



**ITEM 1 – COVER PAGE**

**LINDUS ADVISORS, INC.**

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**February 2, 2023**

This brochure provides information about the qualifications and business practices of Lindus Advisors, Inc. (hereinafter "LAI"). If you have any questions about the contents of this brochure, please contact Timothy R. Painter at (972) 387-8474. 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 LAI is available on the SEC's website at



[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). LAI is a state- registered investment adviser. Registration does not imply any level of skill or training.

**ITEM 2 – MATERIAL CHANGES**

In this Item, LAI is required to discuss any material change that have been made to the contents of this brochure since the firm’s last update filed March 27, 2022.

The Firm has nothing to disclose on this item.



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## **ITEM 4 – ADVISORY BUSINESS**

LAI is a private money management firm, which specializes in developing and managing investment strategies for high-net worth individuals, families, and institutional investors. LAI also provides sub-account and separate account management services for investment professionals and their clients.

LAI provides financial planning, consulting, and investment management services. Prior to engaging LAI to provide any of the foregoing investment advisory services, the client is required to enter into one or more written agreements with LAI setting forth the terms and conditions under which LAI renders its services (collectively the “Agreement”).

LAI has been in business as a registered investment adviser since June 14, 2000. Timothy R. Painter is the principal owner of LAI. LAI had \$ 12,914,305 in assets under management as of December 31, 2022 which was managed on a discretionary basis.

This Disclosure Brochure describes the business of LAI. Certain sections will also describe the activities of Supervised Persons. Supervised Persons are any of LAI’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on LAI’s behalf and is subject to LAI’s supervision or control.

### **FINANCIAL PLANNING SERVICES**

LAI may provide its clients with a broad range of financial planning and consulting services. These services include survivor needs, education, retirement, estate, investment, and asset protection/risk planning. Clients receiving these services will receive a detailed financial plan designed to document their stated financial goals and objectives.

Generally, the financial plan will address any or all of the following areas of concern:

- Personal: Family records, budgeting, personal liability, estate information, and financial goals;
- Tax and Cash Flow: Income tax and spending analysis and planning for past, current, and future years. LAI illustrates the impact of various investments on a client’s current income tax and future liability;
- Death and Disability: Cash needs at death, income needs of surviving dependents, estate planning, and disability income analysis; and
- Investments: Analysis of investment alternatives and their effect on a client’s portfolio.

In addition, LAI may provide consulting services in which the client can receive investment advice on a more limited basis. This may include advice on only isolated areas of concern such as estate planning, retirement planning, or any other specific topic. LAI also provides specific consultation and administrative



services regarding investment and financial concerns of the client. Additionally, LAI provides advice on non-securities matters. Generally, this is provided in connection with the rendering of business consulting, estate planning, insurance, and/or annuity advice.

#### **BUSINESS PLANNING SERVICES**

LAI provides business planning services to businesses, owners and prospective owners regarding the establishment, restructuring, and/or dissolution of all forms of business. LAI will address tax planning, business structure, cash flow, and liability issues, as well as any other issues associated with business planning. LAI may also provide advice regarding the sale or transfer of stock or other business ownership interests. In addition, LAI can perform the administrative services associated with changes in business formation.

In performing its services, LAI is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. LAI may recommend the services of itself, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if LAI recommends its own services or those of an affiliated provider. The client is under no obligation to act upon any of the recommendations made by LAI under a financial planning or consulting engagement or to engage the services of any such recommended professional, including LAI itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of LAI's recommendations. Clients are advised that it remains their responsibility to promptly notify LAI if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating, or revising LAI's previous recommendations and/or services.

#### **ECONOMIC AND FINANCIAL CONSULTANCY FOR INTERNATIONAL DEVELOPMENT**

LAI will provide economic/financial analysis and international development consulting for domestic and international clients with an emphasis on developing and emerging markets. LAI will work on these projects on behalf of sovereign governments, business entities, and international development agencies.

LAI will address issues such as, but not limited to, capital allocation in developing and emerging economies, business and project valuation, and project efficiency analysis. LAI will analyze existing projects to measure investment performance within the guidelines of the project's funding objectives. Additionally, LAI will conduct analysis and create proposals for future projects. The consulting

process typically involves conducting field-based research on short-term and long-term projects, analyzing the available data, and producing a written final report of conclusions and recommendations.



## INVESTMENT MANAGEMENT SERVICES

Clients can engage LAI to manage all or a portion of their assets on a discretionary or non-discretionary basis.

Portfolio holdings may include, but are not limited to, publicly traded as well as non-public equity and fixed income securities, partnership interests, derivative instruments, non-securities (such as real-estate, collectibles and commodities), pooled investment vehicles, and mutual funds, exchange traded funds ("ETF's") and occasionally as well as the securities components of variable annuities, variable life insurance contracts, and other investment instruments in accordance with the investment objectives of the client. In addition, LAI may recommend that clients who are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when consistent with the clients' investment objectives. LAI also provides advice about any type of investment held in clients' portfolios.

