

SHANKLAND FINANCIAL ADVISORS, LLC

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Disclosure Brochure

June 26, 2023

This brochure provides information about the qualifications and business practices of Shankland Financial Advisors, LLC (“SFA”).

If you have any questions about the contents of this brochure, please contact Daryl Shankland, Managing Member, at (217) 494-0439. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

SFA is an investment advisor registered with certain states. Registration of an investment advisor does not imply any level of skill or training. The oral and written communications of an investment advisor are intended to provide you with information to assist in your determination as to whether or not to retain the services of that investment advisor.

Additional information about SFA also is available on the SEC’s website at www.adviserinfo.sec.gov, using SFA’s CRD No. 139562.

Material Changes

Shankland Financial Advisors, LLC (“SFA”, we, our, ours) provides its disclosure brochure (“brochure”) to you when we enter into an advisory agreement with you. We will then deliver an updated brochure to you when material changes occur since the release of the Firm’s previous Brochure.

Since SFA’s last brochure update of February 7, 2023, there have been no material changes. In this Brochure disclosure information for three additional investment adviser representatives, Rebecca Beatty, John Burnett and Matthew Olson can be found in Part 2B of this Brochure.

Our brochure may be requested by contacting Daryl Shankland, Managing Member, by phone, at (217) 494-0439 or by e-mail, at daryl@shankfa.com. We will provide you with a copy of our current brochure at any time without charge.

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Advisory Business

Shankland Financial Advisors LLC (“SFA”, we, us, our, ours) is a Limited Liability Company organized under the laws of the State of Illinois. Daryl Burnett Shankland founded SFA in 2006 and is the Managing Member and principal owner.

SFA offers financial planning, consulting, and investment management services. We will work with you to identify your investment goals, objectives, and risk tolerances in order to structure an investment account and an investment strategy that is consistent with your stated investment objectives.

Investment Management Services

The investment accounts we structure may consist of stocks, bonds, mutual funds, exchange-traded funds (“ETFs”), variable annuities and certificates of deposit (CDs).

The investment accounts and the investment strategies are designed based upon your specific individual investment objectives, goals and risk tolerances. We may periodically adjust your account (a process referred to as “rebalancing”) to help ensure that your investment account remains consistent with your objectives, goals, and risk tolerances.

We rely upon you to notify us of any changes in your objectives, goals and risk tolerances, as well as any other material changes in your personal circumstances (such as your employment, marital status, financial condition, etc.). These changes may require changes in your investment account and the investment strategies employed.

We manage your investment account on a discretionary basis, meaning that you have authorized us in writing to make specific investment decisions on your behalf.

The scope of the discretionary authority that you may grant to us is limited to selecting the type of investments, and the specific investments for your account and deciding how to allocate your assets among those investments. We may decide if and when to buy, hold, or sell those investments. Once you have granted discretionary authority to us, it is effective until you change it or revoke it in writing.

You may impose any reasonable restrictions upon the manner in which we manage your investment account. For example, you may restrict the management of your account to certain types of investment products or investment strategies.

At times, we will recommend a third-party investment manager for a client’s portfolio when we believe they offer desired diversification. These recommendations are made on a client specific basis. A client can accept or reject SFA’s recommendation of a

third-party investment manager. When a client agrees to a third-party investment manager for the management of their account (in whole or in part) SFA assists the client in selecting an appropriate allocation model, completing the third-party investment manager's investor profile questionnaire, interacting with the third-party investment manager and reviewing the third-party manager's performance. The client will receive a copy of the third-party investment manager's disclosure document and enter into a separate agreement for their services. Our relationship with third-party investment managers is further discussed under *Other Financial Associations and Affiliations* in this brochure. Fees pertaining to a third-party investment manager's services are outlined under *Fees and Compensation* in this brochure.

Investment oversight services are provided to "Held Away Accounts" of at least \$100,000 using an Order Management System through a third-party vendor. Held-away assets are primarily the cash and securities held in accounts within a TSP, 401(k), 403(b), HSA, 529 plan, and a variable annuity sub-account, or an account that does not reside at SFA's custodian. We regularly review the current holdings and available investment options in these accounts, and SFA implements trades in these accounts to carry out the client's investment strategy. SFA operates with discretionary authority under this system. Under no circumstances does SFA have custody of the assets in a Held Away Account. SFA will not make withdrawals or disbursements or have the authority to change beneficiaries in these accounts.

SFA's use of this Order Management System does not increase the client's fee. SFA pays for the Order Management System out of the advisory fee. Clients who receive these services do not pay any additional fee beyond SFA's management fee as set forth under the following section, Fees and Compensation.

