BELL INVESTMENT ADVISORS
MOMENTUM FOR LIFE®

Item 1- Cover Page

FORM ADV PART 2A*

BROCHURE

February 2022

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*This brochure provides information about the qualifications and business practices of Bell Investment Advisors, Inc. ("BIA" or "Firm"). If you have any questions about the contents of this brochure, please contact us at telephone number noted above. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission or by any state authority. Additional information about Bell Investment Advisors, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - MATERIAL CHANGES FROM PRIOR FORM ADV PART 2A

This updated Form ADV Part 2A contains the following changes from the last amendment:

- Updated statement of fiduciary status at Item 4.

Item 3 - TABLE OF CONTENTS

Item 4 - ADVISORY BUSINESS

Years in Business:	Since 1991
Registration Status:	Registered with the SEC on April 12, 1999[1]
Principal Owners:	James F. Bell, Forrest R. Bell
Assets Under Management:	Discretionary Assets – $589,937,360
As of December 31, 2021	Non-discretionary Assets – $ 66,621,975
	Total Assets Under Management - $656,559,335

ADVISORY SERVICES

Separately Managed Client Accounts

BIA is a California corporation that provides investment management, financial planning and financial consultation services to its clients. BIA's investment management services include, among others, financial goal setting, risk assessment, strategic asset allocation and the selection and management of securities and investments. Securities transactions are supervised on a continuous basis and each client's portfolio holdings and asset allocations are monitored on a periodic basis.

The investment management services we provide are based on each individual client's financial circumstances and investment objectives. Our investment advisors communicate with each client to discuss the client's current financial condition and to review the client's current investment holdings. Based upon each client's circumstances, we determine an appropriate asset allocation for the client's investment portfolio, in accordance with the client's specific financial objectives and risk tolerance and in consideration of other factors, including the client's time horizon (education funding, home purchase, retirement, legacy planning), liquidity needs, and other available resources (including external retirement plans, projected social security, outside investments, real estate, and insurance). Clients may identify any investment restrictions to be placed on their account. Each client's financial objectives, risk tolerance, and liquidity needs, along with a recommended asset allocation, are incorporated into an investment policy statement that is customized for each client.

A client may make additions to and withdrawals from the client's portfolio account at any time, subject to the Firm's right to terminate an account if the amount of assets drops below our account size minimum. Clients may withdraw account assets with notice to the Firm, subject to the usual and customary securities settlement procedures. However, we design client portfolios as long-term investments and caution our clients that asset withdrawals will impair the achievement of the client's investment objectives.

Additions to an account may be in cash or securities provided that we reserve the right to decline to accept particular securities into a client's account or to recommend that the security be liquidated if it is inconsistent with the Firm's investment strategy or the client's investment objectives. Clients are advised that when transferred securities are liquidated, they will be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

BIA generally requires clients to place a minimum of $750,000 under management with the Firm. Multiple client accounts are aggregated to meet this minimum. Under certain circumstances, and in its sole discretion, the Firm may waive or alter the minimum account size requirement.

[1] "Registration" means only that the Firm meets the minimum requirements for registration as an investment advisor and does not imply that the SEC guarantees the quality of our services or recommends them.

Financial Planning and Financial Consultation Services

For those investment management clients that request them, BIA provides comprehensive financial planning or other financial consultation services on either an hourly fee or fixed fee basis. BIA's financial planning or consultation services could include, depending on the client's needs and requests, a financial review and analysis of some or all of the following areas:

- Determining Financial Goals and Objectives
- Asset Allocation Review
- Retirement Plan Analysis
- Employee Stock Option Analysis
- Current Portfolio Review
- Education Funding Analysis
- Cost Audit of Current Investments
- Cash Flow Management Review
- Review of Insurance Needs
- Mortgage and Refinance Evaluation
- Estate Plan Review or Development
- Charitable (or social capital) Planning
- Other financial or investment analysis

Clients engaging BIA to provide financial planning or consultation services under a fixed or hourly fee basis are required to enter into a separate written agreement with BIA setting forth the terms and conditions of the planning engagement and describing the scope of the services to be provided.

Fiduciary Status

When BIA provides investment advice to you regarding your investment accounts, including your retirement plan account or individual retirement account, we are fiduciaries within the meaning of certain state and federal laws such as the Employee Retirement Income Security Act and/or the Internal Revenue Code and the regulations of the U.S. Securities and Exchange Commission, as applicable. These regulations require us to act in your best interest and not put our interests ahead of yours.

