Highland Investment Advisors, LLC
Client Relationship Summary ("Form CRS")
March 31, 2022

Highland Investment Advisors, LLC ("Highland"), also doing business as Highland Investment Advisors, LLC DBA Fund Management ("Fund Management"), is a federally registered Investment Advisor with the US Securities & Exchange Commission (SEC). Investment advisory services and fees differ from broker-dealers, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at www.Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisors, and investing.

What investment services and advice can you provide to me?

Conversation Starters: *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 these qualifications mean?*

As a fiduciary, Highland offers comprehensive financial planning and discretionary investment advisory services to individuals and their trusts and estates ("you", "clients", or our "retail investors"). This includes services such as retirement planning and ongoing investment portfolio management. Our services may also include education planning, budgeting, and, when coordinating with outside professionals, tax and estate planning. We rely upon client submitted data which we do not independently verify when we provide these services.

We manage portfolios based on each client's unique investment objectives, risk tolerance, investment time horizon, withdrawal requirements and other special circumstances. We monitor your portfolio, investment strategy, and investments on at least a quarterly basis. Monitoring is a standard service we provide. Your portfolio is managed on a discretionary basis, which means we have the authority to buy and sell investments in your account without speaking to you prior to doing so. We will contact you at least annually to discuss your investments and financial plan.

Although we have access to a very broad spectrum of investments, we do not have to limit the scope of securities that we use in managing client accounts. However, we generally construct our client portfolios using a combination of no-load mutual funds or exchange traded funds ("ETFs"). In some limited instances we may include individual stocks, bonds, no load annuities, or CD's, based upon the unique needs of the client and portfolio. Buying or selling some types of these securities may result in you paying commissions to the custodian.

Our account minimum is $500,000, although we may waive that amount under certain conditions, such as client extended family members. For additional information about our advisory business and clients we serve please see Item 4 and Item 7 of our Form ADV, Part 2A Brochure here: http://www.highlandinvestmentadvisors.com/brochure

What fees will I pay?

Conversation Starters: *If I give you $10,000 to invest, how much will go to fees and costs and how much will be invested for me? Help me understand how these fees and costs might affect my investments.*

Retail investors pay a quarterly asset-based fee for our services. Our advisory fee is calculated based upon your assets under our management including cash and securities in your account. Fees are determined based on aggregate account valuation and range from 0.45% to 1.75% annually. Fees may be negotiable based upon account size, scope/complexity, services offered, or client type. We may also charge an hourly fee for financial planning.

We only receive fees from you, our client. We do not accept commissions or receive other sources of revenue from any third parties in connection with our services.

The fee we charge is based on the value of your account. Therefore, we have an inherent conflict because our interests would be best served by making recommendations that result in either retaining or increasing assets under management. Clients should understand that financial planning recommendations such as paying off a mortgage, or withdrawing money for other reasons, reduce our assets under management, thus creating a conflict of interest.

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Your account will be held with a custodian, such as TD Ameritrade or Fidelity. Custodians charge transaction costs, brokerage commissions, and potentially other account service fees, which are in addition to the fees you pay us. These custodian fees are paid to the custodian, not us.

Some securities which may be bought for your account may include mutual funds and ETFs. These securities charge their own fees. You will pay these 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. Please see Item 5.A., B., C., and D., of our Form ADV, Part 2A Brochure.

What are your legal obligations to me when acting as my investment advisor? How does your firm make money and what conflicts of interest do you have?

Conversation Starters: *How might your conflicts of interest affect me, and how will you address them?*

When we act as your investment adviser, we have to 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 can affect the investment advice we provide you. Here are some examples to help you understand what this means:

Custodians provide free services to us, including; access to research, access to conferences, and practice management services. These services may give us an incentive to recommend that clients maintain accounts with these custodians. For more detailed information about our conflicts of interest, please review our Form ADV Part 2A.

How do your financial professionals make money?

Conversation Starters: *How do you make money? How do I pay you?*

Our financial professional's compensation is based on the total amount of client fees generated by the accounts we manage. We may also receive hourly fees for financial planning services provided to clients with whom we have no investment management relationship.

Do you or your financial professionals have legal or disciplinary history?

Conversation Starters: *As a financial professional, do you have any disciplinary history? If so, for what type of conduct?*

No for our firm. Yes for our financial professionals. Please visit www.Investor.gov/CRS for a free and simple search tool to research our firm and our financial professionals.

Where can I get additional information?

Conversations Starters: *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?*

Call us at 414-755-2309 x-100 at any time to request a current copy of our Form CRS or Form ADV Part 2A and 2B. Retail investors can find additional information about our investment advisory services by calling us, or visiting our firm's website at http://www.highlandinvestmentadvisors.com/brochure. Additional information about our firm and financial professionals can also be found at: https://brokercheck.finra.org/ or www.adviserinfo.sec.gov

Item 1 - Cover Page

HIGHLAND INVESTMENT ADVISORS, LLC

Form ADV Part 2A

March 31, 2022

Main office:	**1025 W Glen Oaks Ln, Suite 108 Mequon, WI 53092**
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IARD/CRD #141694

This brochure provides information about the personnel and business practices of Highland Investment Advisors, LLC. This brochure has not been approved by the U.S. Securities and Exchange Commission, or by any state securities authority. If you have any questions regarding this brochure, please call us at 414-755-2309, or by email at kkarr@highlandinvesmentadvisors.com. Being licensed as an Investment Advisor does not imply any level of skill or training.

Additional information about **Highland Investment Advisors, LLC** is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Summary of Material Changes

This brochure has been updated to reflect the following:

A. Paul Presti, an investment advisor representative of Highland, retired as of December 31, 2021 after a 38-year career in the financial services industry. David Morrison, who has been with Highland since 2013, will continue to service those clients previously serviced by Paul.

B. As of December 31, 2021, assets under management (AUM) for HIA were $163,693,269.

C. Highland has introduced a professional reimbursement program (please see PRO Plan on page 7) for certain clients and their outside advisors, such as CPAs or attorneys.

D. Highland's Financial Planning services that do not require on-going investment advisory services are now billed on a project basis instead of an hourly basis.

Effective March 31, 2022

Item 3 – Table of Contents

Item 4 - Advisory Business

A. Highland Investment Advisors, LLC ("HIA") was founded in September 2006 as a Wisconsin limited liability company headquartered in Milwaukee, Wisconsin, and owned equally by Kenneth Karr and Adam Drake.

