



BELL INVESTMENT ADVISORS
MOMENTUM FOR LIFE®

Item I- Cover Page

FORM ADV PART 2A BROCHURE

June 2025

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This brochure provides information about the qualifications and business practices of Bell Investment Advisors, Inc. ("BIA" or "Firm") for the use of clients and prospective clients. If you have any questions about the contents of this brochure, please contact us at the 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. Registration of an investment adviser does not imply any certain level of skill or training. 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

BIA is required to advise clients and prospective clients of any material changes to our Form ADV Part 2A brochure from our last annual update. Since our last annual update in March 2025, our new client household assets under management minimum is \$1,000,000, and a minimum \$2,500 quarterly fee.

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Item 4 - ADVISORY BUSINESS

Years in Business:	Since 1991
Registration Status:	Registered with the SEC on April 12, 1999
Principal Owners:	James F. Bell, Forrest R. Bell

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.

We do not recommend or select other investment advisers for our clients. We occasionally refer our clients to other professionals such as attorneys or accountants for estate planning, tax or other matters, but the client will engage that professional.

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.

Participation in Wrap Fee Programs

BIA does not participate in wrap fee programs.

Assets Under Management

As of December 31, 2024, we had the following assets under management:

Discretionary Assets – \$624,992,610

Non-discretionary Assets – \$61,437,743

Total Assets Under Management - \$686,430,353

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:

For Accounts Following the Active Portfolio Enhancement Strategy:

- 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.

For Accounts Following the Stable Growth & Index Strategy:

- 1.00% on the market value of the Account

The Account is subject to a minimum quarterly investment management fee of \$2,500. 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 starting at \$10,000, 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.

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.

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.

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. This Item is not applicable to our business.

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 \$1,000,000 minimum value of assets for establishing a client relationship and a minimum quarterly fee of \$2,500. Multiple client accounts are aggregated to meet this minimum. Because of our minimum, BIA's services are not generally appropriate for smaller accounts. There are other investment advisers who provide somewhat similar services for lower compensation. Under certain circumstances, and in its sole discretion, we may waive or alter the minimum account size requirement and/or the minimum fee.

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

We do not have any financial industry activities or affiliations to disclose in this Item. For example, we are not affiliated with a law firm, accountancy firm, or insurance company. Similarly, we are not registered in another capacity such as a broker-dealer.

We do not recommend or select other investment advisers for our clients.

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. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

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. Schwab's services include brokerage, custody, research, and access to mutual funds and other investments, some of which are otherwise available only to institution investors or would require a significantly higher minimum initial investment.

When considering whether the terms Schwab provides are overall most advantageous to you when compared with other available providers and their services, we consider a range of factors, including:

- Combination of transaction execution services and asset custody services, generally without a separate fee for custody
 - Capability to execute, clear, and settle trades
 - Capability to facilitate transfers and payments to and from accounts
 - Breadth of available investment products
 - Availability of investment research and tools that assist us in making investment decisions
 - Quality of services
 - Competitiveness of the price of those services and willingness to negotiate prices
 - Reputation, financial strength, security and stability
 - Prior service to us and our clients
 - Services delivered or paid for by Schwab
 - Availability of other products and services that benefit us, as discussed below

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. Listed stocks, ETFs, and some mutual funds trades are not charged a commission at Schwab. 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

Because we typically execute your investment transactions through the custodian holding your assets, we are effectively requiring that you “direct” your brokerage to your custodian, absent other specific instructions as discussed below. Because we are not choosing brokers on a trade-by-trade basis, we may not be able to achieve the most favorable executions for clients and this may ultimately cost clients more money. Not all investment advisers require directed brokerage.

SOFT DOLLAR ARRANGEMENTS AND POTENTIAL CONFLICTS

We do not have any traditional “soft dollar” arrangements in place, in which we agree to direct a certain amount of commission dollars to a specific custodian in exchange for research or other services. Rather, the services described in this Item 12 are made available to us simply because we maintain client accounts on the custodian platform.

Many of these services generally may be used to service all or a substantial number of BIA’s accounts, including accounts not maintained at custodian.

The availability to BIA of the foregoing products and services is not contingent upon BIA committing to custodian any specific amount of business (assets in custody or trading commissions). In some cases, clients could pay more for custody and execution through the custodian we recommend than through others. We review the capacities and costs of our custodian regularly to ensure that our clients are receiving quality executions and competitive pricing, as well as more intangible service benefits.

As part of our fiduciary duty to our clients, we endeavor at all times to put the interest of our clients first. We want our clients to be aware that the receipt of the above benefits and services from the custodian creates a conflict of interest, as this could indirectly influence our choice of broker-dealer for custody and brokerage services. We periodically review our choice of custodian to reaffirm the health of each entity, the quality of executions and the additional services provided by the custodian. We believe our selection of Schwab as custodian and broker is in the best interest of our clients because of the scope, quality, and price of their services.

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.

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

BIA does not engage in “block trading,” the aggregation and allocation of multiple client trades into one order; client trades are executed at different times and at different prices consistent with specific client objectives and risk tolerance. Because we place all trades in client accounts individually, some clients will have better or worse prices than others, and we won’t be able to move as rapidly during larger market events as we would if we did block trades. To ensure equal treatment among our clients in effecting

individual trades, we systematically rotate through client accounts so that the same clients are not always first or allows last.

Item 13 - REVIEW OF ACCOUNTS

BIA's advisors periodically review client portfolios to ensure the investments are consistent with the client's investment objectives. BIA's Portfolio Managers conduct ongoing position and model reviews. Reviews can also be triggered by factors such as material market events or a client's individual circumstances.

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. We provide other reports to clients upon request. 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.

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. BIA previously had an agreement with Schwab to be a participant in the Schwab Advisor Network to receive client referrals. While BIA is no longer an active participant (we no longer receive client referrals from Schwab through this program), we have legacy accounts referred to us through Schwab and we continue to pay Schwab a portion of the advisory fee we receive from the client. We do not charge greater fees to Schwab-referred clients than other clients.

Item 15 - CUSTODY OF CLIENT ASSETS

All client funds and securities are maintained with a qualified custodian; we don't take physical possession of client assets. You will receive account statements directly from the Custodian at least quarterly which reflect all transactions in your account, including the fees you pay to BAI. You should carefully review these statements. We urge you to carefully compare your Custodian's account statements with the periodic data you receive from us and to notify us promptly of any discrepancies.

We deduct our advisory fees directly from your accounts based on your written authorization to do so, and this ability is technically considered "custody" but doesn't require separate reporting or a surprise exam of our firm. In addition, in some cases clients execute standing letters of authorization ("SLOAs"), which are written directives from the client authorizing us to initiate payments from their custodial accounts to client-specified third parties. Although SLOAs are client-initiated and client-authorized, our ability to facilitate the payments covered by the SLOAs is considered "custody" under SEC guidance and requires us to report that we have custody over these account assets on our ADV IA. To the extent the SLOAs comply with certain conditions, however, including that clients have the right to terminate the SLOA, and that the qualified custodian will confirm the status of the SLOA annually directly with the client, BIA is not subject to a surprise custody audit.

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.