General Notice

In performing its services, BIA relies upon the information received from its client or from their other professional legal and accounting advisors, and is not required to independently verify such information. Clients must promptly notify us of any change in their financial situation or investment objectives that would necessitate a review or revision by our advisors of the client's portfolio and/or financial plan.

TERMINATION OF AGREEMENT

Clients retain the authority to terminate their investment management agreement at any time upon written notice to the Firm. The Firm does not assess any fees related to termination but will be entitled to all management fees earned up to the date of termination. Any prepaid fees owed to the client will be refunded on a pro rata basis determined on the amount of time expired in the calendar quarter.

If a copy of this Form ADV Part 2A was not delivered to the client prior to or simultaneous with a client entering into a written advisory contract with Advisor, then the client has the right to terminate the contract without penalty within five (5) business days after entering into the contract. For purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract. If the client terminates the contract on this basis, all fees paid by the client will be refunded. Any transaction costs imposed by the executing broker or custodian for establishing the custodial account or for trades occurring during those five days are non-refundable.

Item 5 - FEES AND COMPENSATION

ADVISORY FEES

For Investment Advisory Services

BIA charges its investment management clients an annual fee based on the market value of the assets the client has placed with BIA for investment management purposes. There is a one-time account set up fee of $150 per client account. "Market value" includes all cash, money market balances and the value of all securities held in the account and supervised by BIA as shown on the quarter end client reports provided by BIA. Generally, fees are payable quarterly in advance based on the total market value of the account as shown on the BIA Portfolio Statement on the last business day of the previous quarter. The basic fee schedule is based on the investment strategy followed for the account:

<u>For Accounts Following the Active Portfolio Enhancement Strategy:</u>

1.50% on the market value of Account $500,000 and under,
Plus 1.25% on the market value of Account between $500,001 and $1,000,000,
Plus 1.00% on the market value of Account between $1,000,001 and $3,000,000,
Plus Fees on Account assets with a market value above $3,000,000 are negotiable.

<u>For Accounts Following the Stable Growth & Index Strategy</u>:

1.00% on the market value of the Account

<u>For Cash Reserves Accounts</u>:

0.50% on the market value of the Account

The Account is subject to a minimum annual investment management fee of $3,500. BIA may negotiate a different investment management fee with the client, based on the nature of the client's account. The initial quarterly fee for a new client is pro-rated based upon the date the client assets are transferred to BIA's management.

Clients typically authorize BIA to deduct its quarterly investment advisory fee directly from their custodial account. This authorization must be granted under the client's signed BIA Investment Management Agreement and BIA will send the client a copy of their investment advisory fee invoice at the same time it requests payment from the client's custodian. In such cases, it is the client's responsibility to verify the accuracy of the fee calculation, as the custodian will not determine whether the fee is properly calculated.

To the extent that a client authorizes the use of margin, and margin is thereafter employed by our portfolio managers in the management of the client's portfolio, the market value of the client's account and corresponding fee payable by the client to BIA would be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential conflict of interest whereby the client's decision to employ margin would correspondingly increase the management fee payable to the Firm. Accordingly, the decision as to whether to employ margin is left to the sole discretion of client.

Investment Management Fees to 529 Plans

529 plans are not charged based on a percentage of the assets in the account. Instead, each 529 plan is charged a $150 set-up fee which covers the account set up and initial allocation recommendation. By law, 529 plan clients can make an allocation change twice per calendar year. BIA offers its recommendation for the annual allocation change for a fee of $150 regardless of the number of accounts.

Hourly Fee for Financial Consultation Services

If an investment management client requests BIA to provide financial consultation services in addition to the management of the client's portfolio, BIA charges an hourly rate of $150. Such fees are payable upon completion of the services provided.

Fixed Fee Financial Planning Services

BIA also offers customized fee-only financial planning services that range from $3,500 to $7,500, depending upon the complexity of the client's financial circumstances and the number and types of planning services requested.

Clients are requested to pay the applicable financial planning fee at the time they sign a financial planning fee agreement or request the service.

Initial financial planning services, including the creation of a comprehensive financial plan, are covered by the applicable financial planning fee. Thereafter, plan updates in response to changes in the clients' financial circumstances and other financial planning services are provided for an additional fee of $1,000.