B. Highland Investment Advisors LLC provides investment advice under Highland Investment Advisors LLC ("HIA), Highland Investment Advisors LLC DBA Fund Management ("FM"), and Highland Investment Advisors LLC DBA Whitman Wealth Management ("WWM"). Fund Management ("FM") and Whitman Wealth Management have separate ADVs, available upon request or on our website.

C. The sole business activity of HIA is to provide investment advice and financial planning for individuals, trusts, estates, or charitable organizations. HIA's advice to clients is limited to the following types of securities: Equity securities (exchange listed, over-the-counter, and foreign issuers), corporate debt, certificates of deposit, mutual funds, exchange traded funds (ETFs), annuities, and government securities (including municipal securities). These securities are defined below.

Types of Investments:

1. Equity Securities (exchange-listed securities; securities traded over-the-counter; and foreign issuers). Equity securities denote ownership in a corporation in direct proportion to the number of shares owned by an individual, and represent a claim on the corporation's assets and profits based on the number of shares owned.

2. Corporate Debt Securities are a type of bond that often pays higher rates than government or municipal bonds because they tend to be a higher risk. The owner of a corporate bond receives interest, and the principal, usually $1,000 is repaid on a fixed maturity date – usually between 1 to 20 years. Corporate bonds are considered to be less of a risk than stocks since the company must pay all its debts before paying stockholders.

3. Certificates of Deposit, or CDs, are short-term, interest-bearing debt instruments offered by banks and savings and loans that are FDIC-insured. Because money invested in a CD is tied up for anywhere from three months to six years, they usually offer a higher rate of return than most comparable investments and are considered low-risk. If an investor decides to cash in a CD prior to its maturity date, it is subject to a penalty.

4. Mutual Fund Shares are issued by a company that pools money from many investors and invests the money in stocks, bonds, short-term money-market instruments, other securities or assets, or some combination of these investments. The combined holdings the mutual fund owns are known as its portfolio. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate.

5. Exchange Traded Funds ("ETFs") are similar in many respects to mutual fund shares, but are typically passive investments that track an index or benchmark. ETFs also differ in that they are priced continuously by the market whereas mutual funds are priced daily at end of market close.

6a. Variable Annuities are contracts issued by insurance companies, under which you make a lump-sum payment or series of payments. In return, the insurer agrees to make periodic payments to you beginning immediately or at some future date. You can choose to invest your purchase payments in a range of investment options, which are typically mutual funds. The value of your account in a variable annuity will vary, depending on the performance of the investment options you have chosen. Variable annuities may also offer a variety of features including tax-deferred growth of earnings; a death benefit that will pay to your beneficiary the greater of your account value or a guaranteed minimum amount, such as your total purchase payments; the option of receiving a stream of periodic payments for either a definite period, such as 20 years or an indefinite period, such as your lifetime or the life of your spouse. Some contracts also offer certain retirement income or premium guarantees.

6b. Fixed Annuities are a contract with an insurance company. You give them your money to manage, and in exchange they pay you a guaranteed return.

7. United States Government Securities are bills (short term), notes (medium term), and bonds (long term) issued by a U.S. government-sponsored agency that is a private entity backed by the government, but not guaranteed by the government. These agencies, such as the Student Loan Marketing Association (Sallie Mae), Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) allow individuals such as home buyers and students to have access to low cost financing, and are usually exempt from state and local taxes, but not federal tax.

8. Municipal Securities (bonds) are bonds issued by a state, city or local government to raise capital for every-day expenses and special projects such as, roads, sewerage, hospitals, etc., with interest usually exempt from federal tax. Interest payments on municipal bonds bought by a resident of the state issuing the bond are also exempt from local taxes however, capital gains are taxable. Due to the tax-savings available, municipal bonds are often bought by individuals who have large tax obligations. Yields are often lower than corporate or U.S. government bonds with comparable maturities due to the tax advantage, however, they are considered safer than corporate bonds since a municipality is less likely to file bankruptcy than a corporation.

D. **Investment Advisory Services -** Advisory services are tailored to the individual needs of the client by completing a client profile that includes the client's personal information, financial situation and investment objective. The client has the right to impose any limitations in writing, such as transactions only in specific types of securities or requiring notification prior to the exchange or conversion of any securities. In addition, discretionary account clients have the right to request that a specific security be bought or sold without HIA using discretion.

Investments are tailored to the individual needs of the client by interviewing the client and understanding the client's financial situation, personal requirements, goals, and investment experience.

HIA requires a minimum account size of $500,000 however, this minimum may be waived based upon unique client circumstances or relationships, HIA business development, or other factors.

HIA also provides advisory service to the sponsors of "participant-directed" retirement plans established by the sponsors pursuant to Section 404(c) of ERISA that permits a Plan participant to exercise control over the assets contained in their individual retirement account. HIA provides the Plan sponsors with advice relative to choices of investment alternatives available to Plan participants. These choices may include model portfolios designed and maintained by HIA.

In addition, if requested by the sponsor, HIA shall provide Plan participants with general impersonal informational seminars and/or materials that describe or explain the various investment options available under the Plan. Seminars may include: participant education, enrollment meetings, risk tolerance assessment, investment option selection, model portfolio creation, and recommending and coordinating with outside service providers such as Record Keepers and Third Party Administrators (TPAs). HIA does not receive, nor accept any compensation from outside service providers.

HIA is an authorized provider of Dimensional Fund Advisor ("DFA") mutual funds and may purchase and hold DFA funds in client portfolios. DFA funds are generally not available through retail investment channels. This restriction may limit a client's ability to manage these funds should the client subsequently terminate his/her relationship with HIA

E. **Financial Institution Services** - HIA provides investment advisory services, acting as a third-party manager, to certain broker/dealers' customers ("Brokerage Customers"). These Brokerage Customers are referred to Highland by the broker/dealers and their solicitors. The Brokerage Customers enter into a written advisory agreement with HIA, similar to the advisory agreement for non-broker/dealer Customers. No additional fee to the client is charged as a result of the relationship between HIA and broker/dealers and/or HIA and the broker/dealers' solicitors. Brokerage Customers receive a disclosure before or concurrent with signing an advisory agreement with HIA that describes the relationship between HIA and the broker/dealer and its solicitor. Please reference Section E under "Item 5 - Fees and Compensation" and Section G under "Item 10 - Other Financial Industry Activities and Affiliations" for more information related to this arrangement.

Financial Planning

HIA's financial planning services include, but are not limited to: retirement planning, education planning, cash flow analysis, estate planning, insurance planning, investment management, and tax planning. Clients who are paying a fee for assets under management are not charged for financial planning services.

Clients who wish to retain HIA for financial planning services only are required to sign HIA's Financial Planning Agreement.

