

Sage Advisory Services, Ltd Co, (Sage, we, our and us) is a registered with the Securities and Exchange Commission as an **investment adviser**. The services provided and fees charged by **investment** advisory and **brokerage** firms differ, and it is important that retail investors understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about investment advisers, broker-dealers and investing.

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

We are an **investment advisory firm** that provides asset management for retail investors and other clients.

Retail clients may engage us either directly (“Direct Clients”) or through third party sponsored wrap and model provision fee programs (“Programs”).

Direct Clients have the opportunity to choose from among several risk-based strategies, each managed on a discretionary basis. When we have discretionary authority over your account it means we do not need to get your permission before buying or selling a security in your account. For Programs, the third-party financial institution that has selected us to manage client assets (“Sponsor Firm”) chooses which of our strategies to make available for investment in the respective Program.

Sage regularly monitors and reviews client accounts with the objective of ensuring Sage operates in accordance with: investment policy statements, investment objectives and investment restrictions; written disclosures; management objectives; and Sage’s fiduciary obligation to act in the best interests of its clients. Generally, the minimum account size for Direct Clients is \$1,000,000. For Sponsor Firm Programs, Sponsor Firms will set the minimum account size.

Our investment strategies primarily focus on portfolios of taxable and municipal fixed income securities or actively managed exchange-traded funds (ETF) portfolios. Our taxable and municipal portfolios offer investment strategies in short, intermediate, core duration and environmental, social and governance (ESG) profiles that are implemented using individual fixed income securities. Our actively managed ETF portfolios offer strategies in multi asset income, core plus equity, core plus fixed income and balanced accounts that are implemented using ETFs.

**More detailed information regarding our services is provided in Items 4 and 7 of our Form ADV, Part 2 Brochure at: <https://www.sageadvisory.com/Form-ADV-Part-2A.pdf>**

*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?”*

## What fees will I pay?

**Fees for Direct Clients.** Generally, we charge fees based on the market value of client accounts at the end of each quarter. A fee structure based on the size of your account creates a conflict of interest. The more assets in your account, the more you will pay in fees, and we therefore have an incentive to encourage you to increase the assets in your account. Our fees are charged quarterly in advance, but some clients are billed in arrears. Our fees are negotiable.

**Fees for Sponsor Firm Fee Programs.** Sponsor Firms set the fees for clients in their Program. These Programs typically charge clients a single fee based on the market value of their account which includes investment management, custody expenses and transaction costs. Fees are paid to the Sponsor Firm, and the Sponsor Firm pays us out of that fee based on the fee structure agreed upon between Sage and the Sponsor Firm. Because the fees paid to the Sponsor Firm include transaction costs and custody expenses, they are generally higher than other investment advisory fee structures. Sage does not have control or influence over the fees charged to clients by Sponsor Firms.

You will also incur costs related to brokerage commissions, transaction fees, fees associated with the ETFs we

\* Conversation Starters are meant to facilitate a conversation between you and your financial professional.

recommend, and other related costs and expenses.

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.

**More detailed information regarding fees and costs is provided in your investment management agreement and our Form ADV, Part 2 Brochure at: <https://www.sageadvisory.com/Form-ADV-Part-2A.pdf>**

*Conversation Starters\*: "Help me understand how these fees and costs might affect my investments. If I give you \$100,000 to invest, how much will go to fees and costs, and how much will be invested for me?"*

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

When we act as your investment adviser, we act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates certain 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:

Clients pay different fees based on differing fee schedules or the size of the account which creates an incentive for Sage to favor those accounts where it earns the highest fees. Sage also manages certain proprietary accounts which are traded alongside client accounts which creates an incentive for Sage to favor proprietary accounts over other client accounts. From time to time, Sage will receive compensation from some registered investment companies to supplement marketing efforts which creates an incentive for Sage to recommend said registered investment companies' products within our strategies.

**More detailed information regarding our conflicts of interest is provided in our Form ADV, Part 2 Brochure at: <https://www.sageadvisory.com/Form-ADV-Part-2A.pdf>**

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

## **How do your financial professionals make money?**

Generally, our financial professionals' compensation includes an annual fixed salary, which is based on various market factors and the skill and experience of the individual, and a discretionary bonus. The discretionary bonus considers several factors including Sage's profitability (net income and ability to pay a bonus) and the contribution of the individual. Certain financial professionals have an ownership stake in the firm and share in profits. In addition, our Regional Consultants receive incentive pay that is based on a percentage of revenue derived from the clients that become contracted with Sage.

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

No. For a free and simple search tool to research us and our financial professionals, please go to [investor.gov/CRS](http://investor.gov/CRS).

*Conversation Starters\*: "As a financial professional, do you have any disciplinary history? For what type of conduct?"*

## **Additional Information**

For additional information about our investment advisory services or to request a copy of this Form CRS, please contact us by telephone at (512) 327-5530, visit our website at <https://www.sageadvisory.com> or by review our Form ADV at <https://adviserinfo.sec.gov/firm/summary/106236>.

*Conversation 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?"*