Our Disclosure Forms

ITEM 1. Cover Page

PART 2A OF FORM ADV FIRM BROCHURE

March 28, 2018

EVANSTON INVESTMENTS, INC.
D/B/A EVANSTON ADVISORS

SEC File No. 801-43993

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This brochure provides information about the qualifications and business practices of Evanston Investments, Inc., d/b/a Evanston Advisors. If you have any questions about the contents of this brochure, please contact us at nsnodgrass@evanstonadvisors.com. 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. Registration with the SEC or State Regulatory Authority does not imply a certain level of skill or expertise.

Additional information about Evanston Investments, Inc., d/b/a Evanston Advisors, is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2. Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

ITEM 3. Table of Contents

ITEM 4. Advisory Business

A. DESCRIPTION OF YOUR ADVISORY FIRM

Evanston Investments, Inc. ("Evanston Advisors" and/or the "firm"), is organized as an Illinois corporation and is principally owned by Keith Cantrell, Nathan Snodgrass, and David Jackson. Keith Cantrell is the President of Evanston Advisors, and has been offering investment services since May of 1993.

B. DESCRIPTION OF ADVISORY SERVICES OFFERED

Evanston Advisors offers fee-based investment advisory services to a select group of high-net-worth families and individuals, trusts, charitable entities, pension and profit sharing plans, corporations, and other business entities.

B.1. EVANSTON ADVISORS INVESTMENT SERVICES – GENERALLY

Evanston Advisors' advisory services may include investment strategy, portfolio management, financial planning, tax planning, budgeting, estate planning, business transition and consulting, risk management, and college funding.

B.2. FAMILY OFFICE SERVICES

Evanston Advisors has three primary service offerings, which include:

- Financial Planning & Administration Services
- Investment Advisory Services
- Tax Planning Services

B.2.a. Financial Planning & Administration Services

The client will receive a written or oral report (depending on the client's preference) that provides the client with a detailed financial plan designed to help achieve the client's stated financial goals and objectives.

Based on the client's needs, financial planning services generally include the following:

- Preparation of a consolidated assessment of financial condition, which may include:
  - Annual budgeting
  - Cash flow monitoring
  - Account reconciliations
  - Personal financial statement preparation
  - Debt management
- Establishment of objectives over relevant timeframes, which may include:
  - Retirement objectives
  - Philanthropy
  - Estate planning
  - Wealth transition
  - Other related issues
- Preparation of a recommended asset allocation that serves to diversify the client's portfolio among different categories of investments, such as:
  - Small, medium, and large capitalization securities
  - Corporate and government fixed income (short-, intermediate-, and long-term maturities)
  - Emerging market securities (i.e., foreign issuers)
  - Such other asset categories that are suitable in light of the client's investment goals, objectives, and risk tolerance
- Preparation of a retirement plan that serves to identify whether the client is saving enough and investing in a way that meets retirement objectives in light of the client's financial circumstances and risk tolerance.
- Risk analysis and review of an insurance plan to meet the needs of the client, taking into account family, business, and other financial objectives of the client.
- Preparation of an estate plan to ensure that wealth transition, tax, and related issues are met in accordance with the client's wishes. In many instances, an outside attorney will need to be hired to handle specific legal issues that arise in the formation and implementation of an estate plan, which may include the following topics:
  - Estate planning
  - Estate administration
  - Charitable/philanthropic planning
  - Advice on wills and trust agreements
  - Business transition planning
  - Retirement and distribution planning

Evanston Advisors gathers required information through in-depth personal interviews and questionnaires. Information gathered includes the client's current financial status, investment objectives, future goals, and attitudes toward risk. Related documents supplied by the client are carefully reviewed, and a report is prepared covering one or more of the above-mentioned topics as directed by the client.

