



## **High Note Wealth, LLC**

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### **FORM ADV PART 2A FIRM BROCHURE**

March 2026

#### **Item 1: Cover Page**

This brochure provides information about the qualifications and business practices of High Note Wealth, LLC. If you have any questions about the contents of this brochure, contact us at (952) 224- 7970. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about High Note Wealth, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable CRD number for High Note Wealth, LLC is: 305768.

High Note Wealth, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.



## **Item 2: Summary of Material Changes**

Since the last annual filing of this brochure on 3/20/2025, High Note Wealth has made the following material changes:

Item 4 – Advisory Services is amended to include assets under management as of December 31, 2025.

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## Item 4: Advisory Business

### Description of Firm

High Note Wealth, LLC is an SEC-registered investment adviser based in Deephaven, Minnesota. As used in this brochure, the words "we," "our," "us," "HNW" or "the Firm" refer to High Note Wealth, LLC, and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm. We are organized as a limited liability company ("LLC") under the laws of the State of Delaware. We have been providing investment advisory services since the Firm's registration in November 2019. The Firm's primary owners are Katherine Marie Antoinette Forrester and Michael Wayne Forrester.

### Portfolio Management Services

HNW offers portfolio management services to advisory Clients. HNW will offer Clients ongoing asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring, and the overall investment program will be based on the above factors.

#### Discretionary

When the Client elects to use HNW on a discretionary basis, the Client will sign a limited trading authorization or equivalent allowing HNW to determine the securities to be bought or sold and the amount of the securities to be bought or sold. HNW will have the authority to execute transactions in the account without seeking Client approval on each transaction.

#### Non-Discretionary

When the Client elects to use HNW on a non-discretionary basis, HNW will determine the securities to be bought or sold and the amount of the securities to be bought or sold. However, HNW will obtain prior Client approval on each and every transaction before executing any transaction.

### Held-Away Assets

HNW utilizes a third-party platform to facilitate the management of held-away assets, in which we will have discretionary authority. These are primarily 401(k) accounts, 529 Plans, HSAs, and other assets which are held at third-party custodians. HNW regularly reviews, monitors, and trades in these accounts in the same way as we do other accounts. HNW will seek to align the Client's held-away account(s) with their overall investment time horizon, risk tolerance, objectives, and goals.

### Selection of Other Advisers - Use of Independent Third-Party Managers

When deemed appropriate for the Client, HNW may recommend that Clients utilize the services of a third-party manager (TPM) to manage a portion of, or all of the Client's portfolio. All TPMs that HNW recommends must be a Registered Investment Advisors with the SEC or with the appropriate state authority(ies).

In such circumstances, HNW receives solicitor fees from the TPM. We act as the liaison between the Client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. HNW may, but is not limited to, the following:

- Provide information to each Client concerning the investment advisor services offered by TPM and the fee schedule of such services.
- Deliver the Form ADV Part 2, Privacy Notice, Form CRS, and Disclosure Statement to the Client, as applicable.
- Meet with the Client to discuss any changes in status, objectives, time horizon or suitability.
- Update the TPM with any changes in Client status which is provided to HNW by the Client.

All duties of HNW and TPM will be outlined pursuant to an agreement between both parties.

Clients placed with TPM will be billed in accordance with the TPM's Fee Schedule which will be disclosed to the Client prior to signing an agreement.

### **Financial Planning & Consulting Services**

Services include an evaluation of a Client's current and future financial state using currently known variables to predict future cash flows, asset values, recommend purchase and sales, and withdrawal plans. HNW will use current net worth, tax liabilities, asset allocation, and future retirement and estate plans in developing financial plans. Topics for planning may include, but are not limited:

- Personal net worth statement: A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
- Cash flow analysis: An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
- Retirement strategy: A strategy for achieving retirement independent of other financial priorities. Including a strategy for accumulating the required retirement capital and its planned lifetime distribution.
- Long-term investment plan: Build a customized asset allocation strategy based on specific investment objectives and a risk profile. This strategy sets guidelines for selecting, buying, and selling investments and establishing benchmarks for performance review.
- Tax reduction strategy: Identify ways to minimize taxes on personal income to the extent permissible by the tax code. The strategy should include identification of tax favored investment vehicles that can reduce taxation of investment income.
- Estate preservation: Help update accounts, review beneficiaries for retirement accounts and life insurance, provide a second look at your current estate planning documents, and prompt you to update your plan when the legal environment changes or you have major life events such as a marriage, death, or births.