LAI also may render non-discretionary investment management services to clients regarding variable life/annuity products that they may own, their individual employer-sponsored retirement plans, or other products that may not be held by the client's primary custodian. In so doing, LAI either directs or recommends the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product.

LAI tailors its advisory services to the individual needs of clients. LAI consults with clients initially and on a periodic basis to determine risk tolerance, time horizon and other factors that may impact the clients' investment needs. LAI ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance based on the client's initial and ongoing financial and investment status as communicated to LAI by the client.

Clients are advised to promptly notify LAI if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon LAI's management services. Clients may impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in LAI's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

For efficiency, when appropriate for an individual client's situation, LAI may make use of or follow, in whole or in part, models created by other investment professionals.



## **ITEM 5 – FEES AND COMPENSATION**

LAI offers its services on a fee basis, which may include hourly and/or fixed fees, as well as fees based upon assets under management.

### **FINANCIAL PLANNING FEES**

LAI may charge a fixed fee for financial planning and consulting services. These fees are negotiable, but generally range from \$5,000 to \$15,000 on a fixed fee basis depending upon the level and scope of the services and the professional rendering the financial planning services. If the client engages LAI for additional investment advisory services, LAI reserves the right and at its sole discretion may choose to negotiate an integrated fee structure on a case by case basis if engaged for multiple services to offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services in the form of an integrated fee structure.

Prior to engaging LAI to provide financial planning and/or consulting services, the client is required to enter into a written agreement with LAI setting forth the terms and conditions of the engagement. Generally, LAI requires one-half of the financial planning fee (estimated fixed) payable upon entering the written agreement. The balance is generally due upon delivery of the financial plan or completion of the agreed upon services.

### **BUSINESS PLANNING AND CONSULTING FEES**

LAI charges an hourly billable fee for specific business planning and consulting services. These fees are negotiable, but generally range from \$125 to \$350 on an hourly basis, depending upon the level and scope of the services and the professional rendering the services. As discussed, if the client engages LAI for additional investment advisory services, LAI reserves the right and at its sole discretion may choose to negotiate an integrated fee structure on a case by case basis if engaged for multiple services to offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

### **ECONOMIC AND FINANCIAL CONSULTANCY FOR INTERNATIONAL DEVELOPMENT FEES**

LAI charges a fee for its International Development Consulting Services. These fees are negotiated on an individual project basis and are based on the scope and scale of the unique project.

### **INVESTMENT MANAGEMENT FEES**

LAI provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by LAI. LAI's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. LAI does not, however, receive any portion of these commissions, fees, and costs.



LAI's annual fee is charged monthly in advance, based upon the value of the portfolio assets at the end of the prior month and deducted directly from the client's account unless client and advisor agree on another method of payment. The annual fee varies (between 0.75% and 1.50%) depending upon the market value of the assets under management and the type of investment management services to be rendered, as follows:

PORTFOLIO VALUE	BASE FEE
First \$1,000,000	1.50%
Next \$2,000,000	1.25%
Next \$2,000,000	1.00%
Above \$5,000,000	0.75%

LAI, in its sole discretion, may negotiate to charge a different management fee based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.).

#### **FEES CHARGED BY FINANCIAL INSTITUTIONS**

As further discussed in response to Item 12 (below), LAI generally recommends that clients utilize the brokerage and clearing services of an independent broker-dealer for investment management accounts.

LAI may only implement its investment management recommendations after the client has arranged for and furnished LAI with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to any broker-dealers recommended by LAI, broker-dealers directed by the client, trust companies, banks etc. (collectively referred to herein as the "Financial Institutions").

Clients may incur certain charges imposed by the Financial Institutions and other third parties such as fees charged by Independent Managers, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions, etc. These charges and fees are exclusive of and in addition to LAI's fee.

#### **FEE DEBIT**

LAI's Agreement and the separate agreement with any Financial Institutions may authorize LAI to debit the client's account for the amount of LAI's fee and to directly remit that management fee to LAI. The process allows LAI to submit a fee deduction request to the client's Financial Institution, who reviews the request and has the ability to approve or suspend the fee request. Any Financial Institutions





recommended by LAI have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to LAI.

#### **FEES FOR MANAGEMENT DURING PARTIAL PERIODS OF SERVICE**

For the initial period of investment management services, the fees are calculated on a pro rata basis.

The Agreement between LAI and the client will continue in effect until terminated by either party pursuant to the terms of the Agreement. LAI's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to LAI's right to terminate an account. Additions may be in cash or securities provided that LAI reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to LAI, subject to the usual and customary securities settlement procedures. However, if LAI has designed the client's portfolio with a long-term investment strategy, the withdrawal of assets may impair the achievement of the client's investment objectives. LAI may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If there is a Significant Cash Flow intra-month after the monthly fee has been assessed, LAI will adjust the fee up or down based on whether the cash flowed in or out. "Significant Cash Flow" is defined as a 10% or greater change in cash, securities or assets that enter or exit a portfolio (i.e., capital additions or withdrawals that are initiated by Client). For an incoming Significant Cash Flow, an additional fee prorated for the remaining monthly period will be assessed on the amount of cash, securities, or assets that flowed in. For an outgoing Significant Cash Flow, a pro-rated refund amount will be assessed on the amount of cash, securities, or assets that flowed out for the remaining monthly period.