Financial Planning is a multifaceted process that includes scheduled consultations to discuss the client's needs and objectives by reviewing and analyzing information provided by the client, summarizing the client's financial situation, and making specific written recommendations that will address the client's particular concerns and objectives. Advice is based on the personal and financial information that is obtained from the client.

The financial planning process involves establishing a relationship with clients by gathering their personal and financial data, assessing their risks, ascertaining their goals and investment objectives, analyzing and evaluating their status, and formulating a strategy to implement recommendations. Once a financial plan has been established and implemented, it will be monitored and adjusted as necessary due to changes in the client's personal information or market conditions.

Financial planning may involve consulting with other professionals, including the client's attorney, accountant and other specialized investment professionals. All information provided by other professionals is for the exclusive benefit of the client and access to this information must be approved by the client. HIA's privacy policy is provided to clients prior to, or concurrent with, them becoming a client, and annually thereafter. It is also available on the HIA website indicated on the Cover Page.

If other professional service providers are recommended, HIA will inform the client of the qualifications of the provider and discuss how the services provided will enhance the client's financial plan. Any actual or potential conflict of interest with the professional will be disclosed to the client.

The client may follow or disregard any or all of the information, recommendations, or advice provided by HIA, and may use any licensed professional of choice to implement the financial plan or otherwise purchase recommended products.

Client Communications Clients are provided with regular quarterly reports by mail or a secure online portal. HIA also communicates through periodic newsletters, e-mail, and quarterly client letters. If clients have any questions or concerns regarding their accounts, they are urged to contact HIA by phone at 414-755-2309.

HIA provides a copy of ADV2A to prospective and new clients, and offers ADV2A to existing clients annually.

F. HIA does not participate in Wrap Fee programs.

G. HIA has both discretionary and non-discretionary accounts. As of December 31, 2022, HIA had total assets under management of $163,693,269 of which $162,675,998 were in discretionary accounts and $1,017,272 were in non-discretionary accounts.

Professional Reimbursement Option

The professionals at Highland Investment Advisors are strong believers that we provide the greatest level of value to our clients by building a relationship that is based upon the confidence that only a strong financial plan can provide. In order for that plan to be successful, it must be based upon the most current and complete information, and very often requires the engagement of outside professionals who possess very specific skill sets. Effective collaboration with other professionals, most notably Certified Public Accountants, Enrolled Agents, and licensed Estate Planning Attorneys, gives us the greatest opportunity to craft a successful working plan.

Based upon this need, and in a desire to encourage our clients to engage with the best independent professionals in this area, we have created the Professional Reimbursement Option (PRO) Plan. The PRO Plan allows you to hire the tax- or estate-planning professional of your choice, and within the terms of the Plan you will receive a management fee credit back from Highland for the professional service fees that you incur, up to a set limit amount. To benefit from this plan the following criteria must be met:

The Accounting or Estate Planning profession that you retain must be practicing in good standing, and must be professionally credentialled with a Certified Public Accountant (CPA) or Enrolled Agent (EA) designation, or must be a member of the State Bar Association.

The independent professional must be truly independent, must serve the client in a fiduciary capacity, and must not be in a position that could create conflicts of interest with regard to investment advice or commission-driven activities. This means that to qualify for PRO Plan reimbursement the professional may not possess any form of Securities Licensing, either through FINRA or the SEC, nor may they engage in the sale of insurance-related products. Additionally, the professional's employing firm may not have any individuals on staff who are securities licensed or engaged in the sale of insurance products, nor may the firm have a common ownership or affiliation with another "outside firm" that engages in those activities.

To participate in this program, Highland Investment Advisor must be the client's sole investment/financial planning professional. While utilizing multiple investment professionals is always a client's right, we have found that this arrangement is most valuable and effective for those individuals who utilize one primary advisor in each of their respective capacities. Certain types of investment accounts, such as employer-sponsored Retirement plans or self-directed trading accounts may be exempted, if Highland deems it to be in the best

Because the purpose of this program is to encourage greater informational access and collaboration, in order to qualify for reimbursement under this plan the completed income tax return(s) or estate plan documents must be shared in full with a client's advisor at Highland.

In order for a client to receive the reimbursement amount for their professional services, their managed relationship with Highland must be in place for at least 90 days prior to the request for a credit.

Credits are available on a calendar year basis, and unused benefits are not transferable from year-to-year.

If the client qualifies for the PRO Plan, as outlined above, the following reimbursement credits would be available to them to offset or eliminate their income tax or estate planning costs.

Assets Under Management	Credit Available
Under $500,000	No credit available at this time
$500,000 to $1,000,000	$ 500.00
$1,000,001 to $2,500,000	$1,000.00
$2,500,001 to $5,000,000	$2,500.00
Over $5,000,000	$3,500.00

Item 5 - Fees and Compensation

A**.** HIA's annual investment advisory fee for assets under management is payable quarterly and in arrears. Fees are calculated by taking the average daily market value of the client's consolidated account(s) for the just-completed quarter and multiplying that value by the tiered fee schedule.

Annualized Advisory Fee Schedule

Portfolio Size	**Annual Fee as % of Portfolio**
First $250,000 ($0 – $250,000)	1.25%
Next $2,250,000 ($250,001 - $2,500,000)	1.00%
Next $2,500,000 ($2,500,001 - $5,000,000)	0.75%
Above $5,000,000	0.50%
Charitable/Non-profit Organizations	0.45%

The fee schedule is negotiable and may vary based on the scope of the total relationship between HIA and the client. Fees may vary based on factors such as client type, asset class, pre-existing relationship, service levels, portfolio complexity and account size or other special circumstances or requirements. Some existing clients may pay lower fees than newer clients.

The fee for Financial Planning services that do not require on-going investment advisory services HIA charges a project-based based on the current gross estate of the client and the amount of research to be conducted after reviewing documentation, but will not exceed $1,000 more than the current gross estate amount fee indicated below.

Gross Estate	**Fee**
up to $2,000,000	$2,000
more than $2,000,000 but less than $3,000,000	$3,000
more than $3,000,000 but less than $5,000,000	$4,000
more than $5,000,000 but less than $10,000,000	$7,500
more than $10,000,000 but less than $20,000,000	$15,000
more than $20,000,000	Based on a written estimate of time at an hourly rate of $150

<u>Calculation of Fees</u> - Fees are charged in arrears on a quarterly basis. Fees are calculated by taking the average daily market value of the client's consolidated account(s) for the just completed quarter and multiplying that value by the tiered fee schedule shown above. Daily market valuations include any cash and cash equivalents that may be in the client's account(s). Fees are calculated and assessed on all accounts that have been opened and allocated into a managed portfolio.