Financial Coaching Services

Hourly services:

SFA provides financial planning and financial coaching services for an hourly fee to address any or all of the following:

- Financial goal setting
- Tax planning
- Cash flow analysis
- Inventory of Assets
- Portfolio Analysis
- Risk Analysis

- Develop Asset Allocation Strategies
- Investment Recommendations
- Retirement Planning
- Education Planning
- Analysis of Employee Benefits
- Record-Keeping
- Estate Planning Review

The services will be set forth in each client's agreement with SFA.

Family Financial Plan:

SFA will provide recommendations to guide a client towards the achievement of the client's financial objectives in up to four financial areas.

In these engagements, the responsibility for financial decisions are client's alone and the client is under no obligation to follow, either wholly or partially, any recommendations or suggestions provided by SFA. The client is under no obligation to act on the SFA's recommendations.

Although you may choose us, Clients are free to employ the services of any advisor or registered representative to implement the recommendations made in our financial planning services. With the sales of recommended insurance products, advisors of SFA may receive additional compensation as a result of a sale or a recommended product to a client of SFA in their capacity as a licensed insurance agent. One advisor of SFA, may receive additional compensation as a result of a sale of a security to a client of SFA in her capacity as a registered representative of a broker-dealer. While these arrangements present conflicts of interest, SFA advisors will only make recommendations that are in keeping with the best of the client. These conflicts are further discussed in *Fees and Compensation and Other Financial Industry Activities and Affiliations*, below.

Wrap Fee Program

SFA does not offer or participate in a wrap fee program.

Assets Under Management

As of June 22, 2023, SFA managed approximately \$65,889,738 in client assets on a discretionary basis.

Fees and Compensation

Fees for Investment Management

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

Comparable Services

We believe that SFA's fees are competitive and reasonable for the services provided; however, lower fees for comparable services may be available from other sources.

For our investment management services, we charge an annual fee based on the assets we manage. Our annual fee is prorated and charged quarterly, in arrears, calculated using the market value of the account as determined on the last business day of the preceding quarter.

Our initial fee will be prorated based on the number of days during the initial quarter that our advisory agreement was in effect.

Should either one of us terminate the advisory agreement we have entered into before the end of a calendar quarter, you will only be charged our fee for the number of days during that quarter that our agreement was in effect.

You may make additions to and withdrawals from the account at any time. If the addition or withdrawal occurs after the inception of a quarter, the fee payable with respect to those assets may be adjusted or prorated based on the number of days remaining in the quarter at SFA's discretion.

A third-party investment manager performing investment management services to a SFA client will charge and collect their own separate fee for their services. The fee for services by a third-party investment manager will also be calculated on the market value of the assets being managed. The third-party investment manager's fee, and how the fee is billed, is set forth in that investment manager's agreement, and also in that investment manager's ADV the client receives.

SFA offsets their advisory fee with the third-party investment manager's fee so the total fee will never exceed the fees shown in the schedules below.

The third-party investment manager will debit the client’s account for both the third-party investment manager fee, and SFA’s advisory fee, and will remit SFA’s fee to SFA. Although the fee schedules disclose the total fee charged to the client including the third-party investment manager fee, the client will sign separate documentation acknowledging the third-party investment manager fee as a separate fee, and as a result, this does not constitute a fee-sharing or referral arrangement.

The annual fee will vary depending on the types of securities in the account as set out in the fee schedules below. If an account holds different types of securities, the fee rates may be blended based on the composition of the account. With discretionary authority, we are authorized to select the investments in the account. This presents a conflict of interest in recommending a particular security for the account if the recommendation would increase our management fee., SFA always operates in the client's best interest and according to the client's investment objects, goals and risk tolerance, and has adequate safeguards in place to mitigate any conflict in interest in recommending a particular security for the account.

All fees are negotiable at our sole discretion. We may negotiate a lesser fee based upon certain criteria such as amount of assets, related accounts, account location, future additional assets, pre-existing relationships and account composition.

There are “legacy” clients under a previous fee schedule.

The maximum annual advisory fees for the management of your account(s) are as follows:

Actively Managed Portfolios including Individual Equities, ETFs and Mutual Funds:

PORTFOLIO VALUE	ANNUAL FEE
up to \$250,000	2.00%
\$250,001 - \$500,000.....	1.90%
\$500,001 - \$1,000,000.....	1.75%
above \$1,000,000	1.00%

Portfolios including only Fixed Income Securities, Cash and Cash Equivalents:

PORTFOLIO VALUE	ANNUAL FEE
up to \$750,000	0.50%

above \$750,000

0.25%

We require that you authorize us in writing to direct your account's custodian to pay our investment advisory fees directly to us by debiting your account. This authorization is set forth in the investment advisory agreement clients execute to retain our services.

For our services provided to a client's Held Away Account where SFA does not have the authority to directly deduct our fees from the account, clients will pay our fee directly through SFA's approved third-party payment system. Each time the fee is owed, SFA will provide the client with an invoice showing the fee owing, the balance upon which the fee was calculated, and the time period covered by the fee.