## **ITEM 6- PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

LAI does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains or capital appreciation of the assets of a client.



## **ITEM 7 – TYPES OF CLIENTS**

LAI offers its services to individuals, high net worth individuals, pension and profit sharing plans, limited investment partnerships, pooled investment vehicles, trusts, estates, charitable organizations, foundations, corporations, business entities, sovereign governments, and international development agencies.

LAI's current clients as disclosed in its ADV Part 1 include individuals, high net worth individuals, and other businesses.

### **MINIMUM ACCOUNT SIZE**

LAI does not impose a minimum portfolio size. LAI, in its sole discretion, may accept clients with any size portfolio based upon certain subjective and objective criteria including the client's investment objectives, service requirements, future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bono activities.

### **LIMITATIONS DUE TO SMALLER ACCOUNT SIZE**

Not all investment strategies and techniques are available to all clients. The availability and desirability of using certain investment strategies and instruments may be restricted based on the asset size of a client's portfolio, the registration type of the client's account and/or the client's net worth. Strategies available to LAI for implementation on behalf of clients may be limited based on the client's net worth or account value, the client's custodial and broker-dealer policies, restrictions based on factors such as account registration type, the client's financial capacity, as well as the client's objectives and preferences. Smaller accounts may not be able to achieve a desired level of diversification and may not be able to utilize the risk-reducing hedging strategies that are available to larger portfolios.



## ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS

### METHODS OF ANALYSIS

LAI's primary methods of analysis are fundamental, technical and cyclical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. LAI analyzes factors such as: the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past price, volume and other market data rather than specific company fundamental business data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that LAI will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that LAI is recommending. The risks with cyclical analysis are similar to those of technical analysis.

### INVESTMENT STRATEGIES

#### *Client Assessment*

LAI seeks to provide clients with investment advisory services as a comprehensive wealth counselor (unless engaged for stand-alone Portfolio Management services).

When engaged for comprehensive wealth counsel, LAI will assist clients in identifying personal and business goals and objectives as well as time-horizon limits, constraints and risk preferences. These factors serve as the basis for establishing financial plan recommendations, investment return targets, and risk tolerances for the investment portfolio. Clients seeking integrated planning and investment management services are expected to provide LAI with an overview of their total financial situation including detailed and ongoing disclosure of any financial strategies or assets that are self-managed or under the direction of other professional service providers.

LAI will engage in a multi-faceted process of needs analysis which includes a client questionnaire with risk survey, a series of discovery interviews and a request for production of all relevant financial



documents by the client. Any resulting financial plan or investment strategy will be based on the client's overall financial, emotional, philosophical, and preferential status as disclosed by the client.

When contracted to provide Financial Planning Services, LAI will seek to provide comprehensive wealth counseling to clients by engaging in a goals-based financial planning process. A fee will be charged for developing or revising financial plans. Planning and consulting fees are separate from asset management fees; however, LAI reserves the right and at its sole discretion may choose to negotiate an integrated fee structure on a case by case basis if engaged for multiple services.

### ***Investment Objectives***

Clients may engage LAI for Investment Management Services without Financial Planning Services. In such cases, LAI will collect basic data relative to the specific assets being managed, upon which to base the client's investment objectives and risk tolerance without providing a detailed financial plan. LAI manages investment portfolios based upon the unique risk return profile of each client. Based on the client's time-horizon, return target, and risk tolerance, LAI constructs portfolios designed with the objective of achieving the client's total return target while seeking to reduce risk below that of an unmanaged equity index with similar historical return characteristics.

### ***Investment Holdings***

Portfolio holdings may include, but are not limited to, publicly traded as well as non-public equity and fixed income securities, partnership interests, derivative instruments, non-securities (such as real-estate, collectibles and commodities), as well as publicly traded and/or non-public collective and pooled investment vehicles.

LAI may, from time to time, utilize derivative securities to achieve a desired target market exposure with the potential benefit of reducing notional exposure and total risk. LAI may also use derivative securities to generate cash flow for the portfolio, to express a positive or negative view on an underlying company, sector, or index, or to hedge certain types of risk. In addition, LAI may open and hold long or short positions on a stand-alone or paired basis.

Unless specific assets are identified within a portfolio for which the client desires to segregate based on unique risk and return objectives, the time-horizon and risk/return characteristics identified by the client will apply to their portfolio as a whole.

### ***Methodology***

LAI often utilizes a bottoms-up approach to selecting investment holdings. LAI believes an important aspect in portfolio construction is the characteristics of specific positions as they relate to other holdings in the portfolio and their combined impact on the portfolio's total risk/return. However, LAI is not committed to a single investment methodology and will from time to time give more consideration to



macro-economic conditions and industry trends, which may lead LAI to apply a top-down portfolio construction methodology.