If a conflict of interest exists between the interests of HNW and the interests of the Client, the Client is under no obligation to act upon HNW's recommendation. If the Client elects to act on any of the recommendations, the Client is under no obligation to affect the transaction through HNW.

### **Client-Tailored Services and Client-Imposed Restrictions**

The goals and objectives for each Client are documented in our Client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities. These restrictions may, however, prohibit engagement with HNW.

### **Wrap Fee Programs**

HNW does not participate in a Wrap Program.

### **Assets Under Management**

As of December 31, 2025, we provide continuous management services for \$683,471,720 in client assets on a discretionary basis and no client assets on a non-discretionary basis.

## Item 5: Fees and Compensation

### Fee Schedule

#### Portfolio Management Fees

Our fee for portfolio management services is based on a percentage of the assets in your account and is set forth in the following annual fee schedule:

Assets Under Management	Annual Fee
Up to \$500,000	1.30%
Next \$1,000,000	0.85%
Next \$1,000,000	0.80%
Next \$1,000,000	0.75%
Next \$1,500,000	0.70%
Next \$2,500,000	0.60%
Next \$2,500,000	0.50%
Next \$10,000,000+	0.40%

Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

The annual fee is a blended fee schedule, meaning different asset levels are assessed at different fees, as shown above. Fees are prorated and charged quarterly, in advance, based upon the market value of the assets being managed by High Note Wealth on the last business day of the previous quarter. There may be immaterial differences between the quarter-end market value reflected on your custodial statement and the valuation as of the last business day of the calendar quarter used for billing purposes, given the timing and account activity. If assets in excess of \$50,000 are deposited into or withdrawn from an account after the inception of a billing period, the fee payable with respect to such assets is adjusted to reflect the interim change in portfolio value. For the initial period of an engagement, the fee is calculated on a pro-rata basis. In the event the Advisory Agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination, and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro-rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

You may terminate the portfolio management agreement upon written notice. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

### **Held-Away Asset Fees**

For assets held at a custodian that is not directly accessible by our firm ("Held Away Accounts"), we may, but are not required to, manage these Held Away Accounts using the Pontera Order Management System ("Pontera") that allows our firm to view and manage assets. Our annual fee for investment management services for held away accounts will follow our portfolio management fee schedule and termination instructions as noted in the Investment Management Agreement.

Our advisory fees will not be deducted directly from the accounts managed through the Pontera Order Management System. Clients will give written authorization to deduct the fee from another non-qualified account managed by our firm, in which case, the advisory fee would be deducted from this account each quarter. Fees will be based upon your negotiated fee in accordance with our portfolio management fee schedule and your Agreement. The client does not pay an additional fee for Pontera. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements and invoices for accuracy.

For the Class 529 F-2 shares held directly with American Funds, our annual fee for portfolio management services is up to 20 basis points of the market value of your assets under our management. The mutual fund share class we use do not include 12b-1 fees. You will, however, be required to pay standard custodial and account maintenance fees, please refer to American Funds account opening paperwork for additional information.

The fees are calculated by American Funds for each quarterly period ending the last business day of February, May, August, and November. The fees are based on the average daily net asset value ("NAV") of your assets invested in the mutual funds during the quarter; divided by the number of days in the year multiplied by the number of days in the quarter. Fees are billed and payable quarterly in arrears (i.e., after services are rendered) in the months of March, June, September, and December. For example, the fee for the period covering December, January and February will be calculated on the last business day of February. You will be billed, and the fee will be deducted from your account in the first week of March. American Funds is responsible for billing and deducting the quarterly fee from your account and will pay our firm directly.