We will provide you with a copy of our invoice at the time that we submit the invoice to the custodian. Your custodian will also provide you with statements that show the amount of the advisory fees paid directly to us.

Your custodian does not verify the accuracy of our fee calculations so please review your statements along with SFA's invoice carefully.

In addition to our fee, you may be required to pay other charges such as:

- custodial fees,
- brokerage commissions,
- transaction fees,
- internal fees and expenses charged by mutual funds or ETFs,
- fees charged by third party money managers,
- maintenance and termination fees for IRAs, certain retirement and qualified accounts; and,
- other fees and taxes on brokerage accounts and securities transactions.

None of these fees are paid to or shared with SFA.

Mutual fund companies, ETFs, and insurance companies charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these documents. We will be available to answer any questions you have about fees and expenses.

If you purchase mutual fund shares through the custodian, you may pay a transaction fee that would not be charged if the transaction were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may

incur fees that are different from mutual funds held at the mutual fund company.

You may purchase shares of mutual funds directly from the mutual fund company without a transaction fee. Those investments, however, will not be part of our advisory relationship with you. This means that they will not be included in our investment strategies, investment performance monitoring, or investment reallocations.

Please be sure to read the section entitled “Brokerage Practices,” which follows later in this brochure.

Fees for Financial Coaching Engagements

Hourly Services: \$199 per hour, billed upon completion of the services.

Family Financial Plan: \$499 fixed fee, billed upon signing.

These above engagements can be paid by credit card, ACH, or through the third-party payment system used by SFA.

Other Compensation

Ms. Shankland, Mr. Nidey, and Mr. Mayes are licensed to sell life insurance and annuity products through various insurance companies that are unaffiliated with SFA. If you choose to purchase insurance products through these individuals in their separate capacity as insurance agents, they will receive commissions from the sale of those products.

These additional compensation arrangements may create conflicts of interest due to the incentive for these individuals to make recommendations based upon the additional compensation they could receive rather than based upon your particular needs. SFA, as fiduciaries, are nonetheless committed to acting in your best interests at all times and employs measures to mitigate the conflict of interest.

You are under no obligation to purchase insurance products or to implement any financial plan and consulting recommendations through SFA or an advisor of SFA in their separate capacities as an insurance agent or registered representative. You may purchase those products and implement financial plan recommendations through the investment or insurance professional of your choice.

Performance-Based Fees

When SFA manages a client’s account, we do not charge performance-based fees for

any of the services.

For a qualified client, as that term is defined under the Investment Advisers Act, SFA may recommend the third-party investment manager, Dunham and Associates' Custom Asset Allocation Program whose management fee is charged as a performance-based fee (a share of capital gains on or capital appreciation of the assets of a client). Only if SFA's client meets the definition of a "qualified client" as set out in federal law and enters into a separate agreement with Dunham and Associates can a client participate in their Custom Program whereby a performance-based fee is used.

Clients paying a performance-based fee should be aware that investment advisors have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes. Clients should refer to the mutual fund's prospectus for a complete description of the fees charged. Managing both kinds of accounts at the same time may present a conflict of interest because SFA and/or its supervised persons can have an incentive to favor accounts for which SFA receives a performance-based fee. SFA addresses the conflicts by ensuring that clients are not systematically advantaged or disadvantaged due to the presence or absence of performance-based fees. SFA upholds its fiduciary duty for all clients.

Types of Clients

We provide advisory services primarily to individuals and families, including their trusts, estates and retirement accounts. We also provide services to charitable organizations, corporations and other business entities.

We do not impose any minimum account size for opening an advisory account with SFA.

Methods of Analysis, Investment Strategies and Risk of Loss

In managing your portfolio, we use fundamental and technical analysis.

Fundamental analysis is a method of evaluating a company that has issued securities by attempting to measure the value of its underlying assets. This entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the company's securities to determine whether to purchase, sell or hold those securities.

Technical analysis is a method of evaluating securities by analyzing statistics associated with market activity, such as past prices and trading volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future performance.

The main sources of information used to formulate investment advice and/or manage assets includes financial publications, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the SEC, company press releases and timing services.

We design our portfolios as long-term investments. While we do not use options or short sales, we may use short ETFs to hedge positions. We may employ a tactical approach, such as going to all cash or using Stop-Loss orders. And, we give consideration to the tax implications of certain strategies within your account. For our investment strategy for a held away account, we are limited to the investments offered by the retirement plan itself.

You may place reasonable restrictions on the strategies we employ to manage your account, such as restricting the types or sectors of investments to be held in your account.

Although we manage your account in a manner that we believe is consistent with your specific investment objectives and risk tolerances, there can be no guarantee that our efforts will be successful. All investments are subject to loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. General economic conditions, current interest rates, the performance of a particular industry or a particular company, and any number of other factors can affect investment performance. You should be prepared to bear the risk of loss.