Investment holdings are selected based on their characteristics viewed on a standalone basis, as well as on their expected effect on total portfolio given the correlation with other holdings. Other considerations may include other factors such as potential cash flow, potential appreciation/depreciation, expected volatility, and contribution to diversification.

Methods of analysis and idea generation may include but are not limited to: original research, fundamental analysis, financial statement analysis, company reports, SEC filing, news releases, management interviews, news articles, magazines, on-line sources, reviewing conference calls, visiting company facilities, interviewing company management, employees, customers, suppliers, analysis of financial statements, reviewing industry and economic trends, and reviewing technical aspects of company's market activity (such as price and volume activity).

LAI may utilize outside vendors for access to news, analytical services, and corporate rating services. In forming an opinion about the attractiveness of an investment position or strategy, LAI may consider a variety of sources including but not limited to the opinions and statements of financial industry professionals, news and media personnel, company and industry officials, knowledgeable members of the public, government and private economists as well as government officials.

### ***Risk Management Strategies***

Investment strategies are selected with the intention of assisting the client in achieving the financial objectives required to fund their stated goals.

Risk mitigation is initially sought through traditional allocation among different asset classes and further through diversification of specific holdings within the selected asset class allocations.

In some cases, LAI will expand beyond the basics of a traditional asset allocation/diversification model and seek to mitigate risk by utilizing hedging techniques. The ability of LAI to use these techniques as well as hold certain investment instruments may be restricted by federal or state law, the client's custodial broker dealer policies, restrictions based on account registration type, the client's financial capacity, and other limitations.

LAI believes that in some cases, it is more efficient and potentially less risky to utilize structured investment strategies and/or derivative investments in an effort to modify the traditional risk/return profile of the portfolio's holdings. These techniques may provide a risk-reducing hedge effect beyond what is available through the use of long-only-asset allocation-diversification-risk control models.

In addition, LAI believes that through the use of thoughtful hedging (including the use of derivative instruments as well as short positions), portfolios can be structured with the objective of seeking a



targeted total return with a reduced total risk profile when compared to traditional asset allocation and diversification models. Through the use of non-traditional asset combinations and hedging, it may be possible to construct a portfolio of limited holdings (including concentrated positions) and at the same time, reduce the portfolio's systematic and total risk while using a much smaller number of total investment holdings than what might be recommended by traditional models.

LAI's beliefs are founded on measurable characteristics of portfolio volatility, return and correlation, and are based on estimated calculations of a potential reduction in notional exposure and potential reduction in loss exposure during periods of negative market movement.

Past performance or prior success of an investment strategy or hedging technique does not guarantee its future success or performance.

### **RISKS OF LOSS**

All investment strategies involve risk, including the potential to lose principal. No investment strategy can eliminate all risk. Investment strategies designed to reduce or hedge risk may not be effective.

#### ***Mutual Funds, Exchange Traded Funds and Notes (ETFs, ETNs)***

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

***Options***

Options allow investors to buy or sell a security at a contracted “strike” price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (limit) losses in an attempt to reduce risk, generate income, or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the expected level relative to the contract's strike price during the life of the option contract.

Option investments involve a time sensitivity that introduces an expiration based risk factor that may not be present in other investment vehicle and strategies.

***Market Risks***

The profitability of a significant portion of LAI’s recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that LAI will be able to predict those price movements accurately.

***Use of Private Collective Investment Vehicles***

LAI may recommend the investment by certain clients in privately placed collective investment vehicles (some of which may be called “hedge funds” or “private equity funds”). The managers of these vehicles will have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. These private funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is a reduction in regulatory oversight. There are numerous other risks in investing in these securities. The client will receive a private placement memorandum and/or other documents explaining such risks.

***Use of Margin and Leverage***

To the extent that a client authorizes the use of margin and/or leverage, and margin or leverage is thereafter employed by LAI in the management of the client’s investment portfolio, the market value of the client’s account and corresponding fee payable by the client to LAI will be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin and/or leverage, clients authorizing margin and leverage are advised of the potential conflict of interest





whereby the client's decision to employ margin shall correspondingly increase the management fee payable to LAI.

While the use of margin or leverage can substantially improve returns, such use may also increase the adverse impact to which a client's portfolio may be subjected. Borrowings will usually be from securities brokers and dealers and will typically be secured by the client's securities and/or other assets. Under certain circumstances, such a broker-dealer may demand an increase in the collateral that secures the client's obligations and if the client were unable to provide additional collateral, the broker-dealer could liquidate assets held in the account to satisfy the client's obligations to the broker-dealer. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the client's borrowings and the interest rates on those borrowings, which will fluctuate, will have a significant effect on the client's profitability.

***General Risk of Loss***

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.