Please refer to American Funds' agreement for information on how to terminate the account directly with American Funds.

### **Selection of Other Advisers - Use of Independent Third-Party Manager Fees**

Advisory fees charged by TPMs are separate and apart from our advisory fees. Assets managed by TPMs will be included in calculating our advisory fee, which is based on the fee schedule set forth in the *Portfolio Management Services* section in this brochure. Advisory fees that you pay to the TPM are established and payable in accordance with the brochure provided by each TPM to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPM's brochure and take into consideration the TPM's fees along with our fees to determine the total amount of fees associated with this program.

Our recommendations to use third party money managers are included in our portfolio management fee. We do not charge you a separate fee for the selection of other advisers nor will we share in the advisory fee you pay directly to the TPM. Advisory fees that you pay to the TPM are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document provided by each TPM to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPM's brochure for information on its fees and services.

You will be required to sign an agreement directly with the recommended TPM(s). You may terminate your advisory relationship with the TPM according to the terms of your agreement with the TPM. You

should review each TPM's brochure for specific information on how you may terminate your advisory relationship with the TPM and how you may receive a refund, if applicable. You should contact the TPM directly for questions regarding your advisory agreement with the TPM.

### **Financial Planning & Consulting Fees**

HNW charges an hourly, ongoing, and/or fixed fee for financial planning and consulting. Prior to the planning process the Client will be provided an estimated plan fee which will be based on the complexity of the engagement. For hourly and fixed fee arrangements, services will be completed and delivered within ninety (90) days contingent upon timely delivery of all required documentation. HNW reserves the right to waive the fee should the Client implement the plan through HNW.

#### HOURLY FEES

Hourly Fee Services are offered based on an hourly fee of \$250 per hour. Fees for financial plans are billed upon completion of the plan.

At our discretion, we may offset our financial planning fees to the extent you implement the financial plan through our Portfolio Management Service.

You may terminate the financial planning agreement upon written notice to our firm. If you have pre-paid financial planning fees that we have not yet earned, you will receive a prorated refund of those fees. If financial planning fees are payable in arrears (i.e., after services are rendered), you will be responsible for a prorated fee based on services performed prior to termination of the financial planning agreement.

### **Payment of Fees**

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

### **Additional Fees**

Custodians may charge brokerage commissions, transaction fees, and other related costs on the purchases or sales of mutual funds, equities, bonds, options, margin interest, and exchange-traded funds. Mutual funds, money market funds, and exchange-traded funds may also charge internal management fees, which are disclosed in the fund's prospectus. ABC does not directly receive any compensation from these fees. All of these fees are in addition to the management fee you pay to ABC. For more details on the brokerage practices, see Item 12 of this brochure.

### **Prepayment of Fees**

The Firm does not require the prepayment of fees. However, we will not require prepayment of a fee more than six months in advance and in excess of \$1,200.

### **Compensation for the Sale of Securities or Other Investment Products**

HNW does not receive any external compensation from the sale of securities.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your

advisory account.

## Item 7: Types of Clients

We offer investment advisory services to individuals, high-net-worth individuals, and small businesses.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

TPMs utilized by HNW may have account minimums that will be disclosed to the Client in the TPM's Form ADV Part 2 and agreement.

## Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss

### Methods of Analysis and Investment Strategies

Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Security analysis methods may include:

*Fundamental analysis* concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

*Technical analysis* attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

*Charting analysis* strategy involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

*Cyclical analysis* assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are twofold: 1) the markets do not always repeat cyclical patterns; and 2) if too many investors begin to implement this strategy, then it changes the very cycles these investors are trying to exploit.

*Quantitative analysis* deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

*Modern portfolio theory* is a theory of investment that attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, each by carefully choosing the proportions of various assets.