There are certain risks related to investments in equities directly or through mutual funds and ETFs, including but not limited to:

- Financial Risk that the underlying companies may perform poorly.
- Market Risk that the Stock Market will generally decline, decreasing the value of the securities.
- Inflation Risk that returns will be reduced by the increases in prices.
- Political and Government Risk that the value of investments is impacted by new regulations.

Certain risks are also related to investments in bonds, including but not limited to:

- Interest Rate Risk that the value of the bond will decline as interest rates rise. Call
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Risk that your bond investment will be called or purchased by the issuer when the conditions are not favorable to you.

- ✦ Default Risk that the issuer may be unable to pay the interest and/or principal.

In a cash account, your risk is minimal and limited to the amount of money that you have invested, but you may miss out on potential gains as a result.

You should also be aware that transactions in the account (including account reallocations and rebalancing) may trigger a taxable event for you, unless your account is a qualified retirement account.

When a third-party investment manager is providing services to a client's account, that investment manager's ADV will disclose the particular investment strategy utilized by that investment manager for their account.

When Dunham & Associates Investment Counsel, Inc. ("Dunham & Associates") is acting as a third-party investment manager to SFA clients, the client is participating in their asset allocation and mutual fund wrap program using a series of proprietary mutual funds and non-proprietary money market funds. Clients should refer to Dunham and Associates' ADV for complete information on their investment strategies and risks associated with the program.

Disciplinary Information

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

No one at the firm is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No one at the firm is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Recommendation of Other Investment Advisors

As referenced in this brochure under *Advisory Business*, SFA at times, recommends to a client a third-party investment manager for managing a portion of their portfolio. A

third- party investment manager that SFA may recommend to a client is Dunham and Associates Investment Counsel, Inc. (Dunham). A client is not obligated, contractually or otherwise, to use the services of any third-party investment manager we recommend. SFA does not control, is not controlled by, or under common control with any third- party investment manager, including Dunham.

In the event that we recommend a third-party investment manager, we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in *Fees and Compensation*) and will be described to you prior to engagement.

SFA's investment adviser representatives are also licensed insurance agents. In their capacity as investment advisor representatives, they may recommend a client purchase an insurance product they may receive compensation on as a result of the sale. Should you choose to do so, SFA's persons may receive commissions or other compensation on the sale of the insurance product. This compensation is separate and in addition to advisory fees paid to SFA. Therefore, a conflict of interest exists when these individuals make a recommendation of an insurance product to a client of SFA that they will receive additional compensation from the purchase of as a result. Clients are under no obligation to purchase insurance products and services through any of SFA's persons in their capacity as insurance agents and any recommendation for the purchase of an insurance product will always be made in the best interest of the client.

Mr. Nidey performs tax preparation services under his own separate firm for fees outside of SFA's advisory fee.

Additional information about Ms. Shankland, Mr. Nidey, Mr. Mayes, Ms. Beatty, Mr. Burnett, and Mr. Olson is disclosed in the Supplement which you will receive with this brochure. Additional information is also available at www.adviserinfo.sec.gov.

Code of Ethics; Participation or Interest in Client Transactions and Personal Trading

We have adopted a *Code of Ethics* ("Code") to address the standard of business conduct required of our IARs and employees. The *Code* includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our IARs and employees be conducted in a manner consistent with the *Code* and avoid any actual or potential conflict of interest, or any abuse of an IAR's or employee's position of trust and responsibility;
- that IARs may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial

- circumstances are confidential; and
- that independence in the investment decision-making process is paramount. We will provide a copy of the *Code* to you or any prospective client upon request.

We do not recommend to clients nor buy nor sell for client accounts, securities in which we or any related person has a material financial interest in.

We buy or sell the same securities for our own accounts that we may also recommend to you. Our IARs and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account. When allowed to buy or sell the same securities as we recommend to clients the personal securities transactions by our IARs and employees may raise potential conflicts of interest when they trade in a security that:

- is owned by you, or
- is being considered for purchase or sale for your account.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our IARs and employees to act in your best interest, prohibit favoring one
- client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in an IAR or employee receiving a better price than a client.

Our IARs and employees must follow our procedures when purchasing or selling the same securities purchased or sold for your account.

Brokerage Practices

We will generally recommend that the custodian and broker-dealer for your account be Charles Schwab & Co., Inc. (“Schwab”), although we may agree to work with one or more other custodians.

We are independently owned and operated and not affiliated with Schwab or any custodian. Our use of Schwab, however, is a beneficial business arrangement for us and for the custodian. Information regarding the benefits of this relationship is described below.

Our recommendation of a specific custodian is based in part on our existing relationships; the custodian’s financial strength; reputation; breadth of investment products; and, the cost and quality of custody and brokerage services provided to you

and our other clients.

The determining factor in the selection of a particular custodian to execute transactions for your accounts is not the lowest possible transaction cost, but whether they can provide what is in our view the best qualitative execution for investment transactions for your account.