**ITEM 9 – DISCIPLINARY ACTIONS**

LAI is required to disclose the facts of any legal or disciplinary events that are material to a client’s evaluation of its advisory business or the integrity of management. LAI does not have any required disclosures to this Item.



## **ITEM 10 – OTHER FINANCIAL INDUSTRY AFFILIATIONS**

### **LICENSED INSURANCE AGENT**

LAI may provide product advice and/or recommend insurance products to clients. Clients are free to implement or disregard recommendations regarding insurance products. If a client desires to purchase an insurance product, the client is free to work with any insurance company, broker, or agent of their choice.

LAI is not an Insurance Company or Broker; however, one or more Investment Adviser Representatives of the Firm, are or may become a licensed insurance agent and in such capacity may offer to facilitate, on a fully- disclosed commission basis, the purchase of certain insurance products.

A conflict of interest exists to the extent that LAI recommends the purchase of insurance products where an Investment Adviser Representative of LAI in their capacity as a licensed insurance agent receives insurance commissions or other additional compensation. A conflict of interest also exists to the extent that client resources used for the purchase of insurance products are not available for other investments. LAI seeks to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

### **MORTGAGE LOAN OFFICER**

LAI may provide product advice and/or recommend mortgage loan products to clients. Clients are free to implement or disregard recommendations regarding mortgage loan products. If a client desires to secure a mortgage product, the client is free to work with any lending company, broker, or agent of their choice.

LAI is not a mortgage lender or Broker; however, one or more Investment Adviser Representatives of the Firm, are or may become a licensed loan officer and in such capacity may offer to facilitate, on a fully- disclosed commission basis, the obtaining of mortgage loan related products.

A conflict of interest may exist to the extent that LAI recommends the allocation of assets as down payment or loan collateral where an Investment Adviser Representative of LAI in their capacity as a licensed loan officer receives a commission or other additional compensation. A conflict of interest also exists to the extent that client resources used to secure loan related products are not available for other investments. LAI seeks to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

Licensure as an Insurance Agent and/or Loan Officer is disclosed in Item 4. Other Business Activities section of the Brochure Supplement of the Invest Adviser Representatives to which this applies.



## ITEM 11 – CODE OF ETHICS

LAI and persons associated with LAI (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with LAI’s policies and procedures.

LAI has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws (“Code of Ethics”). LAI’s Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by LAI or any of its associated persons. The Code of Ethics also requires that certain of LAI’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

When LAI is engaging in or considering a transaction in any security on behalf of a client, no Access Person may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Access Person is completed as part of a batch trade (as defined below in Item 12) with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by Access Persons to be completed without any appreciable impact on the markets of such securities. Therefore, under certain limited circumstances, exceptions may be made to the policies stated above.

Clients and prospective clients may contact LAI to request a copy of its Code of Ethics.



## ITEM 12 – BROKERAGE PRACTICES

LAI generally recommends that clients utilize the brokerage and clearing services of TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. (“TD Ameritrade”); however clients may choose to have their assets in custody at any broker/dealer that they choose. LAI participates in the institutional customer program offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. LAI receives some benefits from TD Ameritrade through its participation in the program.

Factors which LAI considers in recommending TD Ameritrade or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. TD Ameritrade enables LAI’s clients to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by TD Ameritrade may be higher or lower than those charged by other Financial Institutions.

The commissions paid by LAI’s clients comply with LAI’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where LAI determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. LAI seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

LAI periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

The client may direct LAI in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and LAI will not seek better execution services or prices from other Financial Institutions or be able to “batch” client transactions for execution through other Financial Institutions with orders for other accounts managed by LAI (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, LAI may decline a client’s request to direct brokerage if, in LAI’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).



Transactions for each client generally will be effected independently, unless LAI decides to purchase or sell the same securities for several clients at approximately the same time. LAI may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among LAI’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among LAI’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that LAI determines to aggregate client orders for the purchase or sale of securities, including securities in which LAI’s Supervised Persons may invest, LAI generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. LAI does not receive any additional compensation or remuneration as a result of the aggregation. In the event that LAI determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; likewise, where the net cost to the account will be burdensome, LAI may allocate executed securities to larger accounts where the net cost does not present as much of an unreasonable disparate cost; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, LAI may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist LAI in its investment decision-making process. Such research generally will be used to service all of LAI’s clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client’s portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because LAI does not have to produce or pay for the products or services.

***Software and Support Provided by Financial Institutions***

LAI may receive from TD Ameritrade or other broker/dealers with whom LAI’s clients hold investment accounts, without cost to LAI, computer software and related systems support, which allow LAI to better monitor client accounts maintained at TD Ameritrade or other broker/dealers. LAI may receive the



software and related support without cost because LAI renders investment management services to clients that maintain assets at TD Ameritrade or other broker/dealers. The software and support is not provided in connection with securities transactions of clients (i.e., not “soft dollars”). The software and related systems support may benefit LAI, but not its clients directly. In fulfilling its duties to its clients, LAI endeavors at all times to put the interests of its clients first. Clients should be aware, however, that LAI’s receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence LAI’s choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services. Clients may also direct LAI to trade on their holdings at a particular financial institution. As a result of the client’s account relationship, LAI may be provided with software, data feeds, and related support.

