



## CLIENT RELATIONSHIP SUMMARY

June 25, 2020

Season Investments, LLC (“Season”) is registered with the Securities and Exchange Commission (“SEC”) as a Registered Investment Adviser. There can be material differences between “brokerage” services and fees offered by firms registered as broker dealers and “advisory” services and fees offered by firms registered as investment advisers such as ours. It’s important for investors to know the difference between the two. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers and investing.

### *What investment services and advice can you provide me?*

Season provides three types of investment advisory services to retail investors:

#### **Portfolio Management**

We provide portfolio management services pursuant to the objectives and constraints of each client. Investment strategy is determined and implemented on a client by client basis, and each portfolio is governed by an Investment Policy Statement. Accounts are generally managed on a discretionary basis, although discretionary authority may be limited by a client’s Investment Policy Statement in certain circumstances. Our investment recommendations are not limited to any specific product or service and may include advice regarding a wide variety of investment types. We review all portfolios as needed on an ongoing basis, but no less frequently than annually. Reviews are designed to assess overall asset allocation, risk and performance in light of client objectives. We deploy state of the art software which empowers us with useful tools in monitoring and assessing client portfolios. Season requires a minimum portfolio size of \$500,000 for new portfolio management clients.

#### **Financial Planning**

We offer financial planning services in order to help our clients define their financial objectives and develop strategies for reaching those objectives. These services may include identifying and rectifying financial problems, cash flow and budget management, balance sheet optimization, asset management, retirement planning, tax planning, risk analysis, insurance planning, education funding and planned charitable giving. Financial planning may not be offered to or desired by all of our clients, and services will be customized to each client’s specific needs and desires. These services are offered free of charge to portfolio management clients.

#### **Investment & Wealth Consulting**

We provide investment and wealth consulting to select individuals and/or institutions that wish to engage us for services other than financial planning and portfolio management. Such services may include assisting with investment policy development, asset allocation strategy, manager selection and oversight, risk management, performance reporting, ongoing oversight of alternative, illiquid or complex investments or overall wealth management strategies. Consulting services are provided on a non-discretionary basis and are tailored to the unique objectives of each individual consulting client.

More detail regarding our services can be found in our ADV Part 2A [here](#).

### *What fees will I pay?*

Our standard management fee schedule is as follows:

|  |
|--|
| 1.00% per annum on the first \$2,000,000 |
| 0.50% per annum on all assets thereafter |

This fee schedule is subject to negotiation in certain instances, and from time to time we may offer a customized fee structure for clients with unique needs or circumstances. Clients are billed in advance at the beginning of each calendar quarter based upon the previous quarter’s ending portfolio value, or per the client’s customized fee schedule. Our standard management fee schedule creates a conflict of interest in that we are incentivized to encourage you to increase the assets under our management in order to earn higher fees.

#### **Conversation Starters**

*Given my financial situation, should I choose to hire an investment advisory firm?*

*How will you choose investments to recommend to me?*

*What is your relevant experience, including your licenses, education and other qualifications?*

### **Conversation Starters**

*Help me understand how these fees and costs might affect my investments.*

*If I give you \$10,000 to invest, how much will be paid in fees and expenses?*

One of our professionals is a licensed life insurance agent, and as such may be in a position to earn additional compensation from writing life insurance. This presents a conflict of interest to the extent that we may recommend pursuing insurance coverage which results in a commission for one of our team members. Such recommendations do not occur frequently and are generally limited to standard term life insurance.

All fees paid to Season are separate and distinct from the fees and operating expenses charged by mutual funds, ETFs or any other separately-managed fund product. Clients are also responsible for the fees and expenses charged by custodians, including transaction fees and account maintenance fees. 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 detail can be found in our ADV Part 2A [here](#).

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

**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.

As identified by the SEC, four common examples of conflicts of interest for investment advisers are: 1) selling/recommending proprietary products, 2) accepting third-party payments from product sponsors, 3) revenue sharing with referral sources and 4) principal trading. **We do not make money, nor do we have any conflicts of interest, in any of these four areas.**

The most common form of a conflict of interest that we experience is relational in nature. Rather than being explicitly monetary, there might be relational benefits to making certain investment recommendations. As an example, we once recommended an investment in an apartment development sponsored by a firm where we had personal and business relationship with a retired principal. A potential conflict existed in that we might gain some “relational capital” with that individual by recommending an investment with his prior firm. We try to be as transparent and up front as we can with our clients when these potential conflicts exist. A more detailed discussion related to conflicts of interest can be found in our ADV Part 2A [here](#).

### **Conversation Starters**

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

*How do your financial professionals make money?*

All of our financial professionals earn a preset salary or hourly wage. Compensation is not tied to the amount of client assets directly overseen or the specific investment recommendations made. Other than for life insurance, none of our financial professionals earn any sort of commission, trail or kick-back and therefore do not have any conflict of interest in making any specific investment recommendation. David Houle and Elliott Orsillo, as the firm’s owners, have an ongoing interest in the profits of the firm beyond their base compensation.

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

Yes. In 2010 David Houle was included in a complaint filed against the firm he was previously with claiming that certain investments that had been recommended to the client were unsuitable and had been misrepresented. Mr. Houle was not the client’s advisor and did not have responsibility for generating investment recommendations for the client. Even so, the claim named Mr. Houle personally, along with all the firm’s other partners. The claim was settled using proceeds from an insurance policy, and Mr. Houle was not found personally liable for any of the claims.

### **Conversation Starters**

*As a financial professional, do you have any disciplinary history?*

*For what type of conduct?*

In 2017 Season Investments discovered that a local real estate company with which they had been doing business was engaged in criminal activity and was proactively and knowingly defrauding investors. Season reported their findings to the authorities, and the principal of that company has since pled guilty to criminal charges and been sent to prison. Season

subsequently underwent an exam by the Colorado Division of Securities, and in 2018 entered into a Stipulation for Consent Order in which the Division Staff alleged they had breached their fiduciary duty by recommending investments with the real estate company. Entering into the Stipulation for Consent Order did not constitute an admission of the Staff’s allegations. A panel of David and Elliott’s peers at the CFA Institute also examined the claims and determined that no breach of fiduciary duty had occurred.

Investors can access the SEC’s tool for researching financial advisors and firms here: [Investor.gov/CRS](http://Investor.gov/CRS).

**Investors can find more information about our services on our [website](#) or in our ADV Part 2A [here](#). A copy of this CRS can be requested at any time by calling our office at (719) 528-8400 or emailing us at [info@seasoninvestments.com](mailto:info@seasoninvestments.com).**