

Conversation Starters

Given my financial situation, should I choose an investment advisory service? Why or why not?

How will you choose investments to recommend to me?

What is your relevant experience, including your licenses, education and other qualifications?

What do these qualifications mean?

What We Do

Frontier manages assets and provides financial planning services for individuals, families, ERISA plan engagements, and institutions. Our financial planning services integrate tax, estate, risk management, investment, and lifestyle considerations.

Investment Monitoring

We monitor retail investors' investments daily and these services are provided as a part of the investment management fee that you pay.

Discretionary and Nondiscretionary Authority

We generally manage accounts on a discretionary basis which means that we decide which securities to purchase and sell for you without your consent. This authority occurs when you sign the Investment Management Agreement. This authority ends when you advise us in writing to stop trading on the account and/or when we delink from the account. However, if you purchase investment holdings on your own, you make the ultimate decision regarding the purchase or sale of investments and we do not exercise discretionary authority.

Investment Offerings

We primarily invest in individual stocks, fixed income securities (bonds), mutual funds, exchange traded funds (ETFs) and we may use hedging and option strategies as well.

SUMMARY OF YOUR ADVISORY RELATIONSHIP WITH FRONTIER INVESTMENT MANAGEMENT COMPANY®

Frontier Investment Management Company® is an investment advisor registered with the United States Securities and Exchange Commission ("SEC") since 1994. Firms act either as a broker-dealer, investment advisor, or as both (a dual registrant). Brokerage and investment advisory fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

You Pay Us

1. You pay us an annual fee based on the value of the assets under management
2. Clients who do not have assets under our management would be subject to financial planning fees (i.e. if you hire us only for financial planning advice and you do not maintain investable assets with us).

WHAT FEES WILL I PAY?

You Pay the Custodian

1. Transaction fees for buying and selling of bonds, mutual funds, and exchange traded funds (ETFs). There are no transaction fees for individual stock trades.

You Pay Investment Managers

1. Management fees and expenses charged by mutual fund managers and exchange traded funds (ETFs)

When we act as your investment advisor, we are held to a fiduciary standard that requires us to put your best interests ahead of our own when possible. However, our business has potential conflicts of interests that you should understand and ask us about before becoming a client.

Conflicts of Interest Our Fees Create

It is possible client fee schedules may differ from our standard fee schedule depending on what the client signed compared to our standard fee schedule. Frontier, in its sole discretion, may charge a lesser investment management fee based upon certain criteria. Although we strive to act in the best interest of our clients, some clients pay higher fees than our standard fee schedule.

Frontier earns a higher fee for management of a balanced portfolio than a fixed income portfolio, which presents a potential conflict of interest because there is an economic incentive to recommend a balanced portfolio over a fixed income portfolio.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

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Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

How might your conflicts of interest affect me, and how will you address them?

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER?

HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

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How might your conflicts of interest affect me, and how will you address them?

As an SEC-registered advisor, we are held to a fiduciary standard that obligates us to place client financial interests ahead of our own when possible and to disclose material conflicts and other facts that prevent us from acting in a client's best interest.

In addition to the fees disclosed under the heading, "What Fees Will I Pay?" our firm also makes money from:

1. Insurance commissions (long-term care, disability, and life insurance). The recommendation that a client purchase an insurance commission product presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend insurance products based on commissions to be received, rather than on a particular client's need.
2. Margin - Frontier does not recommend the use of margin but if a client decides to use margin, Frontier will include the entire market value of the margined assets when computing its advisory fee resulting in Frontier earning a correspondingly higher advisory fee. As a result, the potential for conflict of interest arises since we may have an economic disincentive to recommend that the client terminate the use of margin.
3. Soft dollar benefits - this benefit given to us from Charles Schwab comes from commissions generated from transactions Charles Schwab executes for our client accounts. These benefits are used to cover a portion of our investment research budget we would otherwise have to pay for ourselves. A conflict of interest exists because these benefits could encourage us to trade with Charles Schwab when best execution could be achieved at another brokerage firm.
4. We have an economic incentive to bill clients for services rendered from the date the account is established, to recoup referral fees Charles Schwab and TD Ameritrade charge us. Frontier's fee will generally begin accruing as of the date the client account is linked and funded with the custodian.

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Some of our financial advisors are paid a salary plus commission and some are paid only by commission. All of our financial advisors earn some compensation based on the amount of assets under management that they bring to the firm. The more assets you have in your account, the more you will pay and therefore our advisors have an incentive to increase the assets in your account. Some of our advisors are also licensed insurance agents and earn commissions on insurance sales. The recommendation to clients to purchase insurance could be made on the basis of compensation to be received, rather than on a client or perspective client's best interests.

ADDITIONAL INFORMATION

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Who is my primary contact person?

Is he or she a representative of an investment adviser or a broker-dealer?

Who can I talk to if I have concerns about how this person is treating me?

You can find additional information about our investment advisory services and request a copy of the relationship summary [here](#). We can be reached at 972.934.2590.

Do your financial professionals have legal or disciplinary history?

Yes. Information about our advisors is available [here](#).

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As a financial professional, do you have any disciplinary history?

For what type of conduct?