ANODOS ADVISORS

Anodos Advisors
Client Relationship Summary updated 5/1/2023

1. **Introduction**: Anodos Advisors LLC ("Anodos") is registered with the Securities and Exchange Commission as an investment adviser. The services offered and fees charged by an investment adviser differ from those of broker-dealers, and it is important that you understand the differences. Free and simple tools are available to research investment advisory firms, broker-dealers, and their financial professionals at www.Investor.gov/CRS. This site also provides educational materials about broker-dealers, investment advisers, and investing.

2. **Relationships & Services - "What investment services and advice can you provide me?":** Anodos provides investment advisory services and trustee governance support services to our clients:

   a. *Investment Monitoring:* Many of our clients' delegate management responsibility to multiple investment managers. For these clients, Anodos provides independent monitoring of the managers' activities. Anodos will communicate to these managers our client's targeted rate of return, risk expectation, projected distribution rates, and any other investment policies that our client has adopted. We also coordinate the activities between these various managers by arranging and effecting purchases and sales of securities to accommodate our clients' investment objectives. Common examples of these activities include allocation changes between and across managers, identification of duplicative activities/strategies between managers, tax loss harvesting across managers, distribution planning across managers, coordination of transaction execution between managers, etc. For those clients that use this service Anodos provides a "rollup report" which tracks the performance of each manager against agreed upon key performance indicators (benchmarks).

   b. *Trustee Governance Support:* Many of our clients are trustees who engaged Anodos to develop and maintain a fiduciary governance process to ensure that they have fulfilled each of their fiduciary duties during the administration of the trust. Our Trustee Governance Support includes trust settlement, trustee compensation studies, production of the annual account, developing an Investment Policy Statement for the trust and maintaining the trustee's compliance library.

   c. *Investment Advisory Support:* Some of our clients have decided to "self-manage" their marketable securities. These clients engage Anodos to provide Investment Advisory Support as they directly manage their assets. For these clients we develop an Investment Policy Statement that is to inform the client's strategic and tactical management decisions. Within this service Anodos is responsible for recommending particular investment securities, suggesting rebalances within the portfolio, identifying tax loss harvesting opportunities and providing other advisory services for these assets. Though Anodos does not have authority to execute trades on these assets we are relied upon to recommend trades that these clients will direct.

   d. *Financial Planning and Project Management*: For some of our clients Anodos provides financial planning and project management support. For these clients we develop an online vault into which all important documents are stored for easy reference and retrieval. Other planning services may include maintenance of the Balance Sheet and Statement of Projected Cash Flows, maintenance, and updates of estate planning documents with the client's estate planning attorney, tax planning and coordination the client's CPA, cash flow planning among and between our client's various investment managers, continuity support for our client's family if our client is disabled or dies unexpectedly, and other complex projects for which our client want our assistance.

   e. ***Additional Information: Additional Information about any conflicts of interest that may exist between Anodos and our clients and Standard of Conduct can be found on our website at www.anodosadvisors.com/about/compliance.***

   f. Questions to ask: Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education, and other qualifications? What do those qualifications mean?

3. **<u>Fees & Costs - "What fees will I pay?"</u>**: Anodos charges a fixed monthly retainer which is typically between $2,000 and $6,000 for our service. This monthly retainer varies based upon the services that our clients engage Anodos to perform and the size and complexity of the case. Besides the Anodos monthly retainer, our clients continue to pay fees to their various investment managers, custodians, and products that they have selected.

    a. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. More detailed information about our fees and costs can be found on the Anodos form ADV, Part 2A Brochure which is included on our website www.anodosadvisors.com/about/compliance.

    b. Questions to ask: Help me understand how these fees and costs may affect my investments. If I give you $10,000 to invest, how much will go to fees and costs and how much will be invested for me?

4. **<u>Standard of Conduct and Conflicts of Interest - "What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?"</u>**

    a. *When we act as your investment advisor*, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they affect the recommendations, we provide you. Here are some examples to help you understand what this means.

    b. Our monthly retainer is established at the inception of the relationship and is based on the value of the assets our clients hold and the services they want us to provide. We necessarily receive more compensation from clients with larger portfolios who want more support than those clients with smaller portfolios who want less support.

    c. We do not have any proprietary products, nor do we have a financial interest in any investment you may decide to make. We do NOT receive third party payments and we do NOT have any revenue sharing agreements with any investment firms, insurance agency or any other source. We do NOT participate in principal trading. We do NOT have any affiliation with any broker-dealers.

    d. "How do your financial professionals make money?"**:** Our financial professionals are employees of the firm and are paid a fixed monthly salary and have no other form or compensation. Their compensation is NOT based on the amount of client assets they service; the product sold; product sales commissions; or revenue the firm earns from the financial professional's advisory services or recommendations.

    e. Questions to ask: "How might your conflicts of interest affect me, and how will you address them."

    f. ***Additional Information: Additional Information about any conflicts of interest that may exist between Anodos and our clients can be found on our website at <u>www.anodosadvisors.com/about/compliance</u>.***

5. **<u>Disciplinary History - "Do you or your financial professionals have a legal or disciplinary history?":</u>** No. Neither Anodos nor any of its employees has any legal or disciplinary history. A free and simple search tool to research Anodos and its financial professionals is available at the Investor.gov/CRS website.

    a. Questions to ask: As a financial professional, do you have any disciplinary history? For what type of conduct?

6. **<u>Other questions to ask:</u>** Ask our financial professionals these key questions about our investment services and accounts.
    a. Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?
    b. Will Anodos direct the actions of the investment advisor(s) I have selected?
    c. Will Anodos help me pick investment advisors?

7. ***Additional information about our services or an updated copy of this document can be requested by calling 805-899-1245 or found at <u>www.anodosadvisors.com/about/compliance</u>.***