



Halieus Investment Advisors, LLC

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**Form ADV Part 2A – Firm Brochure**

(540) 896-3330

Dated March 23rd, 2022

This Brochure provides information about the qualifications and business practices of Halieus Investment Advisors, LLC, “Halieus Investment Advisors” or “Halieus”. If you have any questions about the contents of this Brochure, please contact us at (540) 896-3330. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Halieus Investment Advisors, LLC is registered as an Investment Adviser with the State of Virginia. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Halieus Investment Advisors is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm’s identification number 284482.

## Item 2: Material Changes

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Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

There have been no material changes since our last Annual Updating Amendment filing on March 3<sup>rd</sup>, 2021.

# Item 3: Table of Contents

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# Item 4: Advisory Business

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## Description of Advisory Firm

Halieus Investment Advisors, LLC is registered as an Investment Adviser with the State of Virginia. We were founded in December 2015 and first registered in Virginia in July 2016. Lawrence Yoder is the principal owner of Halieus Investment Advisors. As of December 31<sup>st</sup>, 2021, Halieus manages \$1,850,024 on a discretionary basis and \$70,000 on a non-discretionary basis.

## Types of Advisory Services

### Investment Management Services

Though Halieus Investment Advisors LLC provides investment advice regarding all types of securities, our focus is on building client investment portfolios through the purchase of individual bonds and equities in order to provide better tax efficiency and avoid the layering of fees. Client investment guidelines may or may not limit the scope of potential investments. As a result, clients can impose restrictions on investing in certain securities or types of securities.

We will select securities and determine amounts to invest at the same time observing the investment guidelines and restrictions of the client. Investment guidelines and restrictions must be provided to us in writing.

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client's prior investment history, as well as family composition and background.

Account supervision is guided by the stated objectives of the client (e.g., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations. Fees pertaining to this service are outlined in Item 5 of this brochure.

### Financial Planning

Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive a written or an electronic report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

The client always has the right to decide whether or not to act upon our recommendations. If the client elects to act on any of the recommendations, the client always has the right to effect the transactions through anyone of their choosing.

In general, the financial plan will address any or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover. These areas may include, but are not limited to, the following:

- **Business Planning:** We provide consulting services for clients who currently operate their own business, are considering starting a business, or are planning for an exit from their current business. Under this type of engagement, we work with you to assess your current situation, identify your objectives, and develop a plan aimed at achieving your goals.
- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).
- **Employee Benefits Optimization:** We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. If you are a business owner, we will consider and/or recommend the various benefit programs that can be structured to meet both business and personal retirement goals.
- **Estate Planning:** This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- **Financial Goals:** We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time

you will need to reach the goal, and how much you should budget for your goal.

- **Insurance:** Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **Investment Analysis:** This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- **Retirement Planning:** Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (e.g., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- **Risk Management:** A risk management review includes an analysis of your exposure to major risks that could have a significantly adverse effect on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").
- **Tax Planning Strategies:** Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may affect your situation.

We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

## **Educational Services**

Halieus Investment Advisors LLC plans to hold training and educational classes for private individuals, investment advisors, traders, and institutional clients. Various investment topics will be taught. Workshops focused for traders will be developed and held throughout the year.

Educational classes for beginning level will be offered as well as those more advanced in their understanding of the investment world.

### **Consulting Services, Institutional Investment Consulting, Active Management for Traders and Other Services**

Halius Investment Advisors offers these additional services to clients upon request. Fee details for each of these services are outlined in Item 5 below.

### **Client Tailored Services and Client Imposed Restrictions**

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon a client Investment Policy Statement, which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

### **Wrap Fee Programs**

We do not participate in wrap fee programs.

## **Item 5: Fees and Compensation**

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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 and without penalty. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### **Investment Management Services**

Our standard advisory fee is based on the market value of the assets under management and is calculated as follows:

<b>Account Value</b>	<b>Annual Advisory Fee</b>
<b>\$0 - \$500,000</b>	1.25%
<b>\$500,001 - \$1,000,000</b>	1.00%
<b>\$1,000,001 - \$2,000,000</b>	0.85%
<b>\$2,000,001 - \$5,000,000</b>	0.75%
<b>Over \$5,000,000</b>	0.65%

The annual fees are negotiable and are pro-rated and paid in advance on a quarterly basis. The advisory fee is a blended fee and is calculated by assessing the percentage rates using the predefined levels of assets as shown in the above chart, resulting in a combined weighted fee. For example, an account valued at \$2,000,000 would pay an effective fee of 0.99% with the annual fee of \$19,750.00. The quarterly fee is determined by the following calculation:  $((\$500,000 \times 1.25\%) + (\$500,000 \times 1.00\%) + (\$1,000,000 \times 0.85\%)) \div 4 = \$4,937.50$  No

increase in the annual fee shall be effective without agreement from the client by signing a new agreement or amendment to their current advisory agreement.