B.2.b. Investment Advisory Services

Evanston Advisors' investment advisory services to clients take into account a client's personal financial circumstances, investment objectives, and tolerance for risk (e.g., cash-flow, tax, and estate). Evanston Advisors' engagement with a client will include, as appropriate, the following:

- Providing assistance in reviewing the client's current investment portfolio against the client's personal and financial circumstances as disclosed to Evanston Advisors in response to a questionnaire and/or in discussions with the client and reviewed in meetings with Evanston Advisors.
- Analyzing the client's financial circumstances, investment holdings and strategy, and goals.
- Analyzing and managing concentrated and restricted securities holdings, including recommendations on how to hedge or monetize concentrated or restricted holdings.
- Providing assistance in identifying a targeted portfolio design.
- Recommending individual equity and fixed income securities, options, mutual funds, exchange-traded funds, portfolios managed by separate account managers and, in appropriate cases, private placements, each matched to the asset categories in the client's targeted asset allocation for consideration by the client.
- Reporting to the client, on a quarterly basis or at some other interval agreed to with the client, information on contributions and withdrawals in the client's investment portfolio and the performance of the client's portfolio measured against appropriate benchmarks (including benchmarks selected by the client).
- Proposing changes in the client's targeted portfolio in consideration of changes in the client's personal circumstances, investment objectives, and tolerance for risk; the performance record of any of the client's investments; and/or the performance of any fund or manager retained by the client.
- If the client's portfolio and personal circumstances, investment objectives, and tolerance for risk make such advice appropriate, providing recommendations to hedge a client's portfolio through the use of derivative strategies, to generate additional income through the use of covered call option writing strategies involving exchange-listed or OTC options, and/or to monetize or hedge concentrated stock positions.

In addition to providing Evanston Advisors with information regarding their personal financial circumstances, investment objectives, and tolerance for risk, clients are required to provide

Evanston Advisors with any reasonable investment restrictions that should be imposed on the management of their portfolio and to promptly notify Evanston Advisors of any changes in such restrictions or in their personal financial circumstances, investment objectives, goals, and tolerance for risk. Evanston Advisors will remind clients of their obligation to inform Evanston Advisors of any such changes or any restrictions that should be imposed on the management of their accounts. Evanston Advisors will also contact clients at least annually to determine whether there have been any changes in a client's personal financial circumstances, investment objectives, and tolerance for risk.

B.2.c. Tax Planning Services

Evanston Advisors will provide assistance and work with clients' tax specialists in helping structure investment strategies that are designed to maximize after-tax returns and to otherwise ensure optimal tax efficiency. These services may include the following:

- Annual tax planning (with tax advisor)
- Transactional planning and structuring
- Harvesting investment gains or losses for tax efficiency
- Estate and fiduciary tax planning
- Tax planning for client's charitable foundation

B.2.d. Securities Class Action Litigation Monitoring and Settlement Claim Filing

Evanston Advisors has engaged the Chicago Clearing Corporation ("CCC") to provide securities class action litigation monitoring and settlement claim filing. CCC's sole business is securing class action rewards. They charge a contingency fee of 20% of the settlement award. There are no other charges. Evanston Advisors will provide clients a statement of any cash award settlements secured on clients' behalf, and the funds will be deposited directly to their account, net of the CCC fee. Evanston Advisors does not share in any portion of this fee.

C. EVANSTON ADVISORS' CLIENT-CENTRIC INVESTMENT PHILOSOPHY

Each client's account will be managed on the basis of the client's financial situation and investment objectives, and in accordance with any reasonable restrictions imposed by the client on the management of the account. Clients may impose reasonable restrictions on the management of their accounts—for example, restricting the type or amount of security to be purchased in the portfolio.

D. WRAP FEE PROGRAMS

Evanston Advisors does not participate in wrap fee programs. (Wrap fee programs offer services for one all-inclusive fee.)

E. CLIENT ASSETS UNDER MANAGEMENT

As of December 31, 2017, Evanston Advisors has $537,451,000 of discretionary assets and $0 of non-discretionary assets under management.

ITEM 5. Fees and Compensation

A. METHODS OF COMPENSATION AND FEE SCHEDULE

A.1. ADVISORY FEES FOR COMPREHENSIVE SERVICES

Evanston Advisors charges an asset-based fee of 1.1%, payable monthly in arrears based on the value of assets as of the last trading day of the preceding calendar month. Asset-based fees are calculated on the annual fee divided by 12. Clients will be invoiced at the end of each calendar month based upon the market value (market value plus any credit balance or minus any debit balance) of the client's account at the end of such month.