Automated daily asset pricing may not be available for clients with assets managed by HIA that are held by an outside plan administrator or custodian other than TD Ameritrade (i.e. 401k, 403b, annuity accounts). Absence of daily pricing inhibits HIA's ability to compute accurate daily account values. When necessary, the end of month security price will be used to estimate the daily security price going forward until the next end of month price is available. This may cause the client to pay an investment advisory fee - either lower or higher - than if daily valuations had been available.

B. The Investment Management Agreement signed by the client grants HIA Limited Power of Attorney authorization to have investment advisory fees paid to HIA from their custodian account(s) on a quarterly basis when such fees are due. In all instances when an advisory fee is assessed on a client's account, the Adviser will send the client a written invoice, including the fee, the formula used to calculate the fee, the fee calculation itself, the time period covered by the fee, and, if applicable, the amount of assets under management on which the fee was based. Also, the Adviser will include the name of the custodian(s) on the fee invoice. The Adviser will send these to the client concurrent with the request for payment or payment of the Adviser's advisory fees. We urge clients to compare this information with the fees listed in their custodial account statement(s). Fees are deducted from client account(s) generally within 5 business days following the end of each calendar quarter. The custodian shall notify the Client as least quarterly of the amount that has been paid to HIA.

Clients may also choose to pay fees directly to HIA. In these instances, HIA will provide the client with the same information as listed in paragraph B. above.

The Client, rather than the custodian, shall verify the accuracy of HIA's fee calculation.

C. The advisory fee, which is based on the value of the total account, may include mutual fund holdings. Since HIA bills its clients an advisory fee based on the value of their total portfolio, which includes mutual fund holdings, clients may pay two levels of advisory fees, one directly to HIA through asset management fees, and indirectly through management fees assessed by the funds making up their portfolio.

In addition to investment advisory fees charged by HIA, clients may be charged brokerage commissions, or other brokerage service fees assessed by their custodian firm.

D. In the event of account termination, investment advisory fees are charged on a prorated basis up to the date of termination. Because fees are charged in arrears, they are not refundable.

E. **<u>Financial Institution Services</u> -** HIA receives a fee based on the Assets Under Management from Brokerage Customers who have provided written consent to a broker/dealer to receive the investment services from HIA and who have entered into a written advisory agreement with HIA. The fee is calculated from the Assets Under Management as of the end of a calendar quarter period multiplied by the annualized rate as specified in HIA's advisory agreement with the Brokerage Customer. Fees charged to clients are shared between HIA and the broker/dealer per the solicitation agreement between HIA and the broker/dealer. The percentage of the fee shared between HIA and the broker/dealer and their solicitor may vary based on factors such as the size of the relationship or services rendered, but is generally split 70%/30% in favor of the broker/dealer. No additional fee to the client is charged as a result of the relationship between HIA and broker/dealers and/or HIA and the broker/dealers' solicitors. Please reference Section E under "Item 4 – Advisory Business" and Section G under "Item 10 - Other Financial Industry Activities and Affiliations" for more information related to this arrangement.

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

HIA does not charge any performance-based fees. Performance based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 - Types of Clients

HIA provides investment advisory services and financial planning services to individuals, trusts, non-profit organizations, corporations, estates, and broker/dealers.

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

A. Investment advisory service begins with a thorough understanding of the client's current situation, personal goals, and financial objectives. Information is gathered by means of personal interviews, risk assessment evaluations, and data gathering questionnaires. The data gathering process is collaborative. Clients are asked to thoroughly and candidly discuss or provide information on topics such as; their personal status, investment holdings, personal/family financial needs and goals, and their investment knowledge and experience. This in-depth information gathering process enables HIA to provide well-informed advice to clients. It also helps determine which services or investment style is appropriate for the client.

Once the client's investment objectives and investment risk tolerance are identified, a model portfolio is recommended to clients to assist them in achieving their investment objectives. The model portfolio may contain a mix of equity and debt securities with a view toward achieving a particular rate of return in relation to an identified risk tolerance.

All investments entail some level of risk, the major sources of which are; market risk, interest rate risk, and inflation risk. While an attempt is made to minimize these risks through prudent investment strategies and portfolio design and construction, the risk of loss to the client is still present and real.

No claims can be made, nor any guarantees offered for protection of clients against potential or actual loss. Clients are encouraged to discuss their evolving risk tolerance with HIA at any time.

B. HIA's investment management philosophy is based on the concept of **Functional Investing** which rationalizes investments into three main categories or functions:

1) **G**rowth,
2) **R**isk Reduction, and
3) **I**nflation **P**rotection (**GRIP**).

Each **GRIP** category incorporates investments which are consistent with that objective. For example, the Growth component primarily contains equity securities, Risk Reduction contains fixed income securities / alternative investments, and Inflation Protection may include commodities, real estate and inflation protected fixed income securities.

The combination of the three **GRIP** components establishes the character and behavior of the constituent portfolio. HIA believes each of the **GRIP** components should have some representation in a portfolio. The proportions of each **GRIP** component depends upon the client's risk aversion, return expectations, and other unique factors.

Several other time-tested fundamental investment principles round out HIA's investment philosophy. First, HIA believes in the general efficiency of the markets, but recognizes that they do not always behave rationally; Second, that there is a relationship between the rate of return that can be achieved and the amount of risk undertaken; and Third, that diversification among and within asset classes in order to manage risk is prudent.

HIA's model portfolios are created and managed using the current body of knowledge amassed from 50 years of academic investment and financial research and analysis, including the well-known "Modern Portfolio Theory" ("MPT"). According to MPT, a relationship exists between an asset class's risk and its expected return. Successful investing means not only capturing risks that generate expected return but reducing risks that do not. Avoidable risks include holding too few securities, betting on countries or industries, following market predictions, and speculating on "information" from news shows, rating services, or internet investment tips. To all these, diversification is considered the antidote in that it washes away the random fortunes of individual stocks and positions in a portfolio to capture the returns of broad economic forces.

In addition to established and new academic literature and studies, HIA utilizes fundamental analysis, investment periodicals, Morningstar, the internet and other sources of information to help us evaluate, refine and implement investment strategy and portfolio design.

Model portfolios' potential risk and expected return vary according to the weighting of the various **GRIP** components in each portfolio with a bias in favor of small capitalization equities and value-oriented equities. In general, the greater the proportion of stocks a portfolio holds, especially small cap and value stocks, the more "aggressive" is its risk and the greater is its expected return.