Advisory fees are directly debited from client accounts, or the client may choose to pay by check. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee based on the amount of time remaining in the billing period. An account may be terminated with written notice at least 30 calendar days in advance. Upon termination of the account, any unearned fee will be refunded to the client on a prorated basis.

### **Financial Planning Hourly Fee**

Financial Planning fee is an hourly rate of \$150 per hour, depending on complexity. The fee may be negotiable in certain cases and is due at the completion of the engagement. In the event of early termination by client, any fees for the hours already worked will be due.

### **Educational Classes**

Fees for educational classes or workshops will range from \$25 to \$150 per class. Hourly rate for speaking or teaching will be \$75 to \$150 per hour. Arrangements can be made to negotiate these rates. Classes and teaching for traders, institutional clients and advisors are on an hourly basis and will be negotiated. In the event of early termination by client, any fees for the hours already worked will be due.

### **Consulting Services**

In certain instances, Halieus may be asked to provide services that are above and beyond the usual financial advisory services. Consulting services and fees will be mutually agreed to in advance. Fees for these consulting services will be billed on an hourly basis at rates ranging from \$150/hour to \$300/hour. In the event of early termination by client, any fees for the hours already worked will be due.

### **Active Management for Traders**

Clients who want Halieus to actively trade in accordance to their stated goals and objectives will be charged a fee of up to 2% of assets under management. The final agreement will be negotiated to represent weekly time and complexity of trading plan. In the event of early termination by client, any fees for the hours already worked will be due.

### **Other Types of Fees and Expenses**

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities in your account(s). The following list of fees or expenses are what you pay directly to third parties whether a security is being purchased, sold, or held in your account(s) under our management. We do not receive, directly or indirectly, any of these fees charged to you. They are paid to your broker, custodian or the mutual fund or other investment you hold. These fees may include brokerage commissions, transaction fees, exchange fees, SEC fees, advisory fees and administrative fees charged by mutual funds ("MF"), exchange-traded funds ("ETFs"), money markets, or money market mutual funds, advisory fees charged by sub-advisers (if any are used for your account), custodial fees, deferred sales charges (on MF or annuities), early redemption fees



(charged by MFs), transfer taxes, wire transfer and electronic fund processing fees, and commissions or mark-ups/mark-downs on security transactions.

In addition, we do not have or employ any employee that receives, directly or indirectly, any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise/services. As a result, we are a fee-only investment adviser. We do not have any potential conflicts of interest present that relate to any additional (and undisclosed) compensation from you or your assets that we manage. All fees are subject to negotiation. We will not change our fees without thirty (30) days advance written notice.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

## Item 6: Performance-Based Fees and Side-By-Side Management

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We do not offer performance-based fees.

## Item 7: Types of Clients

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We provide our services to a number of different types of clients.

- Individuals, including high net worth individuals
- Trusts and estates
- Endowments, foundations, and other charitable organizations
- Corporations and other business entities
- Pension and profit-sharing plans

There is no minimum initial investment for management of accounts. Fees and account sizes are subject to negotiation and may differ based on a number of factors including the amount of assets and the number and range of supplemental advisory and client-related services.

## Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

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### **METHODS OF ANALYSIS**

Halius understands that investing in securities involves risk of loss that clients should be prepared to bear. At the same time, we utilize methods of security analysis which are attentive to risk factors that may impact the value of a security. Research information is generated both internally and obtained from external sources. We carefully study this information and evaluate it based on numerous quantitative and qualitative considerations. Lawrence R. Yoder manages the research and analysis function.