GENERAL FEE DISCLOSURES

The client's fee is determined in accordance with the above fee structure, with exceptions negotiated on a case-by-case basis at BIA's discretion. Any deviations from the fee structure are based upon a number of factors including the amount of work involved, the amount of assets placed under management and the attention needed to manage the account.

We believe our investment management fees are competitive with the fees charged by other investment advisors in the San Francisco Bay area for comparable services. However, comparable services are available from some other sources for lower fees than those charged by BIA and from some other sources for higher fees.

BIA receives no commissions on investment products purchased or sold for client accounts.

We do not provide clients advice as to the tax deductibility of our advisory fees. Clients are directed to consult a tax professional to determine the tax deductibility of the payment of advisory fees.

CUSTODIAN AND BROKERAGE FEES

Clients incur certain charges imposed by their custodians and other third parties such as custodial fees, 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. Additionally, clients will incur charges by the executing broker-dealer in the form of brokerage commissions and transaction fees on the investment transactions entered into for their account(s). All of these charges, fees and commissions are in addition to BIA's investment management fee.

FUND DISCLOSURES

BIA generally invests its clients' assets in exchange traded funds (ETFs) and no-load mutual funds. In addition to the investment advisory fee charged by BIA, clients pay for the expenses and advisory fees charged by any funds in which their assets are invested. All such funds incur operation expenses in connection with the management of the fund. Investment funds pass some or all of these expenses through to the investors in the funds in the form of management fees. The management fees charged vary from fund to fund. In addition, funds charge investors other types of transaction fees, which also vary widely among funds. As a result, clients will still pay management fees and other fees and expenses as charged by each fund in which they are invested.

Clients are provided a copy of each fund prospectus for the funds in which they invest by their custodian or directly by the fund sponsor. As required by law, a prospectus represents the fund's complete disclosure of its management and fee structure.

Neither BIA, nor its principals or employees, accept compensation for the sale of securities or other investment products, including asset-based sales charges or fees from the sale of mutual funds.

BOND DISCLOSURE

Clients whose assets are invested in bonds purchased directly from an underwriter may pay a sales credit or sales concession to the underwriter on the trade (in lieu of a sales commission) ranging from 0% - 2% of the par value of the bond.

Item 6 - PERFORMANCE-BASED FEES

No part of BIA's investment management fee is calculated as a percentage of the capital gains or the capital appreciation of client assets.

Item 7 - TYPES OF CLIENTS

Our clients include individuals and their trusts and estates, pension and profit sharing plans, mutual funds, business entities and charitable foundations. We have established a $750,000 minimum value of assets for establishing a client relationship. As a result, BIA's services are not appropriate for everyone. Particularly for smaller accounts, other investment advisers provide somewhat similar services for lower compensation, although still others charge more for similar services.

Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES, RISK OF LOSS

METHODS OF ANALYSIS

BIA uses a variety of methods to evaluate the overall financial market, market sectors, mutual funds and various types of securities. The Firm conducts internal research and analysis and also receives research and analysis from third parties such as Charles Schwab & Co., Inc., Morningstar and Thomson Financial.

Depending upon the type of investment, BIA utilizes a combination of fundamental and technical analysis. Fundamental analysis involves analyzing real data, including overall economic and company-specific information available to determine the value of a particular investment. Technical analysis involves analyzing statistics provided by market activity such as past prices and volume to identify patterns that can be used to predict future activity. In performing these analyses, the Firm consults third-party research materials, company annual reports and other regulatory filings, and financial newspapers and periodicals.

BIA's strategy does not utilize "leverage," meaning that it does not recommend strategies that would necessitate a client to borrow cash against the value of their securities portfolio in order to fund additional BIA recommended purchases.

INVESTMENT STRATEGY

BIA generally invests client assets in no-load mutual funds and exchange-traded funds (ETFs) in accordance with its view that this approach offers clients both diversification and lower expenses. BIA does not believe however, that the fees and expenses charged by a fund should be the only criteria upon which a fund is evaluated.

BIA, on occasion invests in individual securities on behalf of a client account.

INVESTMENT RISKS

All securities investments carry risk, including the risk that an investor loses a part or all of his or her initial investment. Risk refers to the uncertainty that the actual return the investor realizes could differ from the expected return. Risks may be systematic, referring to factors that affect the returns on all comparable investments and that affect the market as a whole. Systematic risks include market risk, interest rate risk, reinvestment rate risk, purchasing power risk and exchange rate risk. Unsystematic risks depend on factors that are unique to the specific investment security. These risks include business risk and financial risk.

