

## Item 1: Cover Page



Form ADV Part 2A

## Firm Brochure

May 18, 2026

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This brochure provides information about the qualifications and business practices of Rain Dog LLC dba Rain Dog Financial. Being registered as an investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 425-440-8777. 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.

Additional information about Rain Dog LLC (**CRD #328633**) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2: Material Changes

This brochure will be amended any time there is a material change, and this section will include a summary of any material changes.

### Material Changes Since the Last Update

The last update of this brochure was filed on March 20, 2026.

Item 5, *Fees and Compensation*, has been updated to reflect a base fee of \$10,000.

Item 7, *Types of Clients*, has been updated to reflect a minimum account size of \$1,000,000.

There are no other material changes.

### Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur after the previous release of the Firm Brochure.

### Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number (CRD #328633).

You may also request a copy of this Disclosure Brochure at any time, by contacting us at [steve@raindogllc.com](mailto:steve@raindogllc.com).

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## Item 4: Advisory Business

### Firm Description

Rain Dog LLC dba Rain Dog Financial (“Rain Dog Financial”) was founded in 2023 and registered as an investment adviser in 2024. Rain Dog Financial is a Bellevue, Washington-based investment adviser. Steve McConnell is Rain Dog Financial’s sole owner.

### Types of Investments

Rain Dog Financial’s investment strategy relies primarily on the use of traditional index funds and fixed-income securities. This includes open-end mutual funds and exchange-traded funds and includes funds that invest in US and international equities, US and international bonds, real estate, and commodities. When suitable for specific Clients, Rain Dog Financial’s investment strategy will include individual stocks, bonds, options, private equity, venture capital funds, and annuities to help diversify a portfolio.

### Types of Advisory Services

#### Asset Management

Rain Dog Financial offers Clients ongoing discretionary asset management services through determining individual investment goals, time horizons, objectives, and risk tolerance.

Rain Dog Financial creates an *Investment Policy Statement* for each client that summarizes the client’s current situation and then constructs investment strategies, asset allocation, investment selection, portfolio monitoring and an overall investment program based on the above factors.

#### Discretionary Authority

The Client will authorize discretionary authority to Rain Dog Financial to execute selected investment program transactions as stated within the *Investment Advisory Agreement*.

#### Financial Planning

As part of its advisory services, Rain Dog may provide financial planning and retirement planning recommendations. Planning may include investment planning, retirement income planning, tax-aware withdrawal planning, Social Security claiming, insurance review, estate planning coordination, charitable planning, and education planning.

Depending on the client’s circumstances, financial planning may also include analysis of concentrated stock positions, equity compensation, and other planning issues commonly encountered by technology professionals and other clients with complex compensation arrangements.

Clients are under no obligation to implement any recommendation through Rain Dog. These services will be provided at no additional cost to the Client.

## Client Tailored Services and Client Imposed Restrictions

Rain Dog Financial provides advisory services as a fiduciary and tailors its advice to each client's objectives, circumstances, and restrictions.

The goals and objectives for each Client are documented in our Client files, especially in the Client's *Investment Policy Statement*. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written Client consent.

## Wrap Fee Programs

Rain Dog Financial does not sponsor any wrap fee programs.

## Client Assets Under Management

Rain Dog Financial has the following Client assets under management:

Discretionary Amounts	Non-discretionary Amounts	Date Calculated
\$18,821,963	\$0	May 14, 2026

## Item 5: Fees and Compensation

Rain Dog Financial is a fee-only investment adviser. Rain Dog Financial's compensation consists solely of the advisory fees paid by its clients.

Rain Dog Financial charges an annual investment advisory flat fee of \$10,000.00 plus 0.25% based on the total assets under management. The annual fee is negotiable based upon certain criteria (e.g., historical relationship, type of assets, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with Clients, and so on). Rain Dog Financial considers cash to be an asset class, and as such is included in fee calculations. At times, fees will exceed the money market yield. Rain Dog Financial will not charge an ongoing advisory fee for unmanaged or static assets held in accounts. In no case will fees exceed 2.00% of total assets under management.

Lower fees for comparable services may be available from other sources.