In developing a financial plan for a Client, HNW's analysis may include cash flow analysis, investment planning, risk management, tax planning and estate planning. Based on the information gathered, a detailed strategy is tailored to the Client's specific situation.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the SEC.

TPMs utilized by HNW may use various methods of analysis to determine the proper strategy for the Client referred and these will be disclosed in the TPM's Form ADV Part 2. Investing in securities involves

risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future returns. Other strategies utilized by TPMs may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

### **Investment Strategy**

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations. The Client may change these objectives at any time by providing written notice to HNW. Each Client executes a Client profile form or similar form that documents their objectives and their desired investment strategy.

### **Risks of Investments and Strategies Utilized**

Investing in securities involves risk of loss that Clients should be prepared to bear. HNW's investment approach constantly keeps the risk of loss in mind. Investors may face the following investment risks:

**General Investment and Trading Risks.** Clients may invest in securities and other financial instruments using strategies and investment techniques with significant risk characteristics. The investment program utilizes such investment techniques as option transactions, margin transactions, short sales, leverage, and derivatives trading, the use of which can, in certain circumstances, maximize the adverse impact to which a Client may be subject.

**Interest-rate Risk.** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Inflation Risk.** When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.

**Currency Risk.** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Reinvestment Risk.** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.

**Liquidity Risk.** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

**Management Risk.** The advisor's investment approach may fail to produce the intended results. If the advisor's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the Client's portfolio may suffer.

**Cybersecurity Risk.** HNW and its service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information or various other forms of cybersecurity breaches. Cybersecurity attacks affecting HNW and its service providers may adversely impact Clients. For instance, cyberattacks may interfere with the processing of transactions, cause the release of private information about Clients, impede trading, subject HNW to regulatory fines or financial losses, and cause reputational damage. Similar types of cybersecurity risks are also present for issuers of securities in which Clients may invest in, qualified custodians, governmental and other regulatory authorities, exchange and other financial market operators, or other financial institutions. Cybersecurity incidents that could ultimately cause them to incur losses, including for example: financial losses, cost and reputational damages, and loss from damage or interruption of systems. Although HNW has established its systems to reduce the risk of these incidents from coming to fruition, there is no

guarantee that these efforts will always be successful, especially considering that HNW does not directly control the cybersecurity measures and policies employed by third party service providers.

**Options Trading.** The risks involved with trading options are that they are very time-sensitive investments. An options contract is generally a few months. The buyer of an option could lose his or her entire investment even with a correct prediction about the direction and magnitude of a particular price change if the price change does not occur in the relevant time period (i.e., before the option expires). Additionally, options are less tangible than some other investments. An option is a “book-entry” only investment without a paper certificate of ownership.

**Trading on Margin.** In a cash account, the risk is limited to the amount of money that has been invested. In a margin account, risk includes the amount of money invested plus the amount that has been loaned. As market conditions fluctuate, the value of marginable securities will also fluctuate, causing a change in the overall account balance and debt ratio. As a result, if the value of the securities held in a margin account depreciates, the Client will be required to deposit additional cash or make full payment of the margin loan to bring the account back up to maintenance levels. Clients who cannot comply with such a margin call may be sold out or bought in by the brokerage firm.

**Exchange-Traded Funds.** ETFs are a type of index fund bought and sold on a securities exchange. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. ETFs are also subject to other risks, including: (i) the risk that their prices may not correlate perfectly with changes in the underlying reference units; and (ii) the risk of possible trading halts due to market conditions or other reasons that, in the view of the exchange upon which an ETF trades, would make trading in the ETF inadvisable.

**Mutual Fund Risks.** An investment in mutual funds could lose money over short or even long periods. A mutual fund’s share price and total return are expected to fluctuate within a wide range, like the fluctuations of the overall stock market.