Here are some of the general risks associated with parts of our investment strategy:

Short-term purchases – on occasion, generally only for tax management purposes, we may determine to buy or sell securities in a client's account and hold them for less than a year. Some of the risks associated with short-term trading that could affect investment performance are increased commissions and transaction costs to the account and increased tax obligations on the gains in a security's value.

Bond Pricing – The price of bonds depends in part on the current rate of interest. Rising interest rates decrease the current price of bonds because current purchasers require a competitive yield. As such, decreasing interest rates increase the current value of bonds with associated decrease in bond yield. We may decide to exchange to a lower or higher duration bond or to another asset class due to interest rate risk that could affect investment performance.

Inflation - Inflation is the loss of purchasing power through a general rise in prices. If an investment portfolio is designed for current income with a real rate of return of 4% and inflation were to rise to 5% or higher, the account would result in a loss of purchasing power and create a negative real rate of return.

Price Fluctuation - Security prices do fluctuate (except for cash or cash equivalents) and clients must accept that risk associated with the fluctuations or change to a more appropriate investment portfolio in alignment with their risk tolerance.

Reinvestment of Dividends - An investor can choose to reinvest interest, dividends and capital gains to accumulate wealth. This is an appropriate strategy for a portfolio designed for capital growth. However, the reinvested earnings could result in a lower or a higher rate than was initially earned.

Mutual Funds with Foreign Asset Holdings – Any investments in mutual funds that make foreign investments are subject to the uncertainty with changes in the foreign currency value. The client will bear more risk and possibly earn a substantially higher return or a substantially lower return.

Short Sale Trading – Short Sale Trading, or "shorting" involves a great amount of risk and is not advocated by BIA, nor is it a part of our investment strategy. In rare cases, short selling may be used as directed by client to achieve specific goals.

Margin Trading – BIA does not advocate leverage as a part of its investment strategy. In rare cases, and generally only for short term financing considerations, clients may elect to assume a margin balance on their investment account. The client's custodian will require a percentage of assets under management to be pledged as collateral for the margin amount. Clients risk that in a falling market, the pledged collateral will be insufficient to cover a margin call by the client's custodian. Consequently, all margin decisions are left to the client.

Option Trading – Certain BIA clients engage in option trading. Option securities are complex derivatives of equity securities that incorporate certain leverage characteristics and as such carry an increased risk of investment loss.

Item 9 - DISCIPLINARY INFORMATION

BIA has no disciplinary history and consequently, is not subject to any disciplinary disclosures.

Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

BIA is an independent investment advisor, unaffiliated with any other financial institution or securities dealer or issuer. We recommend that our clients custody their assets with Charles Schwab & Co., Inc., an SEC registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). Although we recommend that our clients custody their investment accounts at Schwab, we have no affiliation with Schwab, do not supervise its brokerage activities and are not subject to its supervision.

Although occasionally we refer our clients to other professionals such as attorneys or accountants for estate planning, tax or other matters, neither the Firm nor its principals or employees are affiliated with any law or accountancy firm.

Item 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

BIA, its employees and their families (collectively "employees") are permitted to buy and sell securities for their personal investments. In some cases, employees buy or sell securities that are also recommended to its clients. To govern such transactions, the Firm adopted employee personal securities policies and procedures and a code of ethics that outline the timing and conditions under which employees are permitted to buy or sell securities when such securities are also held or traded by clients. These policies and procedures and the code of ethics are designed to ensure that BIA clients are not disadvantaged in any way by the personal securities transactions of BIA employees.

Employees are allowed to trade in the same securities traded for clients. However, it is Firm policy not to give preference to orders for personnel associated with the Firm regarding such trading. Employees may personally invest in the same securities that are purchased for client trading accounts and may own securities that are subsequently purchased for client accounts. From time to time, trading by employees in particular securities is restricted in recognition of impending investment decisions on behalf of clients. If a security is purchased or sold for client accounts and employees on the same day, either employees will pay or receive the same price as the client account, or the client account will receive the more favorable price. If purchased or sold on different days, it is possible that employees' personal transactions might be executed at more favorable prices than were obtained or clients.

Employees buy or sell different investments, based on personal investment considerations, which the Firm may not deem appropriate to buy or sell for clients. It is also possible that employees take investment positions for their own accounts that are contrary to those taken on behalf of clients. Employees also buy or sell specific securities for their personal account based on personal investment considerations aside from company or industry fundamentals, which are not deemed appropriate to buy or sell for clients. If these securities subsequently appreciate, these personal transactions could be viewed as creating a conflict of interest.