In addition to brokerage and custody services, services customarily made available to us include access to mutual funds and other investments generally available only to institutional investors; research; software; and, educational opportunities. Schwab may also make available or arrange for these types of services to be provided to us by independent third parties. Schwab may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us.

We receive economic benefits as a result of our relationship with Schwab because we do not have to produce or purchase the products and services listed above. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions. We do not enter into formal soft-dollar arrangements with custodians or brokers.

Because the amount of products or services we receive may vary depending on the custodian we recommend to be used by our clients and the amount of client assets in accounts at that custodian, we may have a conflict of interest in making that recommendation. Our recommendation of specific custodians may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Schwab does not charge separately for holding our client accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions they execute for your account.

Commissions and other fees for transactions executed through the custodian we recommend may be higher than commissions and other fees available if you use another custodian firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by Schwab outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

The services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained through our recommended custodians. We do not attempt to allocate these benefits to specific clients.

Directed Brokerage

You may direct us in writing to use a particular custodian to execute some or all of the transactions for your account. If you do so, you may be responsible for negotiating the terms and arrangements for the account with that custodian.

We may not be able to negotiate commissions, obtain volume discounts, or best execution with custodians with which we do not have a pre-existing relationship. A difference in transaction fees and expenses may also exist between those charged to clients who direct us to use a particular custodian and other clients who do not.

Aggregation and Allocation of Trades

We may aggregate and allocate trades made for clients' accounts, also known as "block trading," which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a block trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed.

Executing a block trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Block trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients.

Transactions for the accounts of our IARs and employees may be included in block trades. They will receive the same average price and pay the same commissions and other transaction costs, as clients.

Transactions for the accounts of our IARs or employees will not be favored over transactions for client accounts.

We are not obligated to include any client transaction in a block trade. Block trades will not be effected for any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

Review of Accounts

When you enter into an advisory contract for investment management services, your account is reviewed on an on-going basis to monitor that your investments and investment strategies are performing in a manner consistent with your stated objectives. Regular account reviews are conducted at least quarterly. We will contact you no less than annually to review your account, and to discuss any changes in your financial situation or investment objectives. These reviews also consider any investment restrictions you have requested and how your investments meet your investment time horizons, liquidity needs, tax considerations and other circumstances unique to you.

We will conduct reviews with financial planning clients as their agreement calls for and also on an “as-needed” basis. Each advisor conducts the reviews of their respective clients. As previously noted, we encourage you to notify us when there are any changes in your personal circumstances, your investment goals or objectives, and your risk tolerances so that we may manage your account in a manner that is appropriate for you.

You will receive statements on at least a quarterly basis from the custodian holding your account. These statements will identify your current investment holdings, the cost of each of those investments, and their current market values.

Client Referrals and Other Compensation

SFA has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, personal friends of employees and other similar sources. SFA does not pay any referral fees.

We don't receive any compensation beyond a small de minimis “thank you” for providing referrals to others.

Custody

We do not maintain custody of client securities or funds apart from the direct deduction of fees from client accounts custodied with qualified custodians.

Clients authorize SFA to deduct advisory fees from their account in their client agreement. Each time a fee is deducted, SFA will send the qualified custodian an invoice or statement of the fee to be deducted from the client's account. When required, SFA also sends clients an invoice or statement itemizing the fee, including the formula used to calculate the fee, the value of the assets under management on which the fee is based and the time period covered by the fee.

As previously noted, you will receive statements from your account custodian on at least a quarterly basis. We urge you to carefully review these statements. Your custodian does not verify the accuracy of our fee calculations so please review your statements carefully.

You should also confirm that the transactions in your account are consistent with your investment goals and the objectives for your account.

Please contact Ms. Shankland should you have any questions or concerns regarding your account.

Investment Discretion

We offer our advisory services on a discretionary basis, meaning that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your account.

We may only exercise discretion if you have provided that authority to us in writing. This authorization is included in the investment advisory agreement you enter into with us.

The discretionary authority you grant to us does not give us the right to choose the custodian through which transactions for your account will be executed or to negotiate brokerage fees or expenses. Additionally, our discretionary authority does not provide us the ability to withdraw funds from your account (other than to withdraw our advisory fees which may only be done with your prior written authorization).

We will exercise discretion in a manner consistent with the stated investment objectives for your account.

Typically, under third-party investment management arrangements, the third-party investment manager exercises discretion in the management of your account. All securities transactions are selected and executed by that manager. We do not manage or obtain discretionary authority over the assets in those accounts.

Voting Client Securities

As of January 2020, SFA does not vote client proxies. Clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other types of events

pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact SFA to discuss any questions that they may have with a particular solicitation.

Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you. We have not been the subject of any bankruptcy proceedings. We do not collect fees of \$500 or greater, six months or more, in advance.