LAI receives economic benefits through its participation in the institutional customer program offered by TD Ameritrade Institutional that are typically not available to TD Ameritrade retail investors. However, there is no direct link between LAI’s participation in the program and the investment advice it gives to its clients. Additionally, LAI may receive the following benefits from TD Ameritrade through its registered investment adviser division: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Registered Investment Adviser participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

These products or services may assist LAI in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help LAI manage and further develop its business enterprise. The benefits received by LAI’s participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by LAI or its related persons in and of itself creates a potential conflict of interest and may indirectly influence LAI’s recommendation of TD Ameritrade for custody and brokerage services.



## **ITEM 13 – REVIEW OF ACCOUNTS**

### **ACCOUNT REVIEWS**

For those clients to whom LAI provides investment management services, LAI monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. For those clients to whom LAI provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by the Principal of LAI, Timothy R. Painter. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with LAI and to keep LAI informed of any changes to their investment objectives or situations. In addition to our ongoing communications with clients, LAI contacts investment advisory clients at least every 36 months to perform a regulatory review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

### **ACCOUNT STATEMENTS AND REPORTS**

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts.

Those clients to whom LAI provides financial planning, business planning, and/or consulting services will receive reports from LAI summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by LAI.





## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### **CLIENT REFERRALS**

LAI is required to disclose any direct or indirect compensation that it provides for client referrals. LAI does not have any required disclosures to this Item.

### **OTHER ECONOMIC BENEFITS**

In addition, LAI is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. This type of relationship poses a conflict of interest and any such relationship is disclosed in response to Item 14, above.



## ITEM 15 – CUSTODY

### DIRECT FEE DEBIT

LAI's Agreement and/or the separate agreement with any Financial Institution may authorize LAI through such Financial Institution to debit the client's account for the amount of LAI's fee and to directly remit that management fee to LAI in accordance with applicable custody rules. The process allows LAI to submit a fee deduction request to the client's Financial Institution, who reviews the request and has the ability to process or suspend the fee request. Once approved by the Financial Institution, the fee is deducted from the client's account and credited to LAI.

LAI does not accept full custody of client funds. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to any account statements or reports that we may provide to you. Our statements or reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

LAI is deemed to have custody of client funds and securities whenever LAI is given the authority to have fees deducted directly from client accounts. However, this not considered full custody of client funds.

- The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- The client will provide a written authorization to LAI, permitting them to be paid directly for their accounts held by the custodian.



## **ITEM 16 – INVESTMENT DISCRETION**

LAI is given the authority to exercise discretion on behalf of clients. LAI is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. LAI is given this authority through a power-of-attorney included in the agreement between LAI and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). LAI takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold; and
- When transactions are made.



## **ITEM 17 – VOTING CLIENT SECURITIES**

LAI is required to disclose if it accepts authority to vote client securities. LAI does not vote client securities on behalf of its clients. Clients receive proxies directly from the Financial Institutions and may contact the firm at the telephone number listed on the cover of this brochure with questions about such.



## **ITEM 18 – FINANCIAL INFORMATION**

LAI is not required to disclose any financial information pursuant to this Item due to the following:

- The firm does not require or solicit the prepayment of more than \$500 in fees six months or more in advance;
- The firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The firm has not been the subject of a bankruptcy petition at any time during the past ten years.



## **ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED INVESTMENT ADVISORS**

### **PRINCIPAL EXECUTIVE OFFICERS AND MANAGEMENT PERSONS**

*Below is the formal education and business background of each of LAI's principal executive officers and management persons:*

#### **TIMOTHY R. PAINTER**

Born 1960

Post-Secondary Education:

- University of Dallas – 1998, Master of Management, Financial Services
- University of Dallas – 1997, Master of Business Administration, Corporate Finance
- Carson-Newman University – 1983, Bachelor of Science, Management

Recent Business Background:

- Lindus Advisors, Inc., President and Director, December 1999 – Present
- Alcove Senior Advocates, President, September 2017 – Present
- Aviation Services, Certified Flight Instructor/Commercial Pilot, January 2010 – Present
- Insurance Agent, August 2018 - Present
- University of Dallas – Graduate School of Management, Adjunct Professor, April 1999 – 2011
- Fidelity Investments, Inc., Premium Services Representative, November 1993 – May 2000



## TIMOTHY R. PAINTER

12900 Preston Road, Suite 602

Dallas, Texas 75230

(866) 454-6387

[www.lindusadvisors.com](http://www.lindusadvisors.com)

February 2, 2023

**Lindus Advisors, Inc., a Registered Investment Adviser**

12900 Preston Road, Suite 602 | Dallas, Texas 75230 | (866) 454-6387  
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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. This Brochure Supplement provides information about Timothy R. Painter that supplements the Disclosure Brochure of Lindus Advisors, Inc. (hereinafter "LAI"), a copy of which you should have received. Please contact LAI's Chief Compliance Officer if you did not receive the Disclosure Brochure or if you have any questions about the contents of this Brochure Supplement. Additional information about Timothy R. Painter is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).