Below is a partial listing of external research sources we may utilize:

- Prospectuses and filings with the Securities and Exchange Commission including annual reports, 10Ks and 10Qs
- Corporate rating services
- Research materials prepared by others
- Company earnings announcements, news releases, and websites
- Financial newspapers, magazines, and industry publications
- Analyst conference calls
- Government and economic reports

We use a combination of methods to analyze and formulate our investment advice and manage client assets. These methods include fundamental analysis, technical analysis, macro economic conditions and asset class allocation. Halieus then determines the securities considered appropriate for inclusion in a client's portfolio.

Following is a description of fundamental, technical, macro- economic and asset allocation security analysis methods:

### **Fundamental Analysis**

Halieus employs a comprehensive, fundamental approach to security analysis. Fundamental analysis involves a bottom-up assessment of a company's potential for success in light of many factors including its financial condition, earnings outlook, strategy, management, industry position, and economic and market conditions. A primary objective of fundamental analysis is to determine a reasoned value for a security that can be compared with its current market price. A decision to buy, sell, or hold a particular security in a client's portfolio is directly influenced by our expectations of how fundamental factors are anticipated to impact its long-term valuation. Under this approach we routinely examine a company's financial statements and concurrently consider the impact that prevailing economic, political, and industry circumstances may have on its future value. After researching and analyzing relevant fundamental information, we develop an initial judgment of a security's investment potential.

### **Technical Analysis**

Technical security analysis concentrates on historical trends and their relationships among and between various quantitative measures. These variables are typically displayed in charts and graphs and studied to determine if a particular pattern is repeating, ongoing, or non-existent. Minimal attention is given to a company's present earnings, strategy, products, services, or other pertinent qualitative issues. In sum, this is a data, statistical, or quantitative only approach to security analysis. Examples of technical analysis factors include, but are not limited to, market trading volume, price levels, and price movements. Halieus employs technical security analysis as a supplement to fundamental security analysis discussed above.

### **Macro-economic Analysis**

Macroeconomic analysis refers to the process of utilizing macroeconomic factors and principles in the analysis of the economy. Macroeconomic factors include factors like unemployment, inflation, government policies, Gross Domestic Product (GDP) and interest rates. Such factors enable economists and financial analysts to

make an informed assessment of the state of the economy of a nation. This analysis allows the economists to make accurate predictions or forecasting concerning the future of the economy in relation to the past and present statistics. Halieus will use this type of information to evaluate our overall investment strategy.

### **Asset Allocation Analysis**

Halieus believes that understanding asset classes matters. The traditional asset classes are equity, debt, highly liquid, real estate and commodity. We subscribe to a growing trend that names volatility as an additional asset class. Halieus will analyze these classes to determine the best portfolio allocation for each client.

### **INVESTMENT STRATEGIES**

Halieus employs an investment philosophy emphasizing portfolio management that is custom tailored to the needs of each client. We begin the investment process by carefully listening to the client and gaining a thorough understanding of the client's unique goals, risk tolerance, time horizon, and other circumstances. We then determine an appropriate investment strategy for the client based on that understanding. For institutional clients, this would be memorialized in their investment policy statement. Further customizing of the portfolio takes into consideration individual client preferences such as social investing, concentrated positions, existing holdings, taxes, and other considerations.

The investment strategy provides a framework for determining the asset allocation that properly balances risk and reward over a long-term time horizon. Asset allocation is the relative mix of cash, fixed income, and equity securities suitable for a client's investment portfolio. Halieus believes investment risk is lessened when a portfolio is diversified. Diversification is a disciplined long-term investment strategy that helps prevent overexposure to asset classes or specific securities and identifies a fitting time when exposure to an undervalued asset class or security may be present. We combine asset allocation with diversification to ensure a client's portfolio will be managed in a prudent manner. We then implement the strategy to achieve the client's investment objectives. Although strategies can be changed if necessary, adhering to the asset allocation over the pre-determined time horizon seeks to provide enhanced portfolio returns with reduced volatility.

We use a disciplined investment approach in selecting individual equity and fixed income securities. This approach allows for greater flexibility, greater tax efficiencies, and lower expenses.

Our security selection process seeks to maximize growth while remaining within the risk tolerance level of each client. Capital preservation, however, is also an important consideration of our investment philosophy. We believe it is inappropriate to take unwarranted risk in either portfolio structure or individual securities. Portfolio turnover is limited; however, we continuously review investment alternatives and implement changes when more appealing and suitable opportunities become available to potentially increase total return.