### Fee Billing

Fees are billed quarterly in advance based on approximately one fourth of the annual flat fee (adjusted by actual number of days in each quarter) and the amount of assets managed as of the close of business on the last business day of the previous quarter.

## **Calculation of Asset Values for Fee Billing**

In computing the market value of any investment of the Account, each security listed on any national securities exchange or otherwise subject to current last-sale reporting shall be valued at the last sale price on the valuation date. Rain Dog Financial itself does not price any investment or security for which it charges a management fee or that is included in the portfolio return.

## **Fee Billing at Account Opening and Termination**

Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation and without penalty. After the initial five (5) business days, the agreement may be terminated by Rain Dog Financial with thirty (30) days written notice to Client and by the Client at any time with written notice to Rain Dog Financial. No fee adjustment will be made for account deposits and/or withdrawals during a billing period. For accounts opened or closed mid-billing period, fees will be prorated based on the days services are provided during the given period. All unpaid earned fees will be due to Rain Dog Financial. Additionally, all unearned fees will be refunded to the Client. Client shall be given thirty (30) days prior written notice of any increase in fees. Any increase in fees will be acknowledged in writing by both parties before any increase in said fees occurs.

## **Client Payment of Fees**

Fees for asset management services are deducted from a designated Client account. The Client must consent in advance to direct debiting of their investment account.

Pursuant to WAC 460-24A-106 and WAC 460-24A-135, in all instances Rain Dog Financial will send the Client a written invoice, including the fee, the formula used to calculate the fee, the fee calculation, the time period covered by the fee, the amount of assets under management on which the fee was based, and the name of the custodian managing the assets. Rain Dog Financial will send these to the Client concurrent with the request for payment or payment of the adviser's advisory fees. Normally, Rain Dog Financial's custodian will send these invoices on Rain Dog Financial's behalf. We encourage the Client to compare this information with the fees listed in the account statement.

## **Additional Client Fees Charged**

Custodians may charge transaction fees and other related costs on the purchases or sales of mutual funds, equities, bonds, options and exchange-traded funds. Mutual funds, money market funds and exchange-traded funds also charge internal management fees, which are disclosed in the fund's prospectus. Rain Dog Financial does not receive any compensation from these fees. All of these fees are in addition to the management fee you pay to Rain Dog Financial. For more details on the brokerage practices, see Item 12 of this brochure.

## **Prepayment of Client Fees**

Rain Dog Financial does not require any prepayment of fees of more than \$500 per Client and six months or more in advance.

Investment management fees are billed quarterly in advance.

If the Client cancels after five (5) business days, any unearned fees will be refunded to the Client, or any unpaid earned fees will be due to Rain Dog Financial.

## External Compensation for the Sale of Securities to Clients

Rain Dog Financial does not receive any external compensation for the sale of securities to Clients, nor do any of the investment adviser representatives of Rain Dog Financial.

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

Rain Dog Financial does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or supervise persons who manage accounts that pay such fees. Thus, Rain Dog Financial does not have any conflicts of interest between accounts that pay performance-based fees and accounts that are not charged performance-based fees.

## Item 7: Types of Clients

Rain Dog provides investment advice primarily to high net worth individuals and families. Rain Dog may also provide advisory services to charitable organizations when appropriate. Client relationships vary in scope and length of service.

Rain Dog Financial requires a minimum of \$1,000,000 to open and maintain an account. In certain instances, the minimum account size may be lowered or waived.

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

### Methods of Analysis

Our primary methods of investment analysis include Modern Portfolio Theory, Post-Modern Portfolio Theory, Dedicated Portfolio Theory, fundamental analysis, technical analysis, and Monte Carlo simulation. Rain Dog Financial uses these methods to evaluate risk, return, diversification, and the sustainability of portfolio withdrawals and other client financial needs.

In general, Rain Dog Financial emphasizes broadly diversified portfolios, long-term strategic asset allocation, and periodic rebalancing, while also considering client-specific tax, liquidity, income, and risk constraints.

Investing in securities involves risk of loss that Clients should be prepared to bear. Past performance is not a guarantee of future performance.

**Modern Portfolio Theory (MPT)** is the theory of finance that attempts to maximize a portfolio's expected returns for a given amount of portfolio risk, or, equivalently, minimize a portfolio's risk for a given level of expected returns. "Risk" is defined as the probability and magnitude of investment loss. Mathematically, in MPT, risk is most commonly expressed as the standard deviation of investment returns.