Requirements for State-Registered Advisors

A. Daryl Burnett Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. Additional information about Ms. Shankland, Mr. Nidey, and Mr. Mayes including their education and additional business activities, is included in the Supplement on the following pages.

B. SFA does not conduct any business other than its advisory business. Other business activities of its associated persons are described in the "Other Financial Industry Activities and Affiliations" Section, and in the Supplement to this brochure.

C. SFA nor its advisory representatives are compensated with performance-based fees.

D. SFA nor any officer or management person has been involved in an arbitration; found to be liable in any civil, self-regulatory organization or administrative proceeding.

E. SFA nor any officer or management person has any relationship with an issuer of securities.

Additional Information

California Disclosures

The California Code of Regulations (10 CCR Section 260.235.2) imposes two notice requirements upon financial advisers: (a.) lower cost comparable services may be available from others, and (b.) the possibility exists for a conflict of interest between your interests and ours. You are under no obligation to purchase advice or services from us.

All material conflicts of interest under CCR Section 260.238 (k) have been disclosed regarding the adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice. Should you have any questions, please contact Daryl Shankland at. (217) 494-0439.

Brochure Supplement

SHANKLAND FINANCIAL ADVISORS, LLC

318 N. Main St. Ste 12

Hendersonville, NC 28792

phone (217) 494-0439

For

Daryl Burnett

Shankland

Buddy “Bud” Nidey

Paul Mayes

Rebecca Beatty

John Burnett

Matthew Olson

June 26, 2023

This brochure supplement provides information about Daryl Burnett Shankland, Buddy Nidey, and Paul Mayes that supplements the brochure for Shankland Financial Advisors, LLC (“SFA”). You should have received a copy of that brochure. Please contact Daryl Shankland, Managing Member, at (217) 494-0439 if you did not receive a copy of our brochure or if you have any questions about the contents of this brochure supplement.

Additional information about these individuals is available on the SEC’s website at

www.adviserinfo.sec.gov. using the following CRD Numbers for Ms. Shankland, No. 735632, Mr. Nidey, No. 2132809, Mr. Mayes, No. 7325784, Ms. Beatty No. 7703990, John Burnett, No. 7737903, and Matthew Olson. No. 7720144

Daryl Burnett Shankland

Year of birth: 1953

Educational Background and Business Experience

Formal education:

- University of Illinois – BS, 1975
Communications *Summa cum laude*

Business background:

- Shankland Financial Advisors, LLC (02/2006 - Present), Managing Member
- Shankland Retirement Income Planners LLC (04/2020 – Present), Owner, entity for the receipt of insurance sales compensation
- Butterfield Capital Advisors (01/2003 – 02/2006), Investment Advisor Representative
- The O.N. Equity Sales Company (04/2003 – 03/2006), Agent
- Salomon Smith Barney, Inc. (07/1993 – 01/2003), Registered Representative, Branch Manager, Sr. Vice President
- Shearson Lehman Brothers, Inc. (04/1988 – 06/1993), Registered Representative
- E.F. Hutton & Company, Inc. (02/1986 – 03/1998), Registered Representative
- Painewebber Incorporated (06/1981 – 01/1986), Registered Representative

Disciplinary Information

Ms. Shankland has not been the subject of any legal or disciplinary event.

Other Business Activities

In addition to Ms. Shankland's management of Shankland Financial Advisors, LLC ("SFA"), she is a licensed insurance agent offering products through various insurance carriers.

If you choose to implement recommendations for insurance products through Ms. Shankland in her capacity as a licensed insurance agent, Ms. Shankland may receive commissions or other compensation in addition to the advisory fees paid to SFA.

This additional compensation may present a conflict of interest because it creates an

incentive to recommend products and services based upon compensation, rather than on your needs. Ms. Shankland will explain the costs associated with any recommendations she makes. You have no obligation to implement any recommendation made by SFA, or to purchase insurance products through Ms. Shankland in her capacity as an agent.

Additional Compensation

As described above, Ms. Shankland receives additional compensation for her activities as a licensed insurance agent.

Supervision

Ms. Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. There is no employee in a position to supervise Ms. Shankland.

Ms. Shankland is bound by the firm's *Code of Ethics* and its compliance procedures. For any questions, Ms. Shankland may be reached at (217)494-0439.

Requirements for State-Registered Advisers

Ms. Shankland has not been the subject of any arbitration claims, other proceedings or bankruptcy petition.

Buddy “Bud” Nidey

Year of birth: 1951

Educational Background and Business Experience

Formal education:

- ✦ Loyola University of Chicago –BA Business Administration, 1994
- ✦ College of Financial Planning Graduate, 1994
- ✦ Registered Certified Public Accountant, 1999

Mr. Nidey has obtained the designation of CPA and uses the designation in Illinois only. The designation is explained further below.