## ITEM 2. EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Born 1960

### Post-Secondary Education

- University of Dallas, Graduate School of Management | MM, Financial Services | 1998
- University of Dallas, Graduate School of Management | MBA, Corporate Finance | 1997
- Carson-Newman University | B.S., Management | 1983

### Recent Business Background

- Lindus Advisors, Inc. | President, Chief Investment/Compliance Officer | December 1999 – Present
- Alcove Senior Advocates | President & Senior Advocate | September 2017 - Present
- University of Dallas – Graduate School of Management | Adjunct Professor | April 1999-2011
- Certified Flight Instructor | Commercial Pilot | January 2010 - Present
- Licensed Insurance Agent | August 2018 – Present

## ITEM 3. DISCIPLINARY INFORMATION

LAI is required to disclose the pertinent facts regarding any legal or disciplinary events material to a client's evaluation of Timothy R. Painter. LAI has no information to disclose in relation to this Item.

## ITEM 4. OTHER BUSINESS ACTIVITIES

LAI is required to disclose information regarding any investment-related business or occupation in which Timothy R. Painter is actively engaged

### Licensed Insurance Agent – Investment Related

Timothy R. Painter is a licensed insurance agent and in such capacity may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that LAI recommends the purchase of insurance products where Timothy R. Painter receives insurance commissions or other additional compensation. A conflict of interest exists to the extent that client resources used for the purchase of insurance products are not available for other investments. LAI seeks to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.

### Alcove Senior Advocates – Non-Investment Related Business or Occupation

Timothy Richard Painter, President of LAI, is also the owner of Alcove Senior Advocates, LLC ("ASA"). ASA provides referrals to seniors and their families for senior living communities. This is not an investment-related activity. He spends 10% or less of his time on this activity.

As an owner of ASA, Mr. Painter has a financial interest in ASA. This provides a financial incentive to recommend ASA to LAI clients over other senior living referral companies. LAI as a firm does not receive any referral fees from clients referred to ASA. ASA's fees and services are separate and distinct from the services of LAI. A client of one entity may be a client of the other entity, but without impact on the fee amount paid.



Mr. Painter and LAI always act in the best interest of LAI clients, and LAI clients are in no way required to use the services of Mr. Painter or any employee of LAI in connection with such individual's activities outside of LAI.

**Aviation Services – Non-Investment Related Business or Occupation**

Timothy R. Painter is a FAA licensed pilot holding Certificates as an Airline Transport Pilot, Commercial Pilot, Certified Flight Instructor, and Advanced and Instrument Ground Instructor. Mr. Painter occasionally exercises his flying skills serving as a volunteer pilot for charity and humanitarian efforts. Mr. Painter also occasionally provides pilot services or flight instruction for which he receives compensation. This activity is typically outside normal business hours with less than 50 business hours per year. This is a non-investment related business or occupation.

**ITEM 5. ADDITIONAL COMPENSATION**

LAI is required to describe any arrangement under which Timothy R. Painter receives an economic benefit for providing advisory services from someone that is not a client of LAI. LAI has no information to disclose in relation to this Item.

**ITEM 6. SUPERVISION**

Timothy R. Painter, the President of LAI, is generally responsible for his own supervision. Timothy R. Painter monitors his advice in an effort to ensure that investments are suitable for his individual clients and consistent with their individual needs, goals, objectives and risk tolerance, as well as any restrictions requested by LAI's clients.



## SCOTT W. PAINTER

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## ITEM 2. EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Born 1966

### Post-Secondary Education

- Carson-Newman College | B.S., Business Economics | 1988

### Recent Business Background

- All Western Mortgage, Inc. | Loan Officer, July 2022 – Present
- First Guaranty Mortgage Corporation | Mortgage Loan Originator, May 2022- July 2022
- Mortgage300 | Loan Officer, March 2022- May 2022
- Senior Care Authority | Senior Housing Advocate, January 2021- December 2022
- Jasper Consulting | Owner, July 2020- Present
- Lindus Advisors, Inc. | Financial Advisor | October 2012 – Present
- Licensed Insurance Agent | August 2012 – Present
- Soccer Referee | Self Employed, August 2008 - Present
- Alcove Senior Advocates | Senior Advocate, July 2017- January 2021
- Arapaho Pharmacy | Medication Deliverer, August 2017- November 2018
- Signature Pointe On The Lake | Activities Coordinator, December 2016 – June 2017
- Northwestern Mutual – The Texas Financial Group – Dallas | Associate Financial Advisor | April 2009 – August 2012
- Lindus Advisors, Inc. | Client Relationship Officer | July 2008 – March 2009

## ITEM 3. DISCIPLINARY INFORMATION

LAI is required to disclose the pertinent facts regarding any legal or disciplinary events material to a client's evaluation of Scott W. Painter. LAI has no information to disclose in relation to this Item.