Conversely, employees are allowed to liquidate a security position that is held both for their own account and for the accounts of Firm clients, sometimes in advance of clients. This occurs when personal considerations (i.e., liquidity needs, tax-planning, industry/sector weightings) deem a sale necessary for individual financial planning reasons. If the security subsequently falls in price, these personal transactions could be viewed as a conflict of interest.

BIA employees may not "trade on" any knowledge he or she may have regarding the potential market impact of transactions entered on behalf of clients. BIA employees with access to investment decision-making and trading must have duplicate statements of their brokerage accounts sent to the Firm's compliance officer. Certain securities transactions contemplated by employees require pre-clearance. Copies of BIA's employee personal trading policies and code of ethics are made available to clients and prospective clients upon request.

Item 12 - BROKERAGE PRACTICES

RECOMMENDATION OF SCHWAB AS CUSTODIAN AND EXECUTING BROKER

With the exception of 529 Plan assets which are held at American Funds, BIA recommends that clients establish brokerage accounts with Schwab, a FINRA registered broker-dealer and member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Schwab is independently owned and operated and not affiliated with BIA and does not supervise or otherwise monitor BIA's investment management services to its clients. Schwab provides BIA with access to its institutional trading and custody services, which typically are not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least $10 million of the adviser's clients' assets is maintained in accounts at Schwab, but are not otherwise contingent upon BIA committing to Schwab any specific amount of business (in the form of either assets in custody or trading). Schwab's services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institution investors or would require a significantly higher minimum initial investment.

For BIA's client accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts. In most cases, trade executions for client accounts custodied at Schwab will be made by Schwab to avoid "trade away" charges imposed by Schwab and for trades executed at other broker-dealers. In cases where a desired security is not available for purchase or sale through Schwab, and in light of BIA's best execution evaluation, certain executions may be made at a different broker-dealer.

Schwab also makes available to BIA other products and services that benefit BIA but do not benefit its clients. Some of these other products and services assist BIA in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of BIA's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally are used to service all or a substantial number of BIA's accounts, including accounts not maintained at Schwab. Schwab also makes available to BIA other services intended to help BIA manage and further develop its business. These services include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In some cases, Schwab makes available, arranges and/or pays for these types of services to BIA by independent third parties. Schwab also occasionally discounts or waives fees it otherwise would charge for some of these services or pays all or a part of the fees of a third-party providing these services to BIA.

BIA's recommendation that clients maintain their assets in accounts at Schwab is based in part on the benefit to BIA of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a conflict of interest.

DIRECTED BROKERAGE

In a limited number of cases, clients are permitted to direct BIA to place all orders for securities transactions with a specific broker-dealer (directed brokerage). In these cases, BIA is not obligated to, and will generally not solicit competitive bids for each transaction or seek the lowest commission rates for the client. As such, the client may pay higher commission costs, higher security prices and transaction costs than it otherwise would have had it not directed BIA to trade through a specific broker. In addition, the client may be unable to obtain the most favorable price on transactions executed by BIA as a result of BIA's inability to aggregate/bunch the trades from this account with other client trades.

Furthermore, the client may not be able to participate in the allocation of a security of limited availability (such as an IPO) for various reasons, including if those new issue shares are provided by another broker or dealer. As a result of the special instruction, BIA may not execute client securities transactions with brokers that have been directed by clients until non-directed brokerage orders are completed. Accordingly, clients directing brokerage may not generate returns equal to clients that do not direct brokerage.

Due to these circumstances, there may be a disparity in commission rates charged to a client who directs BIA to use a particular broker and performance and other differences from other similarly managed accounts. Clients who direct brokerage should understand that similar brokerage services may be obtained from other broker-dealers at lower costs and possibly with more favorable execution.

SOFT DOLLAR ARRANGEMENTS AND POTENTIAL CONFLICTS

BIA occasionally receives from an executing broker or allows a broker, including Schwab, to pay for certain research or brokerage services, known as "soft dollar" brokerage services and research. "Soft dollars" refers to the use of brokerage commissions on client trades to pay for the soft dollar research or brokerage services received. Because many of these services benefit BIA in conducting its advisory business, and because the soft dollars used to acquire them are assets of its clients (in the form of commissions), BIA could be considered to have a conflict of interest in allocating client brokerage business, in light of a potential incentive to effect more transactions than it might otherwise in order to obtain those benefits.