Certified Public Accountant (CPA) CPAs are licensed and regulated by their state boards of accountancy. While state laws and regulations vary, the education, experience and testing requirements for licensure as a CPA generally include:

- ✦ minimum college education;
- ✦ minimum experience levels; and
- ✦ successful passage of the Uniform CPA Examination.

Additionally, all American Institute of Certified Public Accountants (AICPA) members are required to follow a rigorous Code of Professional Conduct which requires that they act with integrity, objectivity, due care, competence, fully disclose any conflicts of interest (and obtain client consent if a conflict exists), maintain client confidentiality, disclose to the client any commission or referral fees, and serve the public interest when providing financial services.

Business background:

- ✦ Shankland Financial Advisors, LLC, (06/2015 to present), Investment Advisor Representative
- ✦ BLN Accounting and Retirement Solutions LLC, (06/2018 to present), Managing Member
- ✦ H and R Block, Tax preparer, (2002-2013)
- ✦ Johnson Service Group, (2011-2012)
- ✦ Comprehensive Consulting, Inc., (2008-2011, 2012-2014)

Disciplinary Information

Mr. Nidey has not been the subject of any legal or disciplinary event.

Other Business Activities

Mr. Nidey maintains a CPA practice providing tax preparation services under the name of BLN Accounting and Retirement Solutions, LLC.

Mr. Nidey is also a licensed insurance agent offering products through various insurance carriers. If you choose to implement recommendations for insurance products through Mr. Nidey in his capacity as a licensed insurance agent, Mr. Nidey may receive commissions or other compensation in addition to the advisory fees paid to SFA.

This additional compensation may present a conflict of interest because it creates an incentive to recommend products and services based upon compensation, rather than on your needs. Mr. Nidey will explain the costs associated with any recommendations he makes. You have no obligation to implement any recommendation made by SFA, or to purchase insurance products through Mr. Nidey in his capacity as an agent.

Additional Compensation

As described above, Mr. Nidey may receive additional compensation for his activities as a licensed insurance agent and preparing tax returns under his CPA practice.

Supervision

Mr. Nidey is supervised by Ms. Shankland. Ms. Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. Ms. Shankland may be reached at (217)494-0439.

Requirements for State-Registered Advisors

Mr. Nidey has not been the subject of any arbitration claims, other proceedings by a self-regulatory organization or administrative or bankruptcy petition.

Paul Mayes

Year of birth: 1976

Educational Background and Business Experience

Formal education:

- Virginia Tech-BS in Mechanical Engineering, Cum Laude -1999
- Indiana University Kelley School of Business-MBA in Business Administration-2005
- Indiana University Kelley School of Business-MS in Finance -2007

Business background:

- Shankland Financial Advisors, LLC, (01/2021 - present), Investment Advisor Representative
- BorgWarner Turbo Systems LLC (08/2015-06/2021) Sr. Sales Manager
- BorgWarner Thermal Systems, LLC (02/07/2015) Sr. Program Manager

Disciplinary Information

Mr. Mayes has not been the subject of disciplinary events.

Other Business Activities

Mr. Mayes is also a licensed insurance agent offering products through various insurance carriers. If you choose to implement recommendations for insurance products through Mr. Mayes in his capacity as a licensed insurance agent, Mr. Mayes may receive commissions or other compensation in addition to the advisory fees paid to SFA.

This additional compensation from the receipt of insurance sales presents a conflict of interest because it creates an incentive to recommend products and services based upon compensation, rather than on your needs. Mr. Mayes will explain the costs associated with any insurance product recommendations he makes. You have no obligation to implement any recommendation made by SFA, or to purchase insurance

products through Mr. Mayes in his capacity as an agent.

Additional Compensation

If you choose to implement recommendations for insurance products through Mr. Mayes in his capacity as a licensed insurance agent, Mr. Mayes may receive commissions or other compensation in addition to the advisory fees paid to SFA.

Supervision

Mr. Mayes is supervised by Ms. Shankland. Ms. Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. Ms. Shankland may be reached at (217)494-0439.

Requirements for State-Registered Advisors

Mr. Mayes has not been the subject of any arbitration claims, other proceedings by a self-regulatory organization or administrative or bankruptcy petition.

Rebecca Beatty

Year of birth: 1980

Educational Background and Business Experience

Formal education:

- University of South Florida - 2002
- University of Phoenix - 2013
- University of Illinois - 2022

Business background:

- Shankland Financial Advisors, LLC (06/2023 - Present), Investment Advisor Representative
- Shankland Financial Advisors, LLC (01/2022 - Present), Director of Operations
- Wells Fargo Home Mortgage (12/2011 – 01/2022), Senior Underwriter IV
- HSHS Medical Group, Inc. (04/2010 – 10/2011), Accounts Payable Lead
- BURNS Engineering, Inc. (04/2008 – 07/2009), Executive Assistant
- Altus Partners, Inc. (04/2007 – 04/2008), Office Manager
- The Graham Company (08/2005 - 03/2007), Executive Assistant
- First Beneficial Mortgage Corporation (06/2000 – 07/2005), Office Manager
- Parsons Engineering (09/1998 - 03/2000), Administrative Assistant

Disciplinary Information

Ms. Beatty has not been the subject of any legal or disciplinary event.