Traditional active managers strive to beat the market by taking advantage of pricing "mistakes" and by attempting to predict the future. Too often, this proves costly and futile. HIA helps clients succeed at investing, not speculating. HIA's management style thoroughly rejects the notion that additional return can be earned by predicting, or timing the markets. HIA focuses on designing and maintaining the optimal asset allocation consistent with the client's objectives and risk tolerance.

As a risk management technique, HIA may employ Hedging Strategies on a case by case basis. Because Hedging Strategies involve the use of stock options, only client accounts that have properly authorized option trading are eligible. Hedging Strategies may include selling “covered calls” or creating “option collars” and will be used for hedging purposes only, and not speculation. Hedging strategies will be used only for clients who have provided full consent by signing the Investment Management Agreement.

HIA attempts to minimize both direct and indirect portfolio costs and improve internal and external portfolio tax efficiency. HIA’s asset allocation strategy tends to require fewer securities transactions over time, clients’ commission expenses are lessened along with the likelihood that capital gains will be realized (with their potential tax consequences). Transactions will typically be performed when necessary to rebalance portfolios, allocate new investment dollars, make client requested redemptions, or alter a portfolio due to changing client investment objectives.

C. Mutual funds from a variety of investment companies, including mutual funds from the Dimensional Fund Advisor (“DFA”) family of funds are used in constructing client portfolios. DFA funds are generally unavailable to investors either through direct purchase, normal mutual fund retail channels, or other financial intermediaries. DFA funds are generally available only to institutional investors and clients of select registered investment advisors.

Due to DFA’s restricted distribution channel, clients who terminate their relationship with HIA and transfer their account(s) to another investment advisor and/or custodian, are encouraged to first discuss any possible limitations regarding the holding of their DFA investments with the successor custodian or new investment advisor. Clients who terminate their relationship with HIA and transfer their DFA assets may find their ability to hold, or purchase additional shares of DFA funds restricted or prohibited.

If the successor custodian chosen by the transferring client cannot hold DFA fund(s), the client must identify an alternate custodian to accept and hold the client’s DFA fund(s). If no such arrangements are made, HIA may liquidate all DFA funds in the client account(s) and have the account custodian send the sales proceeds to the designated receiving broker-dealer, custodian or client. The liquidation transactions will result in the client paying transaction costs and may give rise to recognition of taxable capital gains or losses.

Item 9 - Disciplinary Information

A. Neither HIA nor any of its employees are currently, or have ever been, subject to a criminal or civil action in a domestic, foreign or military court of competent jurisdiction; nor have they, 1. ever been convicted of, or pled guilty or nolo contendere (“no contest”) to (a) any *felony*; (b) a *misdemeanor* that *involved* investments or an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses; 2. ever been named the subject of a pending criminal *proceeding* that involves an *investment-related* business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; 3. ever been *found* to have been *involved* in a violation of an *investment-related* statute or regulation; or 4. ever been the subject of any *order*, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a *management person* from engaging in any *investment-related* activity, or from violating any *investment-related* statute, rule, or *order*

B. Neither HIA nor any of its employees are currently, or have ever been, subject to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority, nor have they 1. been *found* to have caused an *investment-related* business to lose its authorization to do business; or 2. been *found* to have been *involved* in a violation of an *investment-related* statute or regulation or been the subject of an *order* by the agency or authority (a) denying, suspending, or revoking the authorization of your firm or a *management person* to act in an *investment-related* business; (b) barring or suspending your firm's or a *management person's* association with an *investment-related* business; (c) otherwise significantly limiting your firm's or a *management person's investment related* activities; or (d) imposing a civil money penalty of more than $2,500 on your firm or a *management person*.

C. Neither HIA nor any of its employees are currently, or have ever been, subject to a self-regulatory organization proceeding nor were they 1. *found* to have caused an *investment-related* business to lose its authorization to do business; or 2. *found* to have been *involved* in a violation of the *SRO's* rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from *investment-related* activities; or (iii) fined more than $2,500.

Item 10 - Other Financial Industry Activities and Affiliations

A. Neither HIA nor any of its employees are registered, or have an application pending to register, as a broker/dealer or registered representative of a broker/dealer.

B. Neither HIA nor any of its employees are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, or commodity trading advisor, or an associated person of these entities.

C. Except for Items G. and H. below, neither HIA nor any of its employees has any relationships or arrangements with any entity that are material to its advisory business or to its clients.

D. Neither HIA nor any of its employees recommends or selects other investment advisers for its clients.

E. On November 18, 2014, HIA purchased FMC – a Mequon, Wisconsin based, registered investment advisor firm with approximately $25.5 million in assets at that time. On December 31, 2020, FMC was officially dissolved as a standalone corporate entity in the State of Wisconsin and as a standalone registered investment adviser with IARD. Concurrent with the aforementioned actions, HIA reassigned all former FMC clients to: Highland Investment Advisors LLC DBA Fund Management ("FM"). HIA has filed a new ADV brochure for FM.

F. **Financial Institution Services**

HIA has agreement(s) with broker/dealers to provide investment advisory services, acting as a third-party manager, to certain broker/dealers' customers ("Brokerage Customers"). Fees charged to clients are shared between HIA and the broker/dealer per the solicitation agreement between HIA and the broker/dealer. This arrangement includes HIA assuming discretionary authority over Brokerage Customers' brokerage accounts and the monitoring of securities. These consulting services offered to Brokerage Customers may include a general review of Brokerage Customers' investment holdings, which may or may not result in HIA's investment adviser representative making specific securities recommendations or offering general investment advice. Brokerage Customers will execute a written advisory agreement directly with HIA. No additional fee to the client is charged as a result of the relationship between HIA and broker/dealers and broker/dealer solicitors.

This relationship presents conflicts of interest. Potential conflicts are mitigated by Brokerage Customers consenting to receive investment advisory services from HIA, by HIA not accepting or billing for additional compensation on broker/dealers' Assets Under Management beyond the fees disclosed in Item 5 in connection with the investment advisory services, and by HIA not engaging as, or holding itself out to the public as, a securities broker/dealer. HIA is not affiliated with any broker/dealer. Please reference Section E under "Item 4 – Advisory Business" for more information related to this arrangement.

G. HIA has an affiliated person, Beverly Whitman CPA, who also owns and operates a separate accounting firm in Ponte Vedra, FL. Some accounting clients may also be clients of HIA. This relationship presents conflicts of interest.

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

Code of Ethics - HIA has a legal fiduciary duty to its clients and endeavors at all times to put the interests of its clients first.

