisory for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

All fees paid to Plains Advisory for financial planning and consulting services are separate and distinct from the commissions charged by a broker-dealer or asset management fees charged by an investment adviser to implement such recommendations.

If you elect to implement the recommendations of Plains Advisory through our other investment advisory programs, Plains Advisory may waive or reduce a portion of the investment advisory fees for such investment advisory program(s). Any reduction will be at the discretion of your investment adviser representative and disclosed to you prior to contracting for additional investment advisory services.

It should be noted that lower fees for comparable services may be available from other sources.

Workshops

Workshops are always provided free of charge.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. *Item 6* is not applicable to this Disclosure Brochure because we do not charge or accept performance-based fees.

Item 7 – Types of Clients

Plains Advisory generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations

You are required to execute a written agreement with Plains Advisory specifying the particular advisory services in order to establish a client arrangement with Plains Advisory.

Minimum Investment Amounts Required

The services of Plains Advisory are best suited to the unique needs of clients whose assets exceed \$250,000. The minimum may be waived by the investment adviser, based on the needs of the client and the complexity of the situation. However, all clients are required to execute an agreement for services in order to establish a client arrangement with Plains Advisory. Clients using Betterment LLC for sub-advisor services will also execute an agreement with them, in addition to the Plains Advisory agreement.

The minimum fee generally charged for financial planning services provided on an hourly basis is \$500. The minimum fixed fee generally charged for financial planning services on a fixed fee basis is \$500.

The minimum hourly fee generally charged for consulting services is \$500. The minimum fixed fee generally charged for consulting services is \$500.

Third-party sub-advisors may have minimum account and minimum fee requirements in order to participate in their programs. Each sub-advisor will disclose its minimum account size and fees in its Form ADV Part 2A Disclosure Brochure. Betterment LLC's Wrap Fee Program does not have any account or fee minimums.

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

Methods of Analysis

Plains Advisory uses the following methods of analysis in formulating investment advice:

Charting - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest, and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days' patterns. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, Plains Advisory gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, annual reports, prospectuses and filings with the SEC, and company press releases.

Investment Strategies

Plains Advisory uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Value Investing. We primarily follow a value-investing strategy that attempts to acquire at reasonable valuations publicly traded businesses that can deliver sustainable excess returns. We focus on a long-only strategy. Long term strategies are designed to identify and select investments to be held for multiple years. We will also invest in value oriented special situations with shorter expected holding periods.

Value Investing can be described as a strategy of selecting stocks that trade for less than their intrinsic values. Value investors typically seek stocks of companies that they believe the market has undervalued. They believe the market overreacts to good and bad news, resulting in stock price movements that do not correspond with the company's long-term fundamentals. The result is an opportunity for value investors to profit by buying when the price is deflated. Often, value investors select stocks with lower-than-average price-to-book or price-to-earnings ratios and/or high dividend yields. The risks associated with value-investing include incorrectly analyzing and overestimating the intrinsic value of a business, concentration risk, under performance relative to major benchmarks, macro-economic risks, investing in value traps i.e. businesses that remain perpetually undervalued, and lost purchasing power on cash holdings in the case of inflation.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a “buy and hold” strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client’s goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Primarily Recommend One Type of Security

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client’s specific circumstances and needs.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- **Market Risk**– Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- **Company Risk.** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company’s employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- **Fixed Income Risk.** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk.** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk** – When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- **Management Risk** – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Plains Advisory is **not** and does **not** have a related person that is a broker/dealer, municipal securities dealer, government securities dealer or broker, an investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund), another investment adviser or financial planner, a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, an insurance company or agency, a pension consultant, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

We are an independent registered investment registered adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us.

Betterment LLC

Plains Advisory has an arrangement with Betterment LLC for third party sub-advisory services. Through the Betterment For Advisors Platform, Betterment LLC will manage all or a portion of your assets and pay us a portion of the fees you are charged. Please refer to *Items 4 and 5* for full details regarding the programs, fees, conflicts of interest and materials arrangements when Plains Advisory recommends Betterment LLC for sub-advisory services.

As part of the Plains Advisory relationship with Betterment LLC and Betterment Securities, Plains Advisory may receive services intended to help us manage and further develop our business enterprise by receiving access to webinars and advice about using their platform to grow our business. These services create an incentive for Plains Advisory to recommend Clients invest through the Betterment for Advisors platform. This is a potential conflict of interest. Plains Advisory will always act in the best interest of the Client and never put the interests of our firm ahead of our Clients.