The core of MPT is calculation of the way in which a portfolio of assets is likely to behave over time, in aggregate. This is based on the observation that, when properly constructed, a portfolio of assets can have a combination of return and risk that is better than any of the assets have individually. MPT can be viewed as a mathematically-based approach to diversification.

A risk of using Modern Portfolio theory is the assumption that future performance of investments will be similar to their historical performance, including the level of investment returns, level of investment risk, and correlations among asset classes. These assumptions are not guaranteed and past performance is no guarantee of future returns, future risks, or future correlations among asset classes.

**Post-Modern Portfolio Theory (P-MPT)** is a portfolio optimization methodology that is an extension of MPT. P-MPT concentrates on the downside risk of returns. This is based on the observation that investors tend to be much more concerned about unexpectedly large negative returns than they are about unexpectedly large positive returns. Downside risk can be defined in numerous ways, including semi-deviation, downward deviation, maximum loss over a defined period, and in other ways. This is in contrast to the standard deviation that is most commonly used as a measure of risk in MPT

The risk of P-MPT is the same as the risk of MPT: P-MPT is based on the assumption that future returns, risks, and correlations will be similar to what they have been in the past, and that is not guaranteed.

**Dedicated Portfolio Theory** is a technique for portfolio construction that emphasizes generation of a predictable stream of cash flows. This relies on the purchase of specific bonds and other fixed income securities (*not* including mutual funds or ETFs) that are held to maturity to match the Client's cash flow needs while reducing market risk, reinvestment risk, inflation risk, default risk, and liquidity risk.

The risk of dedicated portfolio theory is that, in a period of unexpected, high inflation, cash flows might not keep pace with inflation. Also, the technique is mathematically intensive, and specific bonds must be selected carefully because many types of bonds are not appropriate.

**Fundamental Analysis** evaluates securities analyzing companies' management, profitability, cash flow, sales record, and overall health and potential for the sake of finding companies that are underpriced. Rain Dog Financial uses fundamental analysis only in specialized circumstances, such as when a Client has a concentrated position in one company's stock.

The risk of fundamental analysis is that all information related to fundamental analysis is publicly available and might already be factored into the price of the security.

**Technical Analysis**, sometimes called “charting”, analyzes patterns in pricing, volume, and open interests (options) to predict whether the price of a stock will rise or fall. Rain Dog Financial uses technical analysis only in specialized circumstances, such as when a Client wants to take on higher risk investments with a non-essential portion of their portfolio.

The risks of technical analysis include that there is little evidence that it has historically been effective, and, like fundamental analysis, there is a good chance that all relevant information has already been factored into the price of the security; thus no benefit can be gained by applying technical analysis.

**Monte Carlo simulation** is a statistical technique that is used to model the interactions of multiple “random variables,” i.e., multiple sources of variability or uncertainty.

Monte Carlo simulation can be used to forecast the probability of outcomes that are based on defined sets of assumptions. Most commonly, it is used to forecast the probability of having a defined level of income throughout retirement and/or forecast the likely size of an investor’s estate.

Rain Dog Financial’s Monte Carlo simulation models asset class rates of return, asset class risks, asset allocations, inflation, tax rates, life expectancy, withdrawal rates, investment glide paths, social security, pensions, annuities, major planned expenses, and other factors over time.

With Monte Carlo simulation, the results of a simulation depend on the accuracy of the assumptions that are used to calibrate the simulation, which includes assumptions about performance of different asset classes, inflation, tax rates, social security payments, life expectancy, and many other assumptions. Rain Dog Financial carefully validates each assumption in our Monte Carlo model, however, there is always a possibility that one or more assumptions will be inaccurate, possibly significantly.

A Monte Carlo simulation is a simplified model of the real world. As such, there might be significant factors that are not included in the simulation but that nonetheless affect real world outcomes.

Monte Carlo simulations assume that variability in future events such as rates of return will operate over roughly the same range as events in the past. If future events occur that are significantly better or worse than past events (such as total collapse of social security or hyperinflation in the US similar to what South America experienced in the late 20<sup>th</sup> century), that will not be forecast by a Monte Carlo simulation.