A. HIA's Code of Ethics is applicable to all employees and independent contractors who either participate in the formulation or delivery of investment advisory services to clients or otherwise have access to confidential client records or to recommendations being made for client accounts ("access persons"). The Code of Ethics sets forth procedures intended to prevent conflicts of interest between clients and our access persons, and is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 and rules of individual jurisdictions. This Code establishes rules of conduct for all of our access persons and is designed among other things to govern personal securities trading activities in the account of access persons. The Code is based upon the principle that HIA owes a fiduciary duty to its clients. This requires that all access persons conduct the affairs of HIA, including personal securities transactions, in such a manner as to avoid (1) serving personal interests ahead of clients, (2) taking inappropriate advantage of positions within the firm, and (3) any actual or potential conflicts of interest or abuse of positions of trust and responsibility.

B. Neither HIA nor any of its employees recommends to clients, or buys or sells for client accounts, securities in which HIA or any of its employees has a material financial interest.

C. HIA or its employees may buy or sell for themselves, securities that are also recommended to clients. HIA believes that such transactions do not have a significant impact on market prices of the securities or client opportunities in those securities. HIA employees are prohibited from purchasing or selling for themselves the same securities (with the exception of mutual funds, or exchanged traded funds) purchased or sold for clients' accounts within two business days of such client purchase or sale.

D. If transactions by HIA or any of its employees are likely to have a significant impact on market prices, no transactions will be made by HIA or its employees until the client's transactions have been entered. If the position in a security held by HIA or its employees is significant, the client will be informed of these positions.

HIA maintains a list of all securities purchased for itself or its employees, and all securities transactions are reviewed on a regular basis by Kenneth Karr, President.

A copy of our Code of Ethics is available upon request.

Item 12 - Brokerage Practices

A. Brokerage Discretion - HIA has no discretion to select broker-dealers for clients, but typically recommends that clients establish brokerage accounts with TD Ameritrade Institutional Services ("TDA"), a division of TD Ameritrade Investor Services, Inc., a registered broker-dealer and member of FINRA and SIPC. This recommendation is made because of TD Ameritrade's size, reputation, services, and competitive commission rates. However, clients may be able to receive better trade execution, similar services, or higher or lower costs at other brokerage providers.

Clients are encouraged to review the fees charged by broker/dealers, funds, and other such third parties, as well as HIA's investment advisory fees, to fully understand the amount of fees paid and the services performed. Because these expenses all work to reduce the client's net investment return, HIA seeks to minimize them when possible, consistent with the client's overall investment strategy.

If the client directs HIA, in writing, to place orders with a specific broker/dealer, the client understands and acknowledges that HIA will not: (i) negotiate commissions on the client's behalf and that as a result, the client may pay materially different commissions which may be more than those paid by other clients; (ii) negotiate volume discounts on "batched" orders (i.e., orders for the purchase or sale of the same security for more than one account of HIA) executed through such broker/dealer, and (iii) the client may pay a different commission than other clients of HIA who may participate in "batched" orders. For these reasons, HIA may not obtain best execution in certain transactions in the client's account at the broker/dealer of the client's choice.

When referring a client to a broker/dealer, HIA will ensure that the broker/dealer is registered in the client's state of residence.

Block Trading and Trade Aggregation - HIA may, from time to time, engage in "block" trading, which occurs when a trade is placed for the benefit of more than one client at a time. If such an order is filled, the commission on the trade will be distributed on a pro-rata basis among each client for whom the securities were purchased or sold. HIA believes that block trades and average pricing results in a more efficient execution at equitable final prices for all accounts than if the trades had been done individually.

Broker/Dealer Research and Soft Dollar - HIA may, from time to time, receive research products and services from broker-dealers, including TDA if they continue to execute securities transactions and/or have custody of HIA client's funds and/or securities. These services or products may include economic surveys, data, and analyses; financial publications; regulatory updates; software training; recommendations or other information about particular companies and industries (through research reports and otherwise); and other products or services (e.g., computer services and equipment, including hardware, software, and access to data bases) that provide lawful and appropriate assistance to HIA in the performance of its investment decision-making responsibilities. Brokerage products and services (beyond traditional execution services) consist primarily of computer services and software that permit HIA to effect securities transactions and perform functions incidental to transaction execution. HIA generally uses such products and services to conduct its investment advisory business for all clients.

Item 13 - Review of Accounts

A. Kenneth Karr, President of HIA, and Adam Drake, Chief Investment Officer, are responsible for the regular review of client's account(s). While the accounts are monitored on a daily basis and reviewed quarterly, a more thorough formal review is conducted at least annually. Internal reviews analyze portfolio's holdings, asset allocation, and status of any automatic transactions.

B. Factors that may trigger a change in a client's portfolio include, but are not limited to; changing fundamentals (e.g. style drift, expenses) of securities held in the portfolio, changes to the composition of the underlying model portfolio, and the evolving needs and objectives of the client. The client's written Investment Policy Statement, part of the Investment Management Agreement, specifies the client's target asset allocation and any special circumstances or considerations related to the account.

C. HIA strives to meet with clients at least annually or otherwise at intervals requested by the client, or as circumstances or developments warrant. In addition, clients receive quarterly written account reviews.

Item 14 - Client Referrals and Other Compensation

A. HIA presently has an arrangement with Calton & Associates, Inc., an SEC Registered Investment Advisor ("RIA") located in Tampa, Florida, in which Calton's solicitors refer clients to HIA. HIA verifies that the referring RIA firm and their Investment Advisor Representative's ("IAR") are properly registered by reviewing IARD/CRD data. In this referral arrangement, the client's Advisory Fee is as follows: The fee schedule is lower than the one outlined in **Item 5 – Fees** because, in part, HIA doesn't not provide financial planning services to these clients**.** HIA and the referring RIA firm share the fee, and no additional fees are paid by the client.

Such referral arrangements can create a conflict of interest in that both HIA and RIA have an interest in obtaining and securing the investment management relationship.

B. HIA, from time to time, may compensate individuals, such as tax preparers, CPAs, or attorneys, for client referrals When such an agreement exists, the client is notified in writing. HIA and the referring individual share the fee, and no additional fees are paid by the client.

Item 15 - Custody

Under no circumstances will HIA have custody of Client funds or securities. All client funds and securities are held by a broker/dealer or qualified custodian who provides clients with a statement of their account at least quarterly. Clients are urged to compare and reconcile their account statements with the information received from HIA.

Item 16 - Investment Discretion

In discretionary accounts, the purchase, sale, exchange, or conversion of any stocks, bonds, options, mutual funds and other securities may be done without prior consultation with the client under the Agreement signed by the client granting HIA Limited Power of Attorney to effect these trades The client has the right to impose any limitations in writing, such as transactions only in specific types of securities or requiring notification prior to the exchange or conversion of any securities.