As appropriate, we will invest in public companies that are expected to benefit from movements in commodity prices *without* exposing a portfolio to the volatility of derivatives that is inherent with futures and options contracts. We will also invest in real estate via publicly traded real estate investment trusts ("REITs") if appropriate. We believe these non-traditional asset classes further diversify the portfolio and reduce risk. In both cases, we select highly liquid investments.

## **Description of Principal Security Types**

Equity securities represent an ownership interest, or the right to acquire an ownership interest, in an issuer. Different types of equity securities provide different voting and dividend rights and priority in the event of the bankruptcy of the issuer. Equity securities include common stocks, preferred stocks, convertible securities, and warrants. Equity investments in client portfolios are substantially in common stocks.

Fixed income (debt) securities are used by issuers to borrow money. The issuer usually pays a fixed, variable, or floating rate of interest, and must repay the amount borrowed, usually at the maturity of the security. Some debt securities, such as zero coupon bonds, do not pay current interest but are sold at a discount from their face values. Fixed income securities include corporate bonds, government securities, mortgage and other asset-backed securities.

## **Equity - Principal Investment Strategy**

Client assets allocated to equities are primarily invested in a diversified portfolio of publicly traded common stocks. We invest in U.S. domestic companies and achieve international and global diversification through either direct investment in foreign-based companies or by investing in U.S. corporations with an international scope. We will also invest in publicly traded REITs and exchange-traded funds (ETFs) if we feel those types of investments are appropriate for the client.

Investments in equity portfolios are intended to be long-term with an emphasis on capital appreciation and dividend income as a secondary decision. We are not constrained by any particular investment style. This means we can invest in large, mid, or small cap stocks having value, blend, or growth qualities. However, we generally invest a majority of equity assets in large cap stocks.

## ***Fixed Income – Principal Investment Strategy***

Client assets allocated to fixed income securities are primarily invested in a diversified portfolio of publicly traded corporate bonds, government securities, agency securities and municipal bonds. Fixed income investments are managed to generate income as well as add stability to our clients' portfolios with the key focus being safety. A substantial majority of fixed income investments are in domestic corporate securities rated investment-grade or better at the time of purchase by Standard and Poor's or Moody's. Investment-grade securities include all types of fixed income debt instruments that are considered to be of medium or higher quality. Diversification is enhanced by investing in a variety of issuers, in different sectors, and in different industries. To lessen the impact of changing interest rates and inflation, portfolios are comprised of holdings having assorted maturity dates usually ranging from 1 to 10 years. We plan to hold bonds until maturity, which results in lower turnover and costs to our clients and a more predictable income stream. We continually monitor our fixed income holdings, interest rates, and market conditions for circumstances which may require an action prior to a bond's maturity.

## **Volatility as an Asset Class**

Halieus believes that volatility can be viewed as an asset class. If properly studied and understood the CBOE Volatility Index (VIX) measurement can provide stability in client portfolios by buying Volatility ETFs when conditions warrant. Conditions favorable can be when the VIX approaches historically low levels, during longer

market trends of low volume and when political and macro environments cause markets to become complacent. Halieus is aware that these assessments can be subjective, and a small percentage of the portfolio would constitute volatility type investments. One definition of volatility that we seem to like is that volatility becomes a sharp disagreement in price. We do not plan to be market timers in our assessment of volatility and will add this to our investment strategy to counter investment risk.

## **RISK OF LOSS**

Investing in securities involves risk of loss that clients should be prepared to bear. Security markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. When securities are sold, they may be worth more or less than what they were purchased for, which means that you could lose money.

In the normal course of managing client equity and fixed income portfolios, Halieus does not buy or sell option contracts, conduct short selling or use leverage with borrowed money.

### **Principal Investment Risks**

Many factors affect portfolio performance. Portfolio values change daily based on changes in market conditions and interest rates and in response to other economic, political, or financial developments. A portfolio's reaction to these events will be influenced by the types of securities it holds, the issuer's underlying financial condition, industry and economic sector matters along with the geographic location of an issuer, and the relative level of an investment in the securities. The following factors can significantly affect a portfolio's performance:

**Market Volatility:** The value of equity and fixed income securities fluctuate in response to issuer, political, market, and economic developments. Fluctuations can be acute over the short as well as long term. Several parts of the market and different types of securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Events can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. The financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

**Interest Rate Changes:** Fixed income (debt) securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities and mortgage securities can be more sensitive to interest rate changes.