## ITEM 4. OTHER BUSINESS ACTIVITIES

LAI is required to disclose information regarding any investment-related business or occupation in which Scott W. Painter is actively engaged.

### Licensed Insurance Agent

Scott W. Painter is a licensed insurance agent and in such capacity may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. A conflict of interest exists to the extent that LAI recommends the purchase of insurance products where Scott W. Painter receives insurance commissions or other additional compensation. A conflict of interest exists to the extent that client resources used for the purchase of insurance products are not available for other investments. LAI seeks to ensure that all recommendations are made in the best interests of clients regardless of any additional compensation earned.



**All Western Mortgage, Inc. – Non-Investment Related Business or Occupation**

Scott Painter is an employee of All Western Mortgage, Inc., a non-investment related business where he devotes a significant portion of his time as a Loan Officer. A conflict exists to the extent that funds otherwise available for investment purposes are utilized to pay for real estate purchases facilitated by All Western Mortgage, Inc. LAI does not supervise the activities of All Western Mortgage, Inc.

**Jasper Consulting – Non-Investment Related Business or Occupation**

Scott Painter is the owner of Jasper Consulting, a non-CPA bookkeeping service. Mr. Painter provides executive level supervision of a CPA manager who runs the day-to-day operations of the business. Mr. Painter does not perform bookkeeping services or provide accounting services or advice. LAI does not refer to and does not receive referrals from Jasper Consulting. LAI does not supervise the activities of Jasper Consulting. This is a non-investment related business where he devotes minimal time each month.

**Soccer Referee – Non-Investment Related Business or Occupation**

Scott Painter serves as a soccer referee with his community's soccer association. This is a non-investment related business where he devotes minimal time each month.

**ITEM 5. ADDITIONAL COMPENSATION**

LAI is required to disclose information regarding any arrangement under which Scott W. Painter receives an economic benefit from someone other than a client for providing investment advisory services. LAI has no information to disclose in relation to this item.

**ITEM 6. SUPERVISION**

Timothy R. Painter, President, is generally responsible for supervising Scott W. Painter's advisory activities on behalf of LAI. The telephone number to reach Timothy R. Painter is (972) 387-8474.

LAI supervises its personnel and the investments made in client accounts. LAI monitors the investments recommended by Scott W. Painter to ensure they are suitable for the particular client and consistent with their investment needs, goals, objectives and risk tolerance, as well as any restrictions previously requested by the client. LAI periodically reviews the advisory activities of Scott W. Painter, which may include reviewing individual client accounts and correspondence (including e-mails) sent and received by Scott W. Painter.



## SONTWA SINKALA

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February 2, 2023

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## ITEM 2. EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Born 1957

### Post-Secondary Education

- University of Manitoba | Ph.D., Economics and International Development | 1991
- University of Zambia | Masters of Arts, International Development | 1984

### Recent Business Background

- Lindus Advisors, Inc. | Senior Investment Analyst | June 2001 – Present
- University of Winnipeg | Adjunct Professor, Business/Economics | August 2013 - Present

## ITEM 3. DISCIPLINARY INFORMATION

LAI is required to disclose the pertinent facts regarding any legal or disciplinary events material to a client's evaluation of Dr. Sinkala. LAI has no information to disclose in relation to this Item.

## ITEM 4. OTHER BUSINESS ACTIVITIES

LAI is required to disclose information regarding any investment-related business or occupation in which Dr. Sinkala is actively engaged. LAI has no information to disclose in relation to this item.

## ITEM 5. ADDITIONAL COMPENSATION

LAI is required to disclose information regarding any arrangement under which Dr. Sinkala receives an economic benefit from someone other than a client for providing investment advisory services.

In addition to his regular salary, Dr. Sinkala may receive a bonus as a result of client development activity including, but not limited to his contribution to revenue generation.

### Teaching and Consultancy

Dr. Sinkala devotes a significant portion of his time as a professor for university and working independent international economic consultancy engagements. This outside business activity does not create a significant conflict of interest. Lindus Advisors does not receive any commissions or compensations for these services conducted independently by Dr. Sinkala. Dr. Sinkala is compensated directly through the university or engaging entities for these services.

## ITEM 6. SUPERVISION

Timothy R. Painter, President, is generally responsible for supervising Dr. Sinkala's advisory activities on behalf of LAI. The telephone number to reach Timothy R. Painter is (972) 387-8474.

LAI supervises its personnel and the investments made in client accounts. LAI monitors the investments recommended by Dr. Sinkala to ensure they are suitable for the particular client and consistent with their investment needs, goals, objectives and risk tolerance, as well as any restrictions previously requested by the client. LAI periodically reviews the advisory activities of Dr. Sinkala, which may include reviewing individual client accounts and correspondence (including e-mails) sent and received by Dr. Sinkala.