Item 17 - Voting Client Securities

A. HIA does not, and will not, accept authority vote securities on behalf of advisory clients.

B. HIA does not have authority to vote client securities.

Clients are responsible for receiving and voting proxies for any and all securities maintained in their accounts.

Item 18 - Financial Information

A. HIA does not solicit prepayment of more than $500 in fees per client, six months or more in advance, and therefore, under Wisconsin law, is not required to submit a financial statement audited by an independent public accountant.

B. HIA has limited discretionary authority over client funds or securities however HIA does not solicit prepayment of more than $500 in fees per client, six months or more in advance. The client has given HIA authority to have the advisory fee deducted from the client's account, and HIA notifies the client and custodian of the amount of the fee to be deducted from the client's account. The client receives a statement directly from the custodian at least quarterly.

Since HIA does not have custody of client funds and securities, HIA is not required to submit a financial statement audited by an independent public accountant. However, certain states require an annual unaudited balance sheet whose accuracy has been attested to by a principal of the Firm.

C. HIA has not been the subject of a bankruptcy petition at any time during the past ten years or at any time prior to that.

Item 1 – Cover Page

Form ADV Part 2B
Brochure Supplement

March 31, 2022

Main office:	**1025 W Glen Oaks Ln, Suite 108** **Mequon, WI 53092**
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IARD/CRD #141694

This brochure supplement provides information about Adam Drake, David Morrison, Beverly Whitman, Paul Presti, and Kenneth Karr that supplements the Highland Investment Advisors, LLC brochure. You should have received a copy of that brochure. Please contact Kenneth Karr, Chief Compliance Officer if you did not receive Highland Investment Advisors, LLC brochure or if you have any questions about the contents of this supplement.
Additional information about Adam Drake, David Morrison, Beverly Whitman, Paul Presti and Kenneth Karr is available on the SEC's website at www.adviserinfo.sec.gov.

We require our investment advisor representatives or others who provide investment advice to clients have: a college or university degree (or equivalent professional work experience); or have, or are working toward, a professional designation such as CFA, MBA, CFP® or CPA; or sufficient experience in the finance or securities industry to provide advice independently to clients.

Item 2 Educational Background and Business Experience

Kenneth E. Karr, MBA, CFP®

Kenneth E Karr, born September 11, 1958, graduated from Ferris State University, Big Rapids, Michigan, with a Bachelor of Science Degree in Criminal Justice in 1980. He also attended the University of Texas – Arlington and earned a Master of Business Administration Degree (MBA) in Finance in 1993. Mr. Karr was awarded the Certified Financial Planner (CFP®) designation in January 2004.

Mr. Karr has also passed a number of securities law examinations, including the Series 7, General Securities Examination; Series 63, Securities Agent State Law Examination; and the Series 65, Investment Adviser State Law Examination.

Mr. Karr has been practicing investment management since 1996 when he joined Strong Investments as an investment representative. Mr. Karr worked at Strong from 1996 to 2003. In April 2004, he joined McSherryAssociates (now Voyager Capital Management) as an investment advisor representative until August 2006. Mr. Karr formed Highland Investment Advisors, LLC in September, 2006 and serves as President and Chief Compliance Officer. Prior to his career in investments, Mr. Karr served with the Arlington Police Department in Texas for fifteen years.

Adam S. Drake, CFA

Adam S. Drake, CFA, born May 29, 1976, joined Highland Investment Advisors, LLC (HIA) as a partner in January 2009. Mr. Drake is involved in a diverse array of activities within the firm, including investments, operations, business development, and strategy. He has been in the financial services industry since 1998.

Before joining HIA, Mr. Drake worked as an investment analyst at Vogel Consulting LLC, a multi-family office firm serving a niche market of ultra-affluent individuals. Prior to this, he was a portfolio manager at a registered investment advisory firm in Lake Geneva, Wisconsin. Before this, he worked as an Equity Research Analyst for Robert W. Baird & Co. in Milwaukee, Wisconsin.

Mr. Drake has passed the Series 65 Investment Advisor State Law Examination and holds the Chartered Financial Analyst (CFA) designation. He is also a member of the CFA Institute. He has previously served as a member of the Finance Committee of the UWM Alumni Association, and as a volunteer instructor with Make a Difference Wisconsin, a youth financial literacy organization. He graduated *Cum Laude* from the University of Wisconsin - Milwaukee with a Bachelor of Business Administration Degree in Finance in 2000.

William David Morrison
Investment Advisor Representative

Mr. Morrison, born June 12, 1960, is an Investment Advisor Representative at Highland Investment Advisors, LLC. Mr. Morrison works with clients to develop prudent strategies to achieve their personal financial targets. Since 2009, Mr. Morrison has worked as a Private Portfolio Manager for a high net worth family office. Prior to that, Mr. Morrison was President and co-owner of a wholesale company in St. Louis, and a Sales Representative for Pulsar, a division of Seiko USA. He also worked in the buying offices of a major department store chain. His strong commitment to results oriented investing and the fiduciary standard brought him to Highland Investment Advisors in April 2013.

Mr. Morrison holds the Series 65 Investment Adviser State Law Examination, and attended the University of Missouri - Columbia. He enjoys long walks with his wife and their dog, and spends most of his spare time reading the financial news.

Beverly Whitman, CPA CFP
Investment Advisor Representative

Beverly Whitman, born November 21, 1967 is an Investment Advisor Representative at Highland Investment Advisors, LLC. Ms. Whitman graduated with a Bachelor of Arts degree in accounting from NC State University and holds a Master of Business Administration degree from the University of Richmond. She is the owner of Beverly Whitman CPA, an accounting firm in Ponte Vedra, FL. Before joining Highland Investment Advisors, Ms. Whitman worked for other investment companies providing investment advice, financial planning and accounting services and has over twenty years of experience in the finance and accounting fields. She holds both the Certified Public Accountant – CPA and Certified Financial Planner™ – CFP® professional designations. Ms. Whitman has also passed the Series 6, Investment Company and Variable Contracts Products Representative Qualification Examination and the Series 63, Uniform Securities Agent State Law Exam.

Robert T. Dignan, CFP®, AIF®
Investment Advisor Representative

Robert T. Dignan, born May 4, 1969, graduated from the University of Wisconsin-Madison in May of 1992 with a Bachelor of Science in Natural Resource Management. Mr. Dignan earned the Certified Financial Planner™ (CFP®) designation in August of 2008, and the Accredited Investment Fiduciary (AIF®) designation in March of 2013. Mr. Dignan (CRD #2940253) began his career in 1997 working as a Registered Representative of Capital Financial Services, Inc. He has successfully passed several securities exams including the Series 6, 7, 63, 65, and 24. At present, he maintains only his 63 & 65 in addition to maintaining his State of Wisconsin Resident License for Life & Health Insurance.