**Foreign Exposure:** Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

**Issuer-Specific Change:** Changes in the financial condition of an issuer, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer, which can affect a security's or instrument's credit quality or value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Lower quality debt securities (those of less than investment-grade quality) and certain types of other securities tend to be particularly sensitive to these changes.

## Item 9: Disciplinary Information

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### **Criminal or Civil Actions**

Halieus Investment Advisors and its management have not been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

Halieus Investment Advisors and its management have not been involved in administrative enforcement proceedings.

### **Self-Regulatory Organization Enforcement Proceedings**

Halieus Investment Advisors and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of Halieus Investment Advisors or the integrity of its management.

## Item 10: Other Financial Industry Activities and Affiliations

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No Halieus Investment Advisors employee is registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No Halieus Investment Advisors employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Halieus Investment Advisors does not have any related parties. As a result, we do not have a relationship with any related parties.

Halieus Investment Advisors only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

Lawrence R. Yoder holds a Certified Public Accountant (CPA) license in the state of Virginia. He is sole proprietor of Horizon Accountants. Horizon Accountants specializes in taxation. There is no requirement that investment clients use services of the tax firm Horizon Accountants. Some investment clients may be tax clients of Horizon Accountants. Horizon Accountants could prepare limited partnership, trust or estate tax returns and provide accounting services for investment clients.

## Recommendations or Selections of Other Investment Advisers

Halieus Investment Advisors does not recommend or select other investment advisers for its clients.

# Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

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Halieus has adopted a Code of Ethics for all employees of the Firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All employees at Halieus Investment Advisors LLC must acknowledge the terms of the Code of Ethics annually, or as amended.

Halieus anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Halieus has management authority to effect, and may recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Halieus, its affiliates and/or clients, directly or indirectly, may have a position of interest. Halieus' employees and persons associated with Halieus are required to follow the Firm's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Halieus and its affiliates are allowed to trade for their own accounts in securities which are recommended to and/or purchased for the Firm's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Halieus will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of Halieus' clients. In addition, the Code requires pre-clearance of many transactions and restricts certain trading in close proximity to

client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Halieus and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Halieus' obligation of best execution. Halieus will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro-rata basis. Any exceptions will be documented.

It is Halieus' policy that the Firm will not affect any principal transactions for client accounts. Halieus will also not cross trades between client accounts. Principal transactions are generally defined as transactions where

an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client.

Halieus' clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting the Firm.

## **Investment Advice Relating to Retirement Accounts**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

In addition, and as required by this rule, we provide information regarding the services that we provide to you, and any material conflicts of interest, in this brochure and in your client agreement.

## **Item 12: Brokerage Practices**

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We will supervise and direct the investments in the client accounts subject to such limitations as the client imposes in writing, if any. Halieus, with respect to the client's account and without prior consultation with the client, will (a) direct the purchase, sale, exchange, conversion, and otherwise trade in stocks, bonds and other securities including money market instruments, (b) direct the amount of securities purchased, sold, exchanged, and otherwise traded; and (c) place orders for the execution of such securities transactions.

All client assets are held by third-party custodians. Halieus typically recommends that clients use Interactive Brokers LLC as the custodian. Interactive Brokers provides us with access to its institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors. Prospective clients are hereby advised that lower brokerage fees for comparable services may be available from other sources. We have a duty to get best execution for our clients. Best execution is not only brokerage fees, but also involves price improvement and speed of execution. We periodically review our transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

As a matter of policy and practice Halieus does not generally block client trades and therefore will typically implement client transactions separately for each account. Due to this practice, certain client trades may be executed before others and, depending on the type of security traded, may be executed at a different price and/or commission. Halieus' clients may not receive volume discounts which may be available to advisors that block client trades.



### **Research Services**

Additionally, Interactive Brokers also offers other services intended to help advisors manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession, and (iii) third-party investment research on their website. We do not select client custodians based on these features.

### **Soft Dollars**

We do not participate in soft dollar arrangements.