The results of a Monte Carlo simulation can vary slightly over time due to differences in the random data used for the simulation. This is a minor factor as long as the number of simulations is large (at least 1000).

## Investment Strategy

The investment strategy for a specific Client is based upon the objectives stated by the Client during consultations.

Each client executes an *Investment Policy Statement* that documents their objectives and their desired investment strategy. The client may change these objectives at any time by providing written notice to Rain Dog Financial.

Our investment strategy is based on *Strategic Asset Allocation (SAA)*. *SAA* is an approach to investing in which target allocations are defined for multiple asset classes such as stocks, bonds, real estate, and more specific asset classes such as large cap growth stocks, emerging market stocks, and short-term tax-free bonds. Diversification is a key goal of strategic asset allocation.

The specific *SAA* allocation is based both on the investor and on the investments. For the investor, *SAA* considers the investor's risk tolerance, risk capacity, tax exposure, investment goals, and investment time frame. For the investments, *SAA* considers asset classes' long term expected returns, risk level of each asset class, and correlations among asset classes. Analysis of these considerations—including use of MPT and P-MPT—produces a target asset allocation. Investments are then made to match the target asset allocation.

Once investments have been made, the portfolio is typically rebalanced back to its target allocation on a pre-determined basis. This can be done on the basis of time (for example, annually), or on the basis of defined criteria (for example, when the allocations "drift" more than 5% from their targets). We consider tax consequences in our decisions about rebalancing, which can result in different rebalancing frequencies in taxable accounts vs. tax-deferred or tax-free accounts, and different frequencies for Clients in different tax brackets.

With *SAA*, the target allocations are not usually adjusted in response to changing market conditions or for other tactical reasons. *SAA* recommends maintaining your target allocation over long periods of time rather than reacting to events and short-term trends in the markets.

The target allocations can be adjusted as often as annually for strategic reasons, such as when an investor is on a multi-year "glide path" to transition from working years to retirement, or when an investor is working toward a goal such as paying for college, or for sake of rebalancing.

*SAA* exposes investors to the risks of the specific asset classes that are selected. This will include the general risks associated with equities, fixed income, international, and other asset classes, which are described below. Diversification is intended to reduce the effects of these risks. *SAA* also requires investors to persist with a strategic investment plan over time. This might not be suitable for investors who want an investment approach that responds tactically to changing market conditions.

## Security-Specific Material Risks

Our investment approach constantly keeps the risk of loss in mind, however, all investment programs have certain risks that are borne by the investor. Investors face the following investment risks and should discuss these risks with Rain Dog Financial:

- *Market Risk*: The prices of securities in which clients invest may decline in response to certain events taking place around the world, including those directly involving the companies

whose securities are owned by a fund; conditions affecting the general economy; overall market changes; local, regional or global political, social or economic instability; and currency, interest rate and commodity price fluctuations. Investors should have a long-term perspective and be able to tolerate potentially sharp declines in market value.

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Inflation Risk:* When any type of inflation is present, a dollar next year will buy less than a dollar today, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties and collectibles are less liquid.
- *Management Risk:* The adviser's investment approach may fail to produce the intended results. If the adviser's assumptions regarding the performance of a specific asset class or fund are not realized in the expected time frame, the overall performance of the client's portfolio may suffer.
- *Equity Risk:* Equity securities tend to be more volatile than other investment choices. The value of an individual mutual fund or ETF can be more volatile than the market as a whole. Small- and mid-cap companies are subject to additional risks. Smaller companies may experience greater volatility, higher failure rates, more limited markets, product lines, financial resources, and less management experience than larger companies.
- *Fixed Income Risk:* The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation. If a rating agency gives a debt security a lower rating, the value of the debt security will generally decline. As nominal interest rates rise, the value of fixed income securities held by a fund is likely to decrease.
- *Investment Companies Risk:* When a client invests in open end mutual funds or ETFs, the client indirectly bears their proportionate share of any fees and expenses payable directly by those funds. ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value or (ii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied

to large decreases in stock prices) halts stock trading generally. Adviser has no control over the risks taken by the underlying funds in which client invests.