A.2. HOURLY FEE ALTERNATIVE

Financial planning services may be obtained for an hourly charge at a rate of $365 per hour. Generally, a standard plan requires approximately ten hours to complete. This amount may vary depending on the complexity of the client's situation. On average clients can expect to pay $3,600 for a comprehensive financial plan.

Invoices will be mailed out on a periodic basis reflecting completed work performed. Clients seeking to terminate this service must do so in writing.

B. CLIENT PAYMENT OF FEES

B.1. PAYMENT OF ASSET-BASED FEES

Evanston Advisors will deduct advisory directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least monthly, indicating all amounts disbursed from the account.

The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

B.2. PAYMENT OF FINANCIAL PLANNING FEES

In the event of financial planning, tax planning, and business consulting fees, Evanston Advisors will invoice fees based upon work performed.

C. ADDITIONAL CLIENT FEES CHARGED

The fees charged by Evanston Advisors do not include fees charged by any exchange-traded fund, mutual fund, pooled investment vehicle, separate account manager, or any broker-dealer or custodian selected by the client. The investment management fees charged by separate account managers are disclosed in each manager's disclosure Brochure and Brochure Supplement, and such fees are separate and distinct from the fees charged by Evanston Advisors. The management fees for pooled investment vehicles are disclosed in their confidential offering memoranda and applicable subscription documents. In the case of an exchange-traded fund or mutual fund, fees and charges are disclosed in the respective fund's prospectus. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, the client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using Evanston Advisors may be precluded from using certain mutual funds or separate account managers because they may not be offered by the client's custodian.

Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

D. PREPAYMENT OF CLIENT FEES

Evanston Advisors does not require the prepayment of its investment advisory and financial planning fees. Fees will either be paid directly by the client or disbursed to Evanston Advisors by the qualified custodian of the client's investment accounts, subject to prior written consent of the client. The custodian will deliver directly to the client an account statement, at least monthly, showing all investment and transaction activity for the period, including fee disbursements from the account.

A client investment advisory agreement may be canceled at any time by the client, or by Evanston Advisors with 30 days' prior written notice to the client. A financial planning agreement may be terminated by either party for any reason upon receipt of written notice. Upon termination of any account, any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

E. EXTERNAL COMPENSATION FOR THE SALE OF SECURITIES TO CLIENTS

Evanston Advisors' financial advisors are compensated solely through a salary and bonus structure. Evanston Advisors is not paid any sales, service, or administrative fees for the sale of mutual funds or any other investment products.

ITEM 6. Performance-Based Fees and Side-by-Side Management

Evanston Advisors does not charge performance-based fees and therefore has no economic incentive to manage clients' portfolios in any way other than what is in the clients' best interests.

ITEM 7. Types of Clients

Evanston Advisors offers personalized family office advisory services to a select group of high-net-worth families and individuals, trusts, charitable entities, pension and profit sharing plans, corporations, and other business entities.

For asset-based fee services, Evanston Advisors requires an annual minimum account fee of $5,000. For accounts with portfolio values less than $460,000 investors may be able to find comparable services at more favorable pricing elsewhere. Evanston Advisors reserves the right to waive the annual minimum account fee. Evanston Advisors currently does not have any accounts subject to the minimum account fee.

ITEM 8: Methods of Analysis, Investment Strategies, and Risk of Loss

A. METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Evanston Advisors generally follows a value-oriented investment approach. The firm seeks to invest in companies that, in Evanston Advisor's view, have an intrinsic value greater than the current market capitalization for the applicable company and therefore the potential for capital appreciation.

Evanston Advisors uses a variety of sources of data to conduct its economic, investment and market analysis, such as financial newspapers and magazines, economic and market research materials prepared by others, conference calls hosted by mutual funds, corporate rating services, annual reports, prospectuses, and company press releases. It is important to keep in mind that there is no specific approach to investing that guarantees success or positive returns; investing in securities involves risk of loss that clients should be prepared to bear.