Other Business Activities

Ms. Beatty is also a licensed insurance agent offering products through various insurance carriers. If you choose to implement recommendations for insurance products through Ms. Beatty in her capacity as a licensed insurance agent, Ms. Beatty may receive commissions or other compensation in addition to the advisory fees paid to SFA.

This additional compensation may present a conflict of interest because it creates an incentive to recommend products and services based upon compensation, rather than on your needs. Ms. Beatty will explain the costs associated with any recommendations

she makes. You have no obligation to implement any recommendation made by SFA, or to purchase insurance products through Ms. Beatty in her capacity as an agent.

Additional Compensation

As described above, Ms. Beatty receives additional compensation for her activities as a licensed insurance agent.

Supervision

Ms. Beatty is supervised by Ms. Shankland. Ms. Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. Ms. Shankland may be reached at (217)494-0439.

Requirements for State-Registered Advisers

Ms. Beatty has not been the subject of any arbitration claims, other proceedings or bankruptcy petition.

John Alden Burnett

Year of birth: 1985

Educational Background and Business Experience

Formal education:

Business background:

- Shankland Financial Advisors, LLC (06/2023 - Present), Investment Advisor Representative
- Shankland Financial Advisors, LLC (07/2017 - Present), Client Liaison & Federal Benefits Specialist
- Pizza Hut, (03 – 02/2018), Driver
- Alonti, (03/2017 – 01/2018), Caterer
- Papa Johns, (01/2015 – 02/2017), General Manager
- DEFAS, (12/2013-12/2014), Grill
- Papa John, (03/2010 – 09/2013), Assistant Manager
- Suncoast Residential Design, (09/2008 – 06/2010), Associate
- U.S. Army, (06/2003 – 08/2008), Rank of Sergeant, and Small Arms Gunner

Disciplinary Information

Mr. Burnett has not been the subject of any legal or disciplinary event.

Other Business Activities

Mr. Burnett is also a licensed insurance agent offering products through various insurance carriers. If you choose to implement recommendations for insurance products through Mr. Burnett in his capacity as a licensed insurance agent, Mr. Burnett may receive commissions or other compensation in addition to the advisory fees paid to SFA.

This additional compensation may present a conflict of interest because it creates an incentive to recommend products and services based upon compensation, rather than on your needs. Mr. Burnett will explain the costs associated with any recommendations he makes. You have no obligation to implement any recommendation made by SFA,

or to purchase insurance products through Mr. Burnett in his capacity as an agent.

Additional Compensation

As described above, Mr. Burnett receives additional compensation for his activities as a licensed insurance agent.

Supervision

Mr. Burnett is supervised by Ms. Shankland. Ms. Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. Ms. Shankland may be reached at (217)494-0439.

Requirements for State-Registered Advisers

Mr. Burnett has not been the subject of any arbitration claims, other proceedings or bankruptcy petition.

Matthew Olson

Year of birth: 1997

Educational Background and Business Experience

Formal education:

- ✦ Southern New Hampshire University, BA
Graphic Design - 2021

Business background:

- ✦ Shankland Financial Advisors, LLC (06/2023 - Present), Investment Advisor Representative
- ✦ Shankland Financial Advisors, LLC (02/2023 - Present), Client Liaison
- ✦ Thermal ID Technologies (09/2015 – 01/2023), Sales & Marketing Associate

Disciplinary Information

Mr. Olson has not been the subject of any legal or disciplinary event.

Other Business Activities

Mr. Olson is also a licensed insurance agent offering products through various insurance carriers. If you choose to implement recommendations for insurance products through Mr. Olson in his capacity as a licensed insurance agent, Mr. Olson may receive commissions or other compensation in addition to the advisory fees paid to SFA.

This additional compensation may present a conflict of interest because it creates an incentive to recommend products and services based upon compensation, rather than on your needs. Mr. Olson will explain the costs associated with any recommendations he makes. You have no obligation to implement any recommendation made by SFA, or to purchase insurance products through Mr. Olson in his capacity as an agent.

Additional Compensation

As described above, Mr. Olson receives additional compensation for his activities as a

licensed insurance agent.

Supervision

Mr. Olson is supervised by Ms. Shankland. Ms. Shankland is the Managing Member, Chief Compliance Officer and principal owner of Shankland Financial Advisors, LLC. Ms. Shankland may be reached at (217)494-0439.

Requirements for State-Registered Advisers

Mr. Olson has not been the subject of any arbitration claims, other proceedings or bankruptcy petition.