- *Long-term Purchase Risk:* Long-term investments are those vehicles purchased with the intention of being held for more than one year. There is no guarantee that long term investments will increase in value; fluctuations in the financial markets can cause investments to lose value.
- *Trading Risk:* Investing involves risk, including possible loss of principal. There is no assurance that the investment objective of any fund or investment will be achieved.
- *Foreign Investment Risk:* Investments in foreign securities may be subject to factors including unstable international, political and economic conditions; currency fluctuations; foreign controls on investment and currency exchange; foreign governmental control of some issuers; potential confiscatory taxation or nationalization of companies by foreign governments; withholding taxes; inaccurate or missing company information; poor liquidity; high volatility; ineffective or detrimental government regulation; varying accounting standards; political or economic factors that may severely limit business activities; and legal systems or market practices that may permit inequitable treatment of minority and/or non-domestic investors.
- *Real Estate Risk:* Time has shown that the real estate market can decline without warning, sometimes resulting in significant losses. Risks of investing in real estate include changing laws, including environmental laws; floods, fires, and other acts of God, some of which may not be insurable; changes in national or local economic conditions; and changes in government policies, including changes in interest rates established by the Federal Reserve.
- *Business Risk:* Investments in the stocks of individual companies are subject to strategic, compliance, operational, and reputational risks. Specific risks include poor management, management turnover, changes in consumer taste or demand, competition, changing regulations, cost of goods, supply chain issues, ability to obtain financing, and other business-specific risks. Some of these risks may be external and not controllable by the company.
- *Commodities Risk:* Uncontrollable factors such as inflation, weather, political unrest, foreign events, new technologies and even rumors can have devastating consequences to the price of a commodity. Investors investing in commodities must be able to bear a total loss of their investment.
- *Options Risk:* Options are contracts to purchase or sell a security at a given price. Long options often expire out of the money, which results in minimal or no value. A short covered call option can result in the underlying stock being called away (sold). The potential loss for an uncovered short call option is limitless, and the risk for an uncovered short put is as high as the strike price minus the premium.
- *Annuities Risk:* Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on

investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. Annuities are subject to the financial health of the life insurance company.

- *Private Equity Fund Risk:* In private equity funds, capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.
- *Venture Capital Fund Risk:* Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual liquidity event; the risk is high as a result of the uncertainty involved in early-stage development.

## **Item 9: Disciplinary Information**

### **Criminal or Civil Actions**

Neither Rain Dog Financial nor its management have been involved in any criminal or civil action.

### **Administrative Enforcement Proceedings**

Neither Rain Dog Financial nor its management have been involved in administrative enforcement proceedings.

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

Neither Rain Dog Financial nor its management have been involved in any self-regulatory organizational enforcement proceedings that are material to a Client's or prospective Client's evaluation of Rain Dog Financial or the integrity of its management.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **Broker-Dealer or Representative Registration**

Rain Dog Financial is not registered as a broker-dealer and no affiliated representatives of Rain Dog Financial are registered representatives of a broker-dealer.

### **Futures or Commodity Registration**

Neither Rain Dog Financial nor its affiliated representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading adviser.

### **Material Relationships Maintained by this Advisory Business and Conflicts of Interest**

Steve McConnell is Founder and Chairman of Construx Software Builders, Inc. Approximately 2% of his time will be spent on this activity.

Steve McConnell also owns rental properties and is an author. Approximately 5% of his time will be spent on these activities. Clients of Rain Dog Financial will not be offered services from these activities, therefore, there is no conflict of interest.

### **Recommendations or Selections of Other Investment Advisors and Conflicts of Interest**

Rain Dog Financial does not select or recommend other investment advisers.

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

### **Code of Ethics Description**

Rain Dog Financial and our affiliated persons have committed to a *Code of Ethics* (“Code”). (Affiliated persons include employees and/or independent contractors.) The purpose of our *Code* is to set forth standards of conduct expected of Rain Dog Financial affiliated persons and to address conflicts that may arise. The *Code* reflects Rain our responsibility to act as fiduciaries for Rain Dog Financial’s clients.

Rain Dog Financial’s *Code* covers the following areas: insider trading, personal securities transactions, prohibited purchases and sales, conflicts of interest, gifts, service on boards of directors, participation in private placements, borrowing and lending money, access to client accounts, and monitoring and documentation applicable to each of these areas.