**Common Stocks and Equity-Related Securities.** Certain ETFs or mutual funds hold common stock. Prices of common stock react to the economic condition of the company that issued the security, industry and market conditions, and other factors which may fluctuate widely. Investments related to the value of stocks may rise and fall based on an issuer’s actual and anticipated earnings, changes in management, the potential for takeovers and acquisitions, and other economic factors. Similarly, the value of other equity-related securities, including preferred stock, warrants, and options may also vary widely.

**Small- and Mid-Cap Risks.** Certain ETFs and mutual funds hold securities of small- and mid-cap issuers. Securities of small-cap issuers may present greater risks than those of large-cap issuers. For example, some small- and mid-cap issuers often have limited product lines, markets, or financial resources. They may be subject to high volatility in revenues, expenses, and earnings. Their securities may be thinly traded, may be followed by fewer investment research analysts, and may be subject to wider price swings and thus may create a greater chance of loss than when investing in securities of larger-cap issuers. The market prices of securities of small- and mid-cap issuers generally are more sensitive to changes in earnings expectations, to corporate developments, and to market rumors than are the market prices of large-cap issuers.

**Futures, Commodities, and Derivative Investments.** Certain ETFs and mutual funds hold commodities, commodities contracts, and/or derivative instruments, including futures, options, and swap agreements. The prices of commodities contracts and derivative instruments, including futures and options, are highly volatile. Payments made pursuant to swap agreements may also be highly volatile. Price movements of commodities, futures and options contracts, and payments pursuant to

swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The value of futures, options, and swap agreements also depends upon the price of the commodities underlying them. In addition, Client assets are subject to the risk of the failure of any of the exchanges on which its positions trade or of its clearinghouses or counterparties.

**Highly Volatile Markets.** The prices of financial instruments can be highly volatile. Price movements of forward and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Clients are also subject to the risk of failure of any of the exchanges on which their positions trade or of its clearinghouses.

**Non-U.S. Securities.** Certain ETFs and mutual funds hold securities of non-U.S. issuers. Investments in securities of non-U.S. issuers pose a range of potential risks which could include expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, political or social instability, illiquidity, price volatility, and market manipulation. In addition, less information may be available regarding securities of non-U.S. issuers, and non-U.S. issuers may not be subject to accounting, auditing and financial reporting standards, and requirements comparable to or as uniform as those of U.S. issuers.

**Emerging Markets.** Certain ETFs and mutual funds hold securities of emerging markets issuers. In addition to the risks associated with investments outside of the United States, investments in emerging markets (i.e., the developing countries) may involve additional risks. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally, and transactions will need to be made on a neighboring exchange. Volume and liquidity levels in emerging markets are lower than in developed countries. When seeking to sell emerging market securities, little or no market may exist for the securities. In addition, issuers based in emerging markets are not generally subject to uniform accounting and financial reporting standards, practices, and requirements comparable to those applicable to issuers based in developed countries, thereby potentially increasing the risk of fraud or other deceptive practices.

**Capitalization Risks.** Investing in Companies within the same market capitalization category carries the risk that the category may be out of favor due to current market conditions or investor sentiment.

**Market Risks.** Turbulence in the financial markets and reduced liquidity may negatively affect the Companies, which could have an adverse effect on each of them. If the securities of the Companies experience poor liquidity, investors may be unable to transact at advantageous times or prices, which may decrease the Company's returns. In addition, there is a risk that policy changes by central governments and governmental agencies, including the Federal Reserve or the European Central Bank, which could include increasing interest rates, could cause increased volatility in financial markets, which could have a negative impact on the Companies. Furthermore, local, regional, or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the Companies. For example, the rapid and global spread of a highly contagious novel coronavirus respiratory disease, designated COVID-19, has resulted in extreme volatility in the financial markets and severe losses; reduced liquidity of many Companies' securities; restrictions on international and, in some cases, local travel; significant disruptions to business operations (including business closures); strained healthcare systems; disruptions to supply chains, consumer demand and employee availability; and widespread uncertainty regarding the duration and long-term effects of this pandemic. Some sectors of the economy and individual issuers have experienced particularly large losses. In addition, the COVID-19 pandemic may

result in a sustained economic downturn or a global recession, domestic and foreign political and social instability, damage to diplomatic and international trade relations and increased volatility and/or decreased liquidity in the securities markets. The Companies' values could decline over short periods due to short-term market movements and over longer periods during market downturns.