It is the Firm's policy is to limit its use of soft dollar arrangements to those falling within the safe harbor of Section 28(e) of the Securities and Exchange Act of 1934, as amended. To be protected under Section 28(e), we must, among other things, determine that commissions paid are reasonable in light of the value of the brokerage and "research" services and products acquired. Section 28(e)'s "safe harbor" protects the use of client soft dollars even when the research and brokerage services and products acquired are used in making and implementing investment decisions and transactions for other clients. Only *bona fide* research and brokerage products and services that provide assistance to BIA in the performance of its investment decision-making responsibilities are permitted.

Soft dollar research and services include among others, economic and market information, portfolio strategy advice, proxy voting services, industry and company comments, technical data, recommendations, research conferences, general reports, periodical subscription fees, consultations, performance measurement data, on-line pricing, news wire charges, quotation services, computer hardware and software. BIA may receive soft dollar credits based on principal, as well as agency, securities transactions with brokerage firms or direct a brokerage firm that executes transactions to share some of its commissions with a brokerage firm that provides soft dollar benefits to BIA. With respect to certain computer equipment and software used for both research and non-research purposes, BIA allocates the costs of such products between their research and non-research uses, and use soft dollars to pay only for the portion allocated to research uses.

BIA is authorized to pay a broker a brokerage commission in excess of that which another broker might charge for effecting the same transaction in recognition of the value of the brokerage, research, other services and soft dollar relationships that broker provides. In such a case, however, BIA determines in good faith that such commission is reasonable in relation to the value of such brokerage, research, other services and soft dollar relationships, viewed in terms of either the specific transaction or BIA' overall responsibilities to the portfolios over which it exercises investment authority. An account may, however, pay higher brokerage commissions than are otherwise available or may pay more brokerage commissions based on account trading activity. In addition, the research and other benefits resulting from a brokerage relationship benefit all accounts managed by BIA or BIA' operations as a whole, including clients who direct BIA to use a broker that does not provide soft-dollar benefits. BIA's relationships with brokerage firms that provide soft dollar services create conflicts of interest, both in allocating brokerage business between firms that provide soft dollar services and firms that do not, and in allocating the costs of mixed-use products between their research and non-research uses. These conflicts of interest are influential to the extent that BIA uses soft dollars to pay expenses it otherwise would be required to pay itself.

BIA occasionally receives discounts on software and other services. The discounts are generally offered to all firms who fit a common profile or asset threshold. Such discounts are accepted with the intent to benefit all clients and the value of these discounts is not considered in the process of selecting securities to purchase for client accounts.

BIA routinely considers the amount and nature of the research products and services provided by brokers as well as the extent to which such products and services are relied upon, and will attempt to allocate a portion of its brokerage business on the basis of that consideration. In addition, broker-dealers sometimes suggest a level of business they would like to receive in return for the various services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocations, but may be expected to exceed the suggestions, because total brokerage is allocated on the basis of all the considerations described above. In no instance will a broker-dealer be precluded from receiving business simply because it has not been identified as providing research products and services, although BIA may not be willing to pay the same commission to such broker as BIA would have paid had the broker provided research products and services.

Schwab Client Benefit Contribution Disclosure
Occasionally, at Mr. Bell's request, Schwab contributes a donation to a non-profit organization with which Mr. Bell is affiliated. While not directly related to the Bell Investment Advisor investment advisory business, the willingness of Schwab to support such non-profits could be viewed as creating a conflict of interest on the part of the Firm to the extent that Schwab contributions are not made for the benefit of Firm clients but nevertheless creates an incentive for the Firm to recommend Schwab as its client custodian and executing broker.

AGGREGATION OF TRADES AND POTENTIAL CONFLICTS

Mutual fund trades are placed individually. Client trades are executed at different times and at different prices consistent with specific client objectives and risk tolerance.

BIA combines exchange-traded fund ("ETF") transaction orders on behalf of multiple clients and allocate the securities or proceeds on an average price basis among the various participants in the transactions. The average price is calculated using a weighted average. BIA and/or its associated persons may participate in such aggregated orders. All daily ETF trades are placed as block trades in the Firm's master account. The only exception to this rule is if a trade request is initiated after the block trade and allocation has already been placed for the day.