Rain Dog Financial will provide a copy of the *Code of Ethics* to any Client or prospective Client upon request.

### **Investment Recommendations Involving a Material Financial Interest and Conflict of Interest**

Rain Dog Financial and its affiliated persons do not recommend to Clients securities in which we have a material financial interest.

### **Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest**

Rain Dog Financial does not have a material financial interest in any securities being recommended. However, affiliated persons may buy or sell the same securities that they buy or sell for Clients. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither Rain Dog Financial nor our affiliated persons shall have priority over your account in the purchase or sale of securities.

## Item 12: Brokerage Practices

### Factors Used to Select Custodians and/or Broker-Dealers

Custodians/broker-dealers will be selected based on Rain Dog Financial's duty to seek best execution, which is the obligation to obtain execution of securities transactions for a client under the most favorable terms for the client, under the circumstances.

Presently, Rain Dog Financial directs all securities trading through Altruist, our custodial platform, which provides for \$0 commissions on all stocks and ETFs and thousands of mutual funds. Rain Dog Financial will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

In accordance with our duty to seek best execution for client orders, Rain Dog Financial considers best net price as an important factor, but also considers other relevant factors, including custodial services such as the ability to offer clients access to institutional share classes and other share classes of funds that clients might not be able to access on their own, access to an institutional electronic trading platform, ability to create custom model portfolios for each Client, and an institutional service team dedicated to supporting investment Advisers such as Rain Dog Financial.

### Research and Other Soft Dollar Benefits

The Securities and Exchange Commission defines soft dollar practices as arrangement under which products or services other than execution services are obtained by Rain Dog Financial from or through a broker-dealer in exchange for directing Client transactions to the broker-dealer. Although Rain Dog Financial has no formal soft dollar arrangements, Rain Dog Financial may receive products, research and/or other services from custodians or broker-dealers connected to client transactions or "soft dollar benefits". As permitted by Section 28(e) of the Securities Exchange Act of 1934, Rain Dog Financial receives economic benefits as a result of commissions generated from securities transactions by the custodian or broker-dealer from the accounts of Rain Dog Financial. Rain Dog Financial cannot ensure that a particular client will benefit from soft dollars or the client's transactions paid for the soft dollar benefits. Rain Dog Financial does not seek to proportionately allocate benefits to client accounts to any soft dollar benefits generated by the accounts. A conflict of interest exists when Rain Dog Financial receives soft dollars which could result in higher commissions charged to Clients. This conflict is mitigated by the fact that Rain Dog Financial has a fiduciary responsibility to act in the best interest of its Clients, and the services received are beneficial to all Clients.

### Brokerage for Client Referrals

Rain Dog Financial does not receive client referrals from any custodian or third party in exchange for using that broker-dealer or third party.

### Directed Brokerage

Rain Dog Financial does not allow directed brokerage accounts.

## **Aggregating Securities Transactions for Client Accounts**

Rain Dog Financial manages each account separately, and therefore, does not aggregate purchases and sales and other transactions. If orders are not aggregated, some clients purchasing securities around the same time may receive a less favorable price than other clients, which may cost clients more money.

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

### **Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved**

Account reviews are performed at least annually by the Chief Compliance Officer of Rain Dog Financial, Steve McConnell. Account reviews are performed more frequently when market conditions dictate. Reviews of Client accounts include, but are not limited to, a review of Client documented risk tolerance, adherence to account objectives, investment time horizon, and suitability criteria, reviewing target allocations of each asset class to identify if there is an opportunity for rebalancing, and reviewing accounts for tax loss harvesting opportunities.

### **Review of Client Accounts on Non-Periodic Basis**

Other conditions that may trigger a review of Clients' accounts are changes in the tax laws, new investment information, and changes in a Client's own situation.

### **Content of Client Provided Reports and Frequency**

Clients receive written account statements no less than quarterly for managed accounts. Account statements are issued by Rain Dog Financial's custodian. Client receives confirmations of each transaction in account from the custodian and an additional statement during any month in which a transaction occurs.