### **Directed Brokerage**

With regard to client-directed brokerage, we are required to disclose that we may be unable to negotiate commissions, block or batch client orders or otherwise achieve the benefits described above, including best execution, if you limit our brokerage discretion. Directed brokerage commission rates may be higher than the rates we might pay for transactions in non-directed accounts. Also, clients that restrict our brokerage discretion may be disadvantaged in obtaining allocations of new issues of securities that we purchase or recommend for purchase in other clients' accounts. It is our policy that such accounts not participate in allocations of new issues of securities obtained through brokers and dealers other than those designated by the client. As a general rule, we encourage each client to compare the possible costs or disadvantages of directed brokerage against the value of the custodial or other services provided by the broker to the client in exchange for the directed broker designation.

## **Item 13: Review of Accounts**

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We regularly review client accounts. While the nature of each review is somewhat different, they are purposefully designed to ensure each account is maintained in accordance with a client's goals and objectives or investment policy. These reviews effectively identify any issues that may require immediate attention. Appropriate actions are taken when necessary. Accounts are reviewed by Lawrence R. Yoder.

Clients will receive a statement of values and transactions from the custodian of their assets on at least a quarterly basis. For the majority of our clients, Halieus prepares written reporting of your accounts with holdings and performance information at least quarterly.

Halieus may conduct account reviews on an "other than periodic basis", upon the occurrence of a triggering event such as change in client objectives, large in/outflows, market dislocation, market corrections and upon client request.

All clients are encouraged to review their accounts and notify Halieus if they change their investment objectives and/or financial situation.

## **Item 14: Client Referrals and Other Compensation**

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We do not receive any economic benefit, directly or indirectly from any third party for advice rendered to our

clients. Nor do we directly or indirectly compensate any person who is not advisory personnel for client referrals.

## Item 15: Custody

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

For client account in which Halieus Investment Advisors directly debits their advisory fee:

- i. Halieus Investment Advisors will send a copy of its invoice to the custodian at the same time that it sends the client a copy.
- ii. The custodian will send at least quarterly statements to the client showing all disbursements for the account, including the amount of the advisory fee.
- iii. The client will provide written authorization to Halieus Investment Advisors, permitting them to be paid directly for their accounts held by the custodian.

## Item 16: Investment Discretion

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### **Discretionary Management**

We receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. Such authority is provided in our contract with each client. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Client investment guidelines may or may not limit the scope of potential investments. As a result, clients can impose restrictions on investing in certain securities or types of securities. When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions of the client. Investment guidelines and restrictions must be provided to us in writing.

## Item 17: Voting Client Securities

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As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: 1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we

were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.

## Item 18: Financial Information

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Halieus Investment Advisors LLC does not have any financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

In addition, we do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

# Item 19: Requirements for State-Registered Advisers

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## Lawrence Yoder

Born: 1965

### Educational Background

- 2000 – Master of Applied Ministry, Cornerstone Bible Institute and Seminary
- 1987 – Bachelor of Science in Accounting and Business Administration, Eastern Mennonite College

### Business Experience

- 12/2015 – Present, Halieus Investment Advisors, LLC, Managing Member and CCO
- 09/2003 – Present, Horizon Accountants, Owner

### Professional Designations, Licensing & Exams

#### **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 (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period).

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.

The vast majority of state boards of accountancy has adopted the AICPA's *Code of Professional Conduct* within their state accountancy laws or has created their own. While the owner Lawrence R Yoder, of Halieus Investment Advisors LLC is a CPA, this firm is not a CPA firm.

#### **Master's in applied ministry (MAM) and Ordained Minister**

Lawrence graduated from Cornerstone Bible Institute & Seminary in 2000 with a degree in Applied Ministry. It was a 90 hour Masters degree program from a church network affiliated seminary that is no longer in existence.

Lawrence was ordained in July 2007 as a preacher, teacher and marketplace minister by the Mennonite Church. These same credentials have been transferred to the board of Nehemiah's Call Inc. a mission evangelistic organization based in Broadway Virginia.

### **Other Business Activities**

Lawrence Yoder is currently employed as the owner of Horizon Accountants. This activity currently accounts for approximately 25% of his time.

### **Performance Based Fees**

Halieus Investment Advisors is not compensated by performance-based fees.