While BIA believes combining transaction orders in this way should, over time, be advantageous to all participants, in particular cases the average price could be less advantageous to a particular client than if such client had been the only client effecting the transaction or had completed its transaction before the other participants. There are circumstances in which transactions on behalf of BIA or its associated persons may not, under certain laws and regulations, be combined with those of some of BIA's other clients. In such cases, neither BIA nor any associated person will effect transactions in a security on the same day as clients until after the clients' transactions have been executed.

When orders are aggregated, the price paid by each account is the average price of the order. Transaction costs are allocated to each client by the client's custodian according to the client's custodial agreement. It is our policy that trades are not allocated in any manner that favors one group of clients over another over time. Client transactions are aggregated according to custodial relationship in consideration of "trade away" charges that are imposed if trades are directed to a non-custodial broker-dealer for execution. Aggregated trades placed with different executing brokers are priced by that broker.

ALLOCATION OF OPPORTUNITIES AND POTENTIAL CONFLICTS

Because we manage more than one client account, there is a conflict of interest related to the allocation of investment opportunities among all accounts managed by the Firm. We attempt to resolve this inherent conflict in a manner that is generally fair to all of clients over time. We give advice and take action with respect to each of our clients that differs from advice given or the timing or nature of action taken with respect to our other clients based upon individual client circumstances. It is our policy, to the greatest extent practicable, to allocate investment opportunities over a period of time on a fair and equitable basis relative to all clients. The Firm is not obligated to acquire for any client account any security that the Firm or its owners, officers, employees or affiliated persons may acquire for their own accounts or for the account of any other client, if in the discretion of the portfolio managers, based upon the client's financial condition and investment objectives and guidelines, it is not practical or desirable to acquire a position in such security for that account. Consequently, BIA may continue to hold a fund in one client account while selling it for another client account. This occurs when client guidelines or risk tolerances mandate a sale for a particular client. In some cases, consistent with client objectives and risk, the Firm may purchase a fund for one client while selling it for another.

Item 13 - REVIEW OF ACCOUNTS

All investment decisions are made by the Firm's portfolio managers: Ryan Kelley, Portfolio Manager, Tiffany Blaho, Investment Advisor and Dana B. Nelson, Consultant. Mr. Kelley, Ms. Blaho and Mr. Nelson are responsible for reviewing client accounts. All security positions are under continuous daily review. Each reviewer performs an "active portfolio enhancement" procedure designed to review security holding performance based on particular criteria on at least a monthly basis.

BIA prepares and distributes account valuation reports to its clients monthly showing the current asset allocation of the account and a summary of assets held in the account. Clients are advised to regularly compare the assets and holdings listed on their BIA account report with those listed on the custodian's account statements.

On a quarterly basis, clients receive an in-house newsletter. Clients receive other summary reports on an annual basis. Portfolio Managers are available for telephone conferences and client meetings at the client's request.

Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION

As a part of their compensation, some employees of BIA receive a fee for referring clients to the Firm.

In addition, BIA may enter into third party marketing arrangements whereby it pays referral fees to persons or entities that refer clients to the Firm. The marketing arrangements are consistent with Rule 206(4)-3 of the Investment Advisers Act as amended. Under no circumstances will the client be disadvantaged by the payment of such fees. Clients of the Firm whose accounts involve third party marketing arrangements are advised of the arrangement and do not pay higher fees as a result of the arrangement.

BIA entered into an Investment Manager Service Agreement with Schwab and was a participant in the *Schwab Advisor Network*. As such, BIA received client referrals from Schwab. (Please see other Disclosures Related to Custodians further in this document.)

In relation to this past participation, BIA makes the following specific disclosures:

- Schwab is a broker-dealer independent of and unaffiliated with BIA.
- Schwab does not supervise BIA and has no responsibility for the management by BIA of client assets or any other services BIA offers its clients.
- BIA pays Schwab fees to receive client referrals through the Service.

Although no longer an active participant in the Schwab Advisor Network, BIA continues to pay Schwab certain fees on all previously referred client accounts that are custodied at Schwab, as well as fees for all previously referred client accounts not custodied at Schwab.

BIA does not charge greater fees to its Schwab-referred clients than the fees it charges to clients that were not referred by Schwab.

Item 15 - CUSTODY OF CLIENT ASSETS

BIA does not maintain physical custody of client funds or securities. Clients are required to set up their investment accounts with a "qualified custodian," namely a broker dealer, bank or trust company. BIA is unable to take even temporary possession of client assets for the purpose of transferring them to the client's account. Each client has a direct relationship with their custodian and is responsible for making deposits to and withdrawals from their account as necessary.