**Inverse and Leveraged Products.** HNW may recommend and engage in trading with leveraged and inverse products. These products are aggressive in nature and carry unusual and significant risk. They are not appropriate for inexperienced investors. These products are intended to be used/traded daily. Most leveraged and inverse ETFs reset on a daily basis and have published prospectuses that state (1) they're designed to achieve their stated objective within one day, (2) clients can lose all of their investment potentially in one day, and (3) holding these securities for periods longer than one day could lead to losses even if the underlying index moves in the anticipated direction. Regulatory organizations, such as FINRA & SEC, have released alerts stating that inverse and leveraged ETFs that reset daily typically are not suitable for retail investors who plan to hold them longer than one day. Managers may hold these products in client accounts for periods of time significantly greater than one day. Investors with holding periods longer than a day expose themselves to substantial risk as the holding period returns will deviate from the returns to a leveraged or inverse investment in the index. It is possible for an investor in a leveraged ETF to experience negative returns even when the underlying index has positive returns.

**Penny Stock Risks.** Generally, Penny Stocks are low-priced shares of small companies that are not traded on an exchange. Penny Stocks typically trade over-the-counter, such as on the OTC Bulletin Board or Pink Sheets. Penny Stocks, unlike listed stocks, are not subject to SEC reporting requirements or the listing standards of stock exchanges. Because of this, information about the Penny Stock companies can be difficult to find and verify. Penny Stocks also have lower liquidity as they are traded less frequently. This also leads to higher volatility. For these reasons, Penny Stocks are considered to be speculative investments and Clients who trade in penny stocks should be prepared for the possibility that they may lose their entire investment, or an amount in excess of their investment if they purchased Penny Stocks on margin.

**Alternative Investments.** When appropriate for a Client's objective, risk tolerance and qualifications, HNW recommends the client participate in private issues, such as single purpose vehicles, funds of funds, private equity, and hedge funds. These are usually structured as limited partnerships with differing minimum investments, liquidity, fees, and carriers.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with HNW.

## Item 9: Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## Item 10: Other Financial Industry Activities and Affiliations

### Registration as a Broker-Dealer or Broker-Dealer Representative

Neither HNW nor its management persons are registered as a broker-dealer or broker-dealer representative.

### Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither HNW nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading advisor.

## **Relationships Material to this Advisory Business and Possible Conflicts of Interest**

### Insurance Sales

Investment Advisor Representatives of HNW receive external compensation from sales of investment-related services as Insurance Agents. This represents a conflict of interest because it gives an incentive to recommend services based on the fee amount received. This conflict is mitigated by disclosures, procedures and HNW's fiduciary obligation to place the best interest of the Client first. Moreover, Clients are not required to engage the Agent or Agency if they do not wish to. More information on this can be found in the respective Investment Advisor Representative's Form U4 and ADV 2B

### Board Membership of Bank

Associated persons and/or executive officers of our firm also separately serve as a Board Member/Bank Director of and have personal bank accounts and loans with EntreBank, an unaffiliated bank located in Bloomington, MN. This presents a conflict of interest because these associated persons and/or executive officers may have an incentive to recommend clients of HNW to the bank. However, High Note's clients are not solicited to use the bank nor are bank clients solicited to use High Note as their investment adviser.

## **Selection of Other Advisors or Managers**

Clients placed with TPMs will be billed in accordance with the TPM's fee schedule which will be disclosed to the Client prior to signing an agreement. When referring Clients to a TPM, the Client's best interest will be the main determining factor of HNW. HNW ensures that before selecting other advisors for Client that the other advisors are properly licensed or registered as an investment advisor.