Insurance Agent

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in his or her separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment adviser representative in his or her separate capacity as an insurance agent, may suggest that you implement recommendations of Plains Advisory by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

Real Estate Agent

John Posey, an investment adviser representative with Plains Advisory, is a licensed real estate agent in the State of Nebraska. He will receive separate compensation when providing these services. Clients needing assistance with real estate services will be referred to him but are not obligated to use his services.

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

Code of Ethics Summary

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Plains Advisory has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. Plains Advisory's Code of Ethics covers all individuals that are classified as "supervised persons". All employees, officers, directors and investment adviser representatives are classified as supervised persons. Plains Advisory requires its supervised persons to consistently act in your best interest in all advisory activities. Plains Advisory imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Plains Advisory. If you wish to review the Code of Ethics in its entirety, you should send us a written request and upon receipt of your request, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

All “supervised persons” of Plains Advisory are considered “access persons” of the firm. All access persons may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Plains Advisory that all persons associated in any manner with our firm must place clients’ interests ahead of their own when implementing personal investments. Plains Advisory and its access persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, access persons):

- Access persons cannot prefer their own interests to that of the client.
- Access persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Access persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Access persons are prohibited from purchasing or selling securities of companies in which any client is deemed an “insider”.
- Access persons are discouraged from conducting frequent personal trading.
- Access persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Plains Advisory.

Any access person not observing our policies is subject to sanctions up to and including termination.

In addition to abiding by our Code of Ethics, some of our representatives are Certified Financial Planners™ (CFP®) and also abide by the Code of Ethics and Responsibility Code of the Certified Financial Planner™ Board of Standards, Inc. The Code of Ethics and Responsibility Code requires CFP® designees to not only comply with all applicable laws and regulations but to also act in an ethical and professional responsible manner in all professional services and activities. The principles guiding CFP® designees are:

- Integrity
- Objectivity
- Competence (in providing services and maintaining knowledge and skills to do so)
- Fairness (to clients, principals, partners and employers and disclosing any conflicts of interest in providing services)
- Confidentiality (keeping all client information confidential without the specific client consent unless in response to legal process or in defense of charges of wrongdoing or civil dispute)
- Professionalism
- Diligence

You can obtain a copy of the Code of Ethics and Responsibility Code by requesting a copy from us.

Item 12 – Brokerage Practices

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

Clients are under no obligation to act on the financial planning recommendations of Plains Advisory. If the firm assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible.

Brokerage Recommendations

If you are using Plains Advisory asset management services, Plains Advisory recommends that you establish a brokerage account with TD Ameritrade through their Institutional Platform. TD Ameritrade, Inc. (“TD Ameritrade”) is a member of FINRA/SIPC.

If you are using Betterment LLC as sub-advisor for asset management services, Client will establish a brokerage account with MTG LLC, d/b/a Betterment Securities (“Betterment Securities”), a registered broker dealer and member of FINRA/SIPC.

Both TD Ameritrade and Betterment Securities are independent (and unaffiliated) broker-dealers and are recommended by Plains Advisory to maintain custody of clients' assets and to effect trades for their accounts.

At least annually, we will review alternative custodians in the marketplace for comparison to the currently used custodians, evaluating criteria such as overall expertise, cost competitiveness, and financial condition. Quality of execution for custodians will be reviewed through trade journal evaluations.

Plains Advisory is independently owned and operated and not affiliated with TD Ameritrade or Betterment Securities.

The primary factor in suggesting a broker/dealer or custodian is that the services of the recommended firm are provided in a cost-effective manner. While quality of execution at the best price is an important determinant, best execution does not necessarily mean lowest price and it is not the sole consideration. The trading process of any broker/dealer and money manager suggested by Plains Advisory must be

efficient, seamless, and straight-forward. Overall custodial support services, trade correction services, and statement preparation are some of the other factors determined when suggesting a broker/dealer.

TD Ameritrade does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed by recommended money managers through the custodian or that settle into a custodian account.