Although BIA does not maintain physical custody of client investment accounts, it is deemed to have custody of client assets on the basis of the Firm's authority to: 1. direct client-approved transfers of assets between a client's own accounts and if authorized, to client-designated third party accounts; and 2. to receive payment of its management fees directly from a client's account.

Disclosures Related to Custodians

Schwab acts as custodian and executing broker-dealer for BIA clients. Schwab is independently owned and operated and not affiliated with BIA and does not supervise or otherwise monitor our investment management services to our clients.

For BIA client accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into client accounts that are held with Schwab. In most cases, trade executions for client accounts custodied at Schwab will be made by Schwab to avoid "trade away" charges otherwise imposed for trades executed at other broker-dealers. In cases where a desired security is not available for purchase or sale through the custodial broker, and in light of our best execution evaluation, certain executions are made at a different broker-dealer.

Schwab sends account statements directly to the client (or to an independent third party representative designated by the client), no less than quarterly, showing all funds and securities held, their current value and all transactions executed in the client's account, including the payment to BIA of its investment management fees.

Item 16 - INVESTMENT DISCRETION

The majority of BIA's clients grant full trading and investment discretionary authority over their assets at the time they establish their investment accounts. Subject to the Firm's investment strategy and the client's investment objectives, our portfolio managers are given full discretion to determine:

- Types of investments;
- Which securities to buy;
- Which securities to sell;
- The timing of any buys or sells;
- The amount of securities to buy or sell; and
- The broker-dealer to be used in the transaction.

This discretion may be limited by client investment guidelines and by any investment restrictions set by the client.

Occasionally, clients retain the Firm under a non-discretionary arrangement in which BIA initially invests a client's assets based on client objectives and guidelines and then provides intermittent advice to the client on an agreed upon schedule. BIA makes investment recommendations but does not effect securities transactions on the client's behalf without prior, specific client authorization.

Client accounts for 529 plans are typically managed on a non-discretionary basis.

Except in the case of directed brokerage instructions, client securities transactions generally are executed through the custodian of their account to avoid "trade away" fees for trades that are executed at other broker-dealers. In some cases, a particular security may be not be available through the client's custodian or available only under execution parameters or at an overall cost that makes the use of an alternative executing broker more advantageous for that transaction. In such cases, the portfolio managers have the discretion to select the broker to execute the trade.

Item 17 - VOTING CLIENT SECURITIES

It is BIA's policy not to vote proxy solicitations or other shareholder actions received on behalf of clients from the issuers of securities held in client's account. All such solicitations are forwarded to client for voting by the client's custodian. Any client wishing to review BIA's proxy voting policies in full may request a copy from the Firm at no charge.

Item 18 - STATEMENT OF FINANCIAL CONDITION

BIA does not require or solicit prepayment of management fees from clients six months or more in advance. There are no adverse conditions related to the Firm's finances that are likely to impair its ability to meet its contractual commitments to its clients. The Firm has never been the subject of a bankruptcy filing.

INDEX OF ERISA RELATED DISCLOSURES

BIA provides investment management services to retirement plans governed by the Employee Retirement Investment Security Act ("ERISA"). ERISA regulations require that specific disclosures be made to the retirement plan sponsor, administrator, trustee or other plan representative. The following index identifies the disclosures required and the location where plan representatives may find them.

Required Disclosure	Location of the Required Disclosure
Description of the services that Advisor will provide to covered ERISA plans	Item 4 of this Form ADV Part 2A and Paragraphs 1-2, 4 and 6 of the investment management agreement.
Statements that the services that Advisor will provide to covered ERISA plans will be as an ERISA fiduciary and registered investment adviser	Item 4 of this Form ADV Part 2A and Paragraph 10 of the investment management agreement.
Description of the direct compensation to be paid to Advisor	Item 5 of this Form ADV Part 2A and Paragraph 3 of the investment management agreement.
Description of the indirect compensation Advisor might receive from third parties in connection with providing services to covered ERISA plans, if any	Items 12 and 14 of this Form ADV Part 2A
Description of the compensation to be shared between Advisor and any third party or any affiliated entity, if any	Item 14 of this Form ADV Part 2A.
Compensation that Advisor will receive upon termination of its agreement to provide investment management services, if any	Item 4 of this Form ADV Part 2A.