These practices represent conflicts of interest because HNW is paid a Solicitor Fee for recommending the TPMs and may choose to recommend a particular TPM based on the fee HNW is to receive. This conflict is mitigated by disclosures, procedures and HNW's fiduciary obligation to act in the best interest of its Clients. Clients are not required to accept any recommendation of TPMs given by HNW and have the option to receive investment advice through other money managers of their choosing.

## **Item II: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Code of Ethics**

The affiliated persons (affiliated persons include employees and/or independent contractors) of HNW have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of HNW affiliated persons and addresses conflicts that may arise. The Code defines acceptable behavior for affiliated persons of HNW. The Code reflects HNW and its supervised persons' responsibility to act in the best interest of their Client.

One area which the Code addresses is when affiliated persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our Clients. We do not allow any affiliated persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our Clients.

HNW's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other affiliated person, officer, or director of HNW may recommend any transaction in a security or its derivative to advisory Clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

HNW's Code is based on the guiding principle that the interests of the Client are our top priority. HNW's officers, directors, advisors, and other affiliated persons have a fiduciary duty to our Clients and must diligently perform that duty to maintain the complete trust and confidence of our Clients. When a

conflict arises, it is our obligation to put the Client's interests over the interests of either affiliated persons or the company.

The Code applies to "access" persons. "Access" persons are affiliated persons who have access to non-public information regarding any Clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to Clients, or who have access to such recommendations that are non-public.

HNW will provide a copy of the Code of Ethics to any Client or prospective Client upon request.

### **Recommendations Involving Material Financial Interests**

Neither HNW nor its related persons recommend to Clients, or buys or sells for Client accounts, securities in which HNW or a related person has a material financial interest.

### **Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest**

HNW and its affiliated persons may invest in the same securities (or related securities, e.g., warrants, options, or futures) that HNW or an affiliated person recommends to Clients. In order to mitigate conflicts of interest, such as front-running, HNW's Chief Compliance Officer, or their designee, will no less than quarterly, review firm and/or personal holdings of its affiliated persons. These reviews ensure that the personal trading of affiliated persons does not disadvantage Clients of HNW.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

HNW and its affiliated persons may recommend securities, or buy or sell securities for Clients accounts, at or about the same time, that they also buy or sell the same securities in their own account(s). HNW, for instance, will place trades in an account in an attempt to earn better than money market rates. In order to mitigate conflicts of interest, such as frontrunning, HNW's Chief Compliance Officer, or their designee, will no less than quarterly, review firm and/or personal holdings of its affiliated persons. These reviews ensure that the personal trading of affiliated persons does not disadvantage Clients of HNW.

### **Item 12: Brokerage Practices**

We recommend the brokerage and custodial services of Charles Schwab (whether one or more "Custodian" or "Schwab"). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.
- The likelihood that your trades will be executed.
- Availability of investment research and tools.
- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

### **Research and Other Soft Dollar Benefits**

HNW currently has no formal soft-dollar arrangements, where specific products or services are paid for with soft dollars generated for the Firm by individual trades the Firm places in client accounts. However, the custodian provides the Firm with certain brokerage and research products and services that qualify

as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

### **Economic Benefits**

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. These products may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

### **Schwab - Your Custody and Brokerage Costs**

For our clients' accounts it maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Schwab's commission rates and/or asset-based fees applicable to our client accounts were negotiated based on our commitment to maintain \$250 million of our clients' assets statement equity in accounts at Schwab. This commitment benefits you because the overall commission rates and/or asset-based fees you pay are lower than they would be if we had not made the commitment. In addition to commission rates and/or asset-based fees Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

### **Schwab Adviser Services**

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage – trading, custody, reporting, and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us.