Betterment Securities, an affiliate of Betterment LLC who is a registered investment advisor and the sub-adviser on your account, does not charge separately for custody. Betterment Securities is the broker dealer and custodian for the Betterment For Advisors Platform. Betterment For Advisors is a wrap fee program where account holders don't pay fees for individual transactions. Rather, a single fee is charged to cover portfolio management services and transaction related fees.

Both TD Ameritrade and Betterment Securities provide us with access to their trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors at no charge to them so long as the independent investment advisors maintain a minimum amount of assets with the custodian.

Through this access, Plains Advisory may receive certain services/benefits including, but not necessarily limited to: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk; access to block trading which provides the ability to aggregate securities transactions and allocate the appropriate shares to client accounts; the ability to have investment advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; and access to mutual funds that generally require significantly higher minimum initial investments or are generally only available to institutional investors.

TD Ameritrade and Betterment Securities also make available to us other products and services that benefit our firm but may not benefit clients' accounts. Some of these other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmation and account statements); provide research, pricing information and other market data; facilitate payment of the firm's fees from its clients' accounts; and assist with back-office functions; record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained at a recommended custodian. Plains Advisory is also providing other services intended to help our firm manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing.

Directed Brokerage

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, Plains Advisory may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. However, for compliance and operational efficiencies, Plains Advisory has decided to require our clients to use broker/dealers and other qualified custodians determined by Plains Advisory.

Soft Dollar Benefits

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

Plains Advisory utilizes the broker dealer and custodial services of TD Ameritrade and Betterment Securities. While there is no direct linkage (except in certain circumstances) between the investment advice given to clients and Plains Advisory's participation in the TD Ameritrade or Betterment For Advisors programs, economic benefits are received by Plains Advisory which would not be received if we did not give investment advice to clients.

Although we don't allow directed brokerage, we may still receive benefits from program sponsors and product issuers. These benefits may be used for both research and non-research purposes and allows us to supplement, at no cost, our own research and analysis activities. These benefits include: a dedicated trade desk that services the program participants exclusively, a dedicated service group and an account services manager dedicated to Plains Advisory's accounts, access to a real-time order matching system, the ability to "block" clients' trades, electronic download of trades, balances and position information, duplicate and batched client statements, confirmations, year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), availability of third-party research and technology, a quarterly newsletter, and access to mutual funds.

The benefits received through participation in the TD Ameritrade and Betterment For Advisors programs do not depend upon the amount of transactions directed to or amount of assets managed through TD Ameritrade.

Research obtained with soft dollars is not necessarily utilized for the specific account that generated the soft dollars. We do not attempt to allocate the relative costs or benefits of research among clients because we believe that, in the aggregate, the research we receive benefits all clients and assists us in fulfilling our overall duty to you.

These arrangements may be deemed to create a conflict of interest to the extent that we would have to pay for some or all of the research and/or services with "hard dollars" if we were unable to obtain the research and services in exchange for commissions in connection with client transactions. Client trades are always implemented based on the goals and objectives of the client and not on any research, products or other incentives available.

Handling Trade Errors

Plains Advisory has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Plains Advisory to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Plains Advisory if the error is caused by Plains Advisory. If the error is caused by the broker-dealer, the broker-

dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. Plains Advisory may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

Plains Advisory will never benefit or profit from trade errors.

Block Trading Policy

Investment advisors may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. Plains Advisory will engage in block trading at the discretion of the investment advisor.

Investment advisors will primarily implement client orders on an individual basis. Therefore, an investment advisor will only aggregate or "block" client transactions when deemed practical and advantageous. Considering the types of investments we hold in advisory client accounts, we do not believe clients are hindered in any way because we trade accounts individually. This is because we develop individualized investment strategies for clients and holdings will vary. Our strategies are primarily developed for the long-term and minor differences in price execution are not material to our overall investment strategy.

Agency Cross Transactions

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by John Posey, with reviews performed in accordance with your investment goals and objectives.

Accounts established and maintained through Betterment Securities with Betterment LLC as sub-advisor, are reviewed at least quarterly, usually when statements and/or reports are received from them.

Our financial planning services terminate upon the presentation of the written plan. Our financial planning and consulting services do not include monitoring the investments of your account(s), and therefore, there is no ongoing review of your account(s) under such services.

Statements and Reports

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements in writing directly from the qualified custodian. Additionally, Plains Advisory may provide performance reports to you upon request.