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

### **Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest**

Rain Dog Financial receives additional economic benefits from external sources as described above in Item 12. The Client's best interest will be the main determining factor of Rain Dog Financial. Rain Dog Financial will put the client's interests first which includes, but is not limited to, a duty of care, loyalty, obedience and good faith.

### **Advisory Firm Payments for Client Referrals**

Rain Dog Financial does not compensate for Client referrals.

## Item 15: Custody

### Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to Clients at their address of record at least quarterly. Clients are urged to carefully compare the account statements received directly from their custodians to any documentation or reports prepared by Rain Dog Financial.

Rain Dog Financial is deemed to have limited custody solely because advisory fees are directly deducted from Clients' accounts by the custodian on behalf of Rain Dog Financial.

If Rain Dog Financial is authorized or permitted to deduct fees directly from the account by the custodian:

- Rain Dog Financial will provide the Client with an invoice concurrent to instructing the custodian to deduct the fee stating the amount of the fee, the formula used to calculate the fee, the amount of assets under management the fee is based on and the time period covered by the fee;
- Rain Dog Financial will obtain written authorization signed by the Client allowing the fees to be deducted; and
- The Client will receive quarterly statements directly from the custodian which disclose the fees deducted.

## Item 16: Investment Discretion

### Discretionary Authority for Trading

Rain Dog Financial requires discretionary authority to manage securities accounts on behalf of Clients. Rain Dog Financial has the authority to determine, without obtaining specific Client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The client will authorize Rain Dog Financial discretionary authority stated within the Investment Advisory Agreement.

Rain Dog Financial allows Clients to place certain restrictions, as outlined in the Client's *Investment Policy Statement* or similar document. These restrictions must be provided to Rain Dog Financial in writing.

The Client approves the custodian to be used and the commission rates paid to the custodian. Rain Dog Financial does not receive any portion of the transaction fees or commissions paid by the Client to the custodian.

## **Item 17: Voting Client Securities**

### **Proxy Votes**

Rain Dog Financial does not vote proxies on securities. Clients are expected to vote their own proxies. The Client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Rain Dog Financial will provide recommendations to the Client. If a conflict of interest exists, it will be disclosed to the Client. If the Client requires assistance or has questions, they can reach out to the investment adviser representatives of the firm at the contact information on the cover page of this document.

## **Item 18: Financial Information**

### **Balance Sheet**

A balance sheet is not required to be provided to Clients because Rain Dog Financial does not serve as a custodian for Client funds or securities and Rain Dog Financial does not require prepayment of fees of more than \$500 per Client and six months or more in advance.

### **Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients**

Rain Dog Financial has no condition that is reasonably likely to impair our ability to meet contractual commitments to our Clients.

### **Bankruptcy Petitions during the Past Ten Years**

Rain Dog Financial has not had any bankruptcy petitions in the last ten years.

## **Item 19: Requirements for State-Registered Advisers**

### **Principal Executive Officers and Management Persons**

The education and business background for all management and supervised persons can be found in the Part 2B of this Brochure.

### **Outside Business Activities**

The outside business activities for all management and supervised persons can be found in the Part 2B of this Brochure.

### **Performance Based Fee Description**

Neither Rain Dog Financial nor its management receive performance based fees. Please see Item 6 of the ADV 2A for more information.

### **Disclosure of Material Facts Related to Arbitration or Disciplinary Actions Involving Management Persons**

Neither Rain Dog Financial nor its management have been involved in any of the following:

- 1) An award or otherwise been found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a) An investment or an investment-related business or activity;
  - b) Fraud, false statement(s) or omissions;
  - c) Theft, embezzlement or other wrongful taking of property;
  - d) Bribery, forgery, counterfeiting, or extortion;
  - e) Dishonest, unfair or unethical practices.
- 2) An award or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a) An investment or an investment-related business or activity;
  - b) Fraud, false statement(s) or omissions;
  - c) Theft, embezzlement or other wrongful taking of property;
  - d) Bribery, forgery, counterfeiting, or extortion;
  - e) Dishonest, unfair or unethical practices.
- 3) Dishonest, unfair or unethical practices.

### **Material Relationship Maintained by this Advisory Business or Management persons with Issuers of Securities**

There are no material relationships with issuers of securities to disclose.