### **Services that Benefit You**

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

### **Services that May Not Directly Benefit You**

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available

software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data to facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

### **Services that Generally Benefit Only Us**

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events;
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession;
- access to employee benefits providers, human capital consultants and insurance providers; and
- discount of up to \$4,250 on PortfolioCenter® Reporting Software.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

### **Our Interest in Schwab's Services**

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. These services may give us an incentive to recommend that you maintain your account with Schwab based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. It is primarily supported by the scope, quality, and price of Schwab's services (based on the factors discussed above – see "The Custodian and Broker We Use") and not Schwab's services that benefit only us. We do not believe that maintaining our client's assets at Schwab for services presents a material conflict of interest.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

We routinely require that you direct our firm to execute transactions through Charles Schwab. As such, we may be unable to achieve the most favorable execution of your transactions, and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

### **Aggregated Trades**

When a Client authorizes discretionary management, HNW is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other Clients of HNW. All Clients participating in the aggregated order shall receive an average share price with all other transactions. If aggregation is not allowed or infeasible and individual transactions occur (e.g., withdrawal or liquidation requests, odd-late trades, etc.) an account may potentially be assessed higher costs or less favorable prices than those where aggregation has occurred. HNW will always attempt to aggregate orders whenever it has the

opportunity to do so.

## Item 13: Review of Accounts

### Frequency and Nature of Periodic Review and Who Makes Those Reviews

Michael Forrester, Chief Investment Officer and Chief Compliance Officer, will monitor your accounts on an ongoing basis and will conduct account reviews at least annually, to ensure the advisory services provided to you are consistent with your investment needs and objectives.

Michael Forrester, Chief Investment Officer and Chief Compliance Officer, will review financial plans as needed. These reviews are provided as part of the contracted services. We do not assess additional fees for financial plan reviews. Generally, we will contact you periodically to determine whether any updates may be needed based on changes in your circumstances.

### Factors That Will Trigger a Non-Periodic Review of Client Accounts

Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or
- changes in your risk/return objectives.

The individuals conducting reviews may vary from time to time, as personnel join or leave our firm.

### Content and Frequency of Regular Reports

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by the Client's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs. HNW will not provide you with regular written reports.

## Item 14: Client Referrals and Other Compensation

### Economic Benefits from Others

HNW does not receive any economic benefits from external sources.

### Compensation to Non-Advisory Personnel for Client Referrals

HNW may enter into agreements with individuals and organizations, which may be affiliated or unaffiliated with HNW, that refer Clients to HNW in exchange for compensation. All such agreements will be in writing and comply with the requirements of Federal or State regulation. If a Client is introduced to HNW by a solicitor, HNW may pay that solicitor a fee. While the specific terms of each agreement may differ, generally, the compensation will be a flat fee per referral, or a percentage of the introduced capital. Any such fee shall be paid solely from HNW's investment management fee and shall not result in any additional charge to the Client. Each prospective Client who is referred to HNW under such an arrangement will receive a separate written disclosure document disclosing the nature of the relationship between the solicitor and HNW.

## Item 15: Custody

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at least quarterly. Clients are urged to compare the account statements received directly from their custodians to any documentation or reports prepared by HNW.

HNW is deemed to have limited custody solely because advisory fees are directly deducted from Client's accounts by the custodian on behalf of HNW. HNW will obtain written authorization from Client to allow for such deductions.

Additionally, some clients have provided their custodian with standing letters of authorization (“SLOA”) for HNW to move assets from their account(s) to accounts of third parties. Because these standing instructions do not specify the amount or timing of the transfers, HNW is also deemed to have custody over the sending accounts. This is mitigated by HNW and the custodian following appropriate conditions set forth by the SEC, which do not require that the sending accounts be surprise examined annually by a public accounting firm.

HNW is not affiliated with the custodian. The custodian does not supervise HNW, its employees, or its activities.

### **Item 16: Investment Discretion**

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s), the broker or dealer to be used for each transaction, and over the commission rates to be paid without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *Advisory Business* section in this Brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

### **Item 17: Voting Client Securities**

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies.

### **Item 18: Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

We have not filed a bankruptcy petition at any time in the past ten years.