Whether reports by an outside third-party manager are provided to you will depend upon the third-party manager.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by Plains Advisory.

You are encouraged to always compare any reports or statements provided by us or a sub-advisor against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

Item 14 – Client Referrals and Other Compensation

Plains Advisory does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Plains Advisory receives no other forms of compensation in connection with providing investment advice.

As disclosed under *Item 12* above, Plains Advisory will recommend TD Ameritrade and Betterment Securities to Clients for custody and brokerage services. There is no direct link between Plains Advisory's participation in these programs and the investment advice it gives to its Clients, although we receive economic benefits that are typically not available to retail investors through our participation in these programs. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading; the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Plains Advisory by third-party vendors.

These products or services assist Plains Advisory in managing and administering Client accounts. The benefits received by Plains Advisory or our personnel through participation in these programs do not depend on the amount of brokerage transactions directed to TD Ameritrade and Betterment Securities. As part of its fiduciary duties to clients, we endeavor at all times to put clients' interests first. You should be aware, however, that the receipt of economic benefits by Plains Advisory or our related persons in and of itself creates a potential conflict of interest and may indirectly influence Plains Advisory's choice of TD Ameritrade and Betterment Securities for custody and brokerage services.

Plains Advisory may also receive from TD Ameritrade and Betterment Securities certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisors participating in these programs. Specifically, the additional services may include access to on-line investment research services at no cost. We do not pay any fees to TD Ameritrade or Betterment Securities for any additional services.

Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.

We may from time to time receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented. According to this definition, Plains Advisory does **not** have custody of client funds or securities.

Item 16 – Investment Discretion

When providing asset management services, Plains Advisory maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities, the amount of securities that can be bought or sold and the broker or dealer to be used for your portfolio without obtaining your consent for each transaction.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to Plains Advisory so long as the limitations are specifically set forth or included as an attachment to the client agreement.

For Clients that utilize sub-advisory services through Betterment LLC and the Betterment For Advisors Platform, Client will grant Betterment LLC with the discretionary authority (in the sole discretion of Betterment without first consulting with Client) to make all decisions to buy, sell or hold securities, cash or other investments for such portion of the account managed by Betterment LLC and to carry out these decisions by giving instructions, on behalf of Client, to Betterment Securities. Plains Advisory is not granted discretionary authority on these accounts and is not a party to the sub-advisory agreement between Betterment and the Client.

Item 17 – Voting Client Securities

Plains Advisory does not vote proxies on behalf of Clients. We have determined that taking on the responsibilities for voting client securities does not add enough value to the services provided to you to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in Account.

You will receive proxies directly from the qualified custodian or transfer agent; we will not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided.

For assets managed by Betterment LLC, Clients delegate to Betterment the authority to receive and vote all proxies and related materials. Additional information about proxy matters is contained in Betterment LLC's Form ADV Part 2A and Wrap Fee Brochure. You may request a complete copy of Betterment's proxy voting policies and procedures as well as information on how your proxies were voted by contacting Betterment or by contacting Plains Advisory at the address or phone number indicated on Page 1 of this disclosure document.

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Plains Advisory does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Plains Advisory has not been the subject of a bankruptcy petition at any time.

Item 19 – Requirements for State-Registered Advisers

Executive Officer and Management Personnel

John W. Posey

Educational Background:

University of NE - Lincoln, BSBA: 2005

Business Experience:

Plains Advisory LLC, Managing Member, Owner and Chief Compliance Officer, 12/2018 to Present

American Portfolios Financial Services, Inc., Registered Representative, 05/2015 to 12/2018

APFS Wealth Management, Inc., Investment Adviser Representative, 05/2015 to 12/2018

Five Points Bank, Financial Planner, 05/2015 to 12/2018

Cambridge Investment Research, Inc., Registered Representative, 06/2013 to 05/2015

Wealth Advisors Network, Inc., Investment Adviser Representative, 11/2007 to 05/2015

Contryman Wealth Advisors, Financial Advisor, 11/2007 to 05/2015

1st Global Insurance Services, Insurance Agent, 04/2008 to 06/2013

1st Global Capital Corp., Financial Advisor, 01/2008 to 06/2013

Other Business Activities

See Item 10 – Other Financial Industry Activities and Affiliations.

No Performance Based Fees

As previously disclosed in *Item 6*, Plains Advisory does not charge or accept performance-based fees.