In February of 2000, Mr. Dignan co-founded Cardinal Investment Services, Inc., an independent Office of Supervisory Jurisdiction (OSJ) for Capital Financial Services in Wauwatosa, Wisconsin. In January of 2009, he founded CedarPoint Investment Advisors, Inc., which became an independent SEC Registered Investment Advisory firm in April of that year. Mr. Dignan later sold CedarPoint to Midland States Bankcorp in March of 2017, and remained working for them until January of 2019. He subsequently worked for six months as a financial planner at R&R Wealth Management in Waukesha, WI.

Professional Designations

Certified Financial Planner™ – CFP®

The CFP® designation identifies individuals who have completed the mandatory examination, education, experience, and ethics requirements mandated by the Certified Financial Planner Board of Standards, Inc. ("CFP Board"). Candidates must have at least three years of qualifying work experience that relates to financial planning. Candidates are required to hold a bachelor's degree from an accredited university. CFP® candidates must pass an examination that covers over 100 financial planning topics, which broadly include: general principles of financial planning, insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning. Finally, candidates have ongoing ethics requirements and oversight by the CFP Board and are required to complete at least 30 hours of continuing education every two years including 2 hours on the Code of Ethics or Standards of Professional Conduct.

Chartered Financial Analyst – CFA

The Chartered Financial Analyst - CFA designation is an international professional certificate that is offered by the CFA Institute. Candidates that pursue the certification have in-depth knowledge of securities types and investment vehicles. In order to qualify for a CFA charter, candidates must meet standards for examination, education, experience, and ethics. First, candidates must possess a bachelor's degree from an accredited school, or its equivalent. Second, candidates must have completed 48 months of qualified professional work experience, generally related to evaluating or applying financial, economic, and/or statistical data as part of the investment decision-making process involving securities or similar investment. Third, candidates must pass a series of three six-hour exams that covers ethics, quantitative methods, economics, corporate finance, financial reporting and analysis, security analysis, and portfolio management. Finally, candidates must join the CFA Institute and meet and continue to adhere to a strict Code of Ethics and Stands governing their professional conduct, as reviewed by the CFA Institute.

Masters of Business Administration – Finance, "MBA"

The MBA degree is awarded by the University of Texas at Arlington (an AACSB accredited university) to those individuals who have successfully completed 45 hours of advanced curriculum focusing on general business management. The specialized MBA – Finance degree requires at least 9-18 hours of graduate level coursework in areas such as; corporate finance, investments, portfolio and security, or international finance. There is no maintenance requirement associated with the MBA – Finance degree such as continuing education or Code of Ethics.

Certified Public Accountant – "CPA"

The CPA is a license to provide accounting services to the public. It is awarded by each of the 50 states for practice in that state. The minimum standard requirements include passing the Uniform Certified Public Accountant Examination, 150 semester units of college education, and one year of accounting related experience. Continuing professional education (CPE) is also required to maintain licensure.

The Accredited Investment Fiduciary® (AIF®)

The AIF® designation certifies that the recipient has specialized knowledge of fiduciary standards of care and their application to the investment management process. To receive the AIF® designation, individuals must complete a training program, successfully pass a comprehensive, closed-book final examination under the supervision of a proctor and agree to abide by the AIF® Code of Ethics. In order to maintain the AIF® designation, the individual must annually renew their affirmation of the AIF® Code of Ethics and complete six hours of continuing education credits. The certification is administered by the Center for Fiduciary Studies, LLC (a Fiduciary360 (fi360)/Broadridge® company).

Series 65 Securities License

Series 65 is a securities license required by most U.S. states for individuals who act as investment advisors. The Series 65 exam, called the Uniform Investment Adviser Law Examination, covers laws, regulations, ethics and topics such as retirement planning, portfolio management strategies and fiduciary responsibilities. Successful completion of the Series 65 exam qualifies an investment professional to function as an Investment Adviser Representative in certain states.

Item 3 Disciplinary Information

No reportable disciplinary actions.

Item 4 Other Business Activities

Beverly Whitman, CPA provides tax preparation, tax planning and book keeping services through her company Beverly Whitman CPA, a corporation based in Ponte Vedra, Florida.

Item 5 Additional Compensation

Neither Highland Investment Advisors, LLC or any supervised person receives an economic benefit from any non-client source for providing advisory services.

Item 6 Supervision

Mr. Karr, Chief Compliance Office, is responsible for the supervision of investment advisor representatives of Highland Investment Advisors, LLC. Supervision is achieved by; process checklists, documentation reviews, investment allocation reviews, phone calls, video conferences and direct meetings. Mr. Karr can be contacted at (414) 755-2309 x100.

HIGHLAND INVESTMENT ADVISORS, LLC

PRIVACY POLICY

Highland Investment Advisors and its affiliates are committed to respecting your privacy. We value your trust and have policies and procedures in place to maintain the confidentiality and security of your personal information. We treat client information (both past and present) in a confidential manner.

Information We Collect

The following nonpublic information may be obtained directly from you.

- Name, address, phone number and email address
- Social Security or Taxpayer Identification Number
- Family and general health data
- Assets and liabilities
- Account balances and activity
- Accounts at other institutions

We do not solicit information about you from other external sources.

How We Use Information

We obtain nonpublic information to provide you with the professional services you have requested and to properly manage and coordinate professional services for your investment account.

Disclosures to Unaffiliated Third Parties

We do not disclose your information to outside parties. We do not share, sell or rent your personal information.

The use of, and access to, your personal information by Highland Investment Advisors, LLC is restricted to those employees who need to know that information to process transactions or provide financial services to you.

We will keep information about current, former, and prospective clients confidential unless: 1) the information concerns illegal activities on the part of the client or prospective client, 2) disclosure is required by law, to comply with subpoenas, or court or government agency orders, or 3) the client or prospective client provides written permission allowing disclosure of the information. This includes disclosing information to professionals such as: attorneys, accountants, and/or financial professionals in order to provide services on your behalf.

How We Protect Your Data

We maintain physical, electronic and procedural safeguards to limit access to your nonpublic personal information. This includes physical and electronic data security measures, as well maintaining fault tolerant data processing capabilities.

Highland Investment Advisors, LLC appreciates your business. If you have any questions or comments about this Privacy Policy, please call (414) 755-2309 x100