### **Material Disciplinary Disclosures**

The Virginia Board of Accountancy found Lawrence deficient of 2.5 hours of CPE during a review of the 3 year period 2010, 2011 and 2012. The missing 2.5 hours was disputed based on the hours presented not qualifying as qualified hours acceptable to the Board of Accountancy. Lawrence paid a \$250 fine, cured the 2.5 deficient hours into full compliance and agreed to report hard copies of all CPE for the years 2014, 2015 and 2016. There are no further requirements under the consent order beyond 12/31/16. Lawrence is in good standing and fully licensed under the Virginia Board of Accountancy regulations as of this filing.

Neither Lawrence Yoder nor any management person at Halieus Investment Advisors, LLC has ever been involved in any other arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

### **Material Relationships That Management Persons Have With Issuers of Securities**

Neither Halieus Investment Advisors, LLC, nor Lawrence Yoder, have any relationship or arrangement with issuers of securities.



Halieus Investment Advisors, LLC  
P.O. Box 188, 113 South Timber Way  
Broadway, VA 22815  
[www.halieus.net](http://www.halieus.net)

Dated March 23rd, 2022

Form ADV Part 2B – Brochure Supplement

***For***

**Lawrence R. Yoder**

Managing Member and Chief Compliance Officer

This brochure supplement provides information about Lawrence R. Yoder that supplements the Halieus Investment Advisors, LLC (“Halieus Investment Advisors”) brochure. A copy of that brochure precedes this supplement. Please contact Lawrence Yoder if the Halieus Investment Advisors brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Lawrence Yoder is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the identification number 6682306.

# Item 2: Educational Background and Business Experience

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## Lawrence Yoder

Born: 1965

### Educational Background

- 2000 – Master of Applied Ministry, Cornerstone Bible Institute and Seminary
- 1987 – Bachelor of Science in Accounting and Business Administration, Eastern Mennonite College

### Business Experience

- 12/2015 – Present, Halieus Investment Advisors, LLC, Managing Member and CCO
- 09/2003 – Present, Horizon Accountants, Owner

### Professional Designations, Licensing & Exams

#### **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 (typically 150 credit hours with at least a baccalaureate degree and a concentration in accounting), minimum experience levels (most states require at least one year of experience providing services that involve the use of accounting, attest, compilation, management advisory, financial advisory, tax or consulting skills, all of which must be achieved under the supervision of or verification by a CPA), and successful passage of the Uniform CPA Examination. In order to maintain a CPA license, states generally require the completion of 40 hours of continuing professional education (CPE) each year (or 80 hours over a two year period or 120 hours over a three year period).

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The vast majority of state boards of accountancy has adopted the AICPA's *Code of Professional Conduct* within their state accountancy laws or has created their own. While the owner Lawrence R Yoder, of Halieus Investment Advisors LLC is a CPA, this firm is not a CPA firm.

#### **Master's in applied ministry (MAM) and Ordained Minister**

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Lawrence was ordained in July 2007 as a preacher, teacher and marketplace minister by the Mennonite Church. These same credentials have been transferred to the board of Nehemiah's Call Inc. a mission evangelistic organization based in Broadway Virginia.

## Item 3: Disciplinary Information

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The Virginia Board of Accountancy found Lawrence deficient of 2.5 hours of CPE during a review of the 3 year period 2010, 2011 and 2012. The missing 2.5 hours was disputed based on the hours presented not qualifying as qualified hours acceptable to the Board of Accountancy. Lawrence paid a \$250 fine, cured the 2.5 deficient hours into full compliance and agreed to report hard copies of all CPE for the years 2014, 2015 and 2016. There are no further requirements under the consent order beyond 12/31/16. Lawrence is in good standing and fully licensed under the Virginia Board of Accountancy regulations as of this filing.

Neither Lawrence Yoder nor any management person at Halieus Investment Advisors, LLC has ever been involved in any other arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Item 4: Other Business Activities

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Lawrence Yoder is currently employed as the owner of Horizon Accountants. This activity currently accounts for approximately 25% of his time.

## Item 5: Additional Compensation

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Lawrence Yoder does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Halieus Investment Advisors.

## Item 6: Supervision

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Lawrence Yoder, as Managing Member and Chief Compliance Officer of Halieus Investment Advisors, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

## Item 7: Requirements for State Registered Advisers

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Lawrence Yoder has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.