No Arbitrations

Plains Advisory or any of its associated persons have not been the subject of any client arbitrations or similar legal disputes.

No Arrangement with Issuer of Securities

Plains Advisory and its management do not have any relationship or arrangement with any issuer of securities.

Customer Privacy Policy Notice

Commitment to Your Private Information: Plains Advisory has a policy of protecting the confidentiality and security information we collect about our clients. We do not, and will not, share nonpublic personal information about you ("Information") with outside third parties without your consent, except for the specific purposes described below. This notice has been provided to you to describe the Information we may gather and the situations under which we may need to share it.

Why We Collect and How We Use Information. We limit the collection and use of Information within our firm to only those individuals associated or employed with us that must have Information to provide financial services to you. Such services include maintaining your accounts, processing transaction requests, providing financial planning, financial consultation, and other services described in our Form ADV.

How We Gather Information. We get most Information directly from you when you provide us with information from any of the following sources:

- Applications or forms (for example: name, address, social security number, birth date, assets, income, financial history)
- Transactional activity in your account (for example: trading history and account balances)
- Information services and consumer reporting sources (for example: to verify your identity or to assess your credit history)
- Other sources with your consent (for example: your insurance professional, attorney, or accountant)

How We Protect Information. We are required to protect the confidentiality of Information and to comply with our stated policies. They may access Information only when there is an acceptable reason to do so, such as to service your account or provide you with financial services. Employees who violate our Privacy Policy are subject to disciplinary action, up to and including termination from employment with us. We also maintain physical, electronic, and procedural safeguards to protect information, which comply with applicable SEC, state, and federal laws.

Sharing Information with Other Companies Permitted Under Law. We do not disclose Information obtained in the course of our practice except as required or permitted under law. Permitted disclosures include, for instance, providing information to unrelated third parties who need to know such Information in order to assist us with providing services to you. Unrelated third parties may include broker/dealers, mutual fund companies, insurance companies, and the custodian with which your assets are held. In such situations, we stress the confidential nature of information being shared.

Former Customers. Even if we cease to provide you with financial products or services, our Privacy Policy will continue to apply to you and we will continue to treat your nonpublic information with strict confidentiality.

FORM ADV PART 2B BROCHURE SUPPLEMENT

John W. Posey

Item 1 – Cover Page

John W. Posey
Plains Advisory LLC
1004 N. Diers Avenue, Suite 316
Grand Island, NE 68803
308-210-7071
www.plainsadvisory.com
Date of Supplement: December 2018

This brochure supplement provides information about John Posey that supplements the Plains Advisory LLC (“Plains Advisory”) disclosure brochure. You should have received a copy of that brochure. Please contact John Posey at 308-210-7071 or at john@plainsadvisory.com if you did not receive Plains Advisory’s brochure or if you have any questions about the contents of this supplement.

Item 2 – Educational Background and Business Experience

John W. Posey

Born: 1982
CRD # 5165747

Post Secondary Educational Background:

University of Nebraska - Lincoln, Bachelor of Science in Business Administration: 2005

Business Background:

Plains Advisory LLC, Managing Member, Owner and Chief Compliance Officer, 12/2018 to Present
American Portfolios Financial Services, Inc., Registered Representative, 05/2015 to 12/2018
APFS Wealth Management, Inc., Investment Adviser Representative, 05/2015 to 12/2018
Five Points Bank, Financial Planner, 05/2015 to 12/2018
Cambridge Investment Research, Inc., Registered Representative, 06/2013 to 05/2015
Wealth Advisors Network, Inc., Investment Adviser Representative, 11/2007 to 05/2015
Contryman Wealth Advisors, Financial Advisor, 11/2007 to 05/2015
1st Global Insurance Services, Insurance Agent, 04/2008 to 06/2013
1st Global Capital Corp., Financial Advisor, 01/2008 to 06/2013

Professional Designations

Accredited Investment Fiduciary (AIF)

The AIF certification signifies that an individual has a thorough knowledge of and ability to apply the fiduciary practices. To obtain the AIF certification, candidates must complete a training curriculum and then pass an AIF exam. AIF designees are required to adhere to a strict code of ethics. In order to

maintain an AIF license, AIF designees must complete six hours of continuing professional education each year.

Certified Financial Planner (CFP)

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

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 71,000 individuals have obtained CFP® certification in the United States.

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in one day, during two 3-hour sessions, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

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

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

CFP Acknowledgment: John Posey acknowledges his responsibility as a CFP® Certificant to adhere to the standards that have been established in the CFP Board's Standards of Professional Conduct. If you become aware that John Posey's conduct may violate the Standards of Professional Conduct, you may file a complaint with the CFP Board at www.CFP.net/complaint.

Code of Ethics for CFP

The following disclosure has been included in the COE section of the 2A.

In addition to abiding by our Code of Ethics, some of our representatives are Certified Financial Planners™ (CFP®) and also abide by the Code of Ethics and Responsibility Code of the Certified Financial Planner™ Board of Standards, Inc. The Code of Ethics and Responsibility Code requires CFP® designees to not only comply with all applicable laws and regulations but to also act in an ethical and professional responsible manner in all professional services and activities. The principles guiding CFP® designees are:

- Integrity
- Objectivity
- Competence (in providing services and maintaining knowledge and skills to do so)
- Fairness (to clients, principals, partners and employers and disclosing any conflicts of interest in providing services)
- Confidentiality (keeping all client information confidential without the specific client consent unless in response to legal process or in defense of charges of wrongdoing or civil dispute)
- Professionalism
- Diligence

You can obtain a copy of the Code of Ethics and Responsibility Code by requesting a copy from one of our representatives.

Item 3 – Disciplinary Information

John Posey has no legal or disciplinary events to report.

Item 4 – Other Business Activities

Insurance Agent

John Posey is independently licensed to sell insurance and annuity products through various insurance companies. When acting in this capacity, John Posey will receive commissions for selling insurance and annuity products.

John Posey may also receive other incentive awards for the recommendation/sale of annuities and other insurance products. The receipt of compensation and other incentive benefits may affect the judgment of John Posey when recommending products to its clients. While John Posey endeavors at all times to put the interest of his clients first as a part of Plains Advisory's overall fiduciary duty to clients, clients should

be aware that the receipt of commissions and additional compensation itself creates a conflict of interest and may affect John Posey's decision-making process when making recommendations.

Clients are never obligated or required to purchase insurance products from or through John Posey and may choose any independent insurance agent and insurance company to purchase insurance products. Regardless of the insurance agent selected, the insurance agent or agency will receive normal commissions from the sale.

Real Estate Agent

John Posey is a licensed real estate salesperson in the State of Nebraska. In this separate capacity as a licensed real estate salesperson, John Posey will earn commissions for real estate transactions.

To the extent that an advisory client may use a portion of their proceeds from a loan on the client's real estate or from the sale of their real estate, transacted by John Posey, to fund their securities account(s), a potential conflict of interest exists. The conflict is present in that John Posey has an incentive to recommend the proceeds be placed in a securities account managed by John Posey thus increasing the compensation earned by John Posey.

Clients of Plains Advisory are not obligated in any manner to use the real estate services provided by John Posey.

Item 5 – Additional Compensation

In addition to the description of additional compensation provided in Item 4, John Posey can receive additional benefits.

Certain product sponsors may provide John Posey with other economic benefits as a result of his recommendation or sale of the product sponsors' investments. The economic benefits received by John Posey from product sponsors can include but are not limited to, financial assistance or the sponsorship of conferences and educational sessions, marketing support, incentive awards, payment of travel expenses, and tools to assist John Posey in providing various services to clients.

Although Plains Advisory and John Posey endeavor at all times to put the interest of its clients ahead of its own or those of its officers, directors, or representatives ("affiliated persons"), these arrangements could affect the judgment of John Posey when recommending investment products. These situations present a conflict of interest that may affect the judgment of affiliated persons including John Posey.

Item 6 – Supervision

John Posey is the Chief Compliance Officer of Plains Advisory. He is responsible for overseeing and enforcing the firm's compliance programs that have been established to monitor and supervise the activities and services provided by the firm and its representatives. John Posey can be contacted at 308-210-7071.

Item 7 – Requirements for State-Registered Advisers

John Posey has not been involved in an arbitration award and has not been found liable in an arbitration claim alleging damages in excess of \$2,500. He has not been involved in any award or found liable in any civil, self-regulatory organization, or administrative proceeding. Additionally, he has not been the subject of a bankruptcy petition.