Evanston Advisors and its investment adviser representatives are responsible for identifying and implementing the methods of analysis used in formulating investment recommendations to clients. The methods of analysis may include quantitative methods for optimizing client portfolios, computer-based risk/return analysis, technical analysis, and statistical and/or computer models utilizing long-term economic criteria.

- Optimization involves the use of mathematical algorithms to determine the appropriate mix of assets given the firm's current capital market rate assessment and a particular client's risk tolerance.
- Quantitative methods include analysis of historical data such as price and volume statistics, performance data, standard deviation and related risk metrics, how the security performs relative to the overall stock market, earnings data, price to earnings ratios, and related data.
- Technical analysis involves charting price and volume data as reported by the exchange where the security is traded to look for price trends.
- Computer models may be used to derive the future value of a security based on assumptions of various data categories such as earnings, cash flow, profit margins, sales, and a variety of other company specific metrics.

In addition, Evanston Advisors reviews research material prepared by others, as well as corporate filings, corporate rating services, and a variety of financial publications. Evanston Advisors may employ outside vendors or utilize third-party software to assist in formulating investment recommendations to clients.

A.2. MATERIAL RISKS OF INVESTMENT INSTRUMENTS

Evanston Advisors may invest in equity securities, corporate debt instruments, municipal fixed income instruments, government securities including asset-backed securities, and options on securities as detailed below:

- Equity securities
- Warrants and rights
- Mutual fund securities
- Exchange-traded funds
- Corporate debt securities, commercial paper, and certificates of deposit
- Municipal securities
- U.S. government securities
- Private placements
- Option contracts on securities
- Pooled investment vehicles
- Structured products
- Government and agency mortgage-backed securities
- Corporate debt obligations
- Mortgage-backed securities
- Collateralized obligations

A.2.a. Equity Securities

Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk, and liquidity risk.

A.2.b. Warrants and Rights

Warrants are securities, typically issued with preferred stock or bonds, that give the holder the right to purchase a given number of shares of common stock at a specified price and time. The price of the warrant usually represents a premium over the applicable market value of the common stock at the time of the warrant's issuance. Warrants have no voting rights with respect to the common stock, receive no dividends, and have no rights with respect to the assets of the issuer.

Investments in warrants and rights involve certain risks, including the possible lack of a liquid market for the resale of the warrants and rights, potential price fluctuations due to adverse market conditions or other factors, and failure of the price of the common stock to rise. If the warrant is not exercised within the specified time period, it becomes worthless.

A.2.c. Mutual Fund Securities

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

A.2.d. Exchange-Traded Funds ("ETFs")

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs®, streetTRACKS®, DIAMONDSSM, NASDAQ 100 Index Tracking StockSM ("QQQs SM"), iShares® and VIPERs®. The funds could purchase an ETF to gain exposure to a portion of the U.S. or foreign market. The funds, as a shareholder of another investment company, will bear their pro rata portion of the other investment company's advisory fee and other expenses, in addition to their own expenses.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral, and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

A.2.e. Corporate Debt, Commercial Paper, and Certificates of Deposit

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign), and currency risk. If bonds have maturities of 10 years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds also have liquidity and currency risk.

Commercial paper and certificates of deposit are generally considered safe instruments, although they are subject to the level of general interest rates, the credit quality of the issuing bank, and the length of maturity. With respect to certificates of deposit, depending on the length of maturity there can be prepayment penalties if the client needs to convert the certificate of deposit to cash prior to maturity.

A.2.f. Municipal Securities

Municipal securities carry additional risks than those of corporate and bank-sponsored debt securities described above. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax-free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer is domiciled.

A.2.g. U.S. Government Securities

U.S. government securities include securities issued by the U.S. Treasury and by U.S. government agencies and instrumentalities. U.S. government securities may be supported by the full faith and credit of the United States.

A.2.h. Private Placements

Private placements carry significant risk in that companies using the private placement market conduct securities offerings that are exempt from registration under the federal securities laws, which means that investors do not have access to public information and such investors are not provided with the same amount of information that they would receive if the securities offering was a public offering. Moreover, many companies using private placements do so to raise equity capital in the start-up phase of their business, or require additional capital to complete another phase in their growth objective. In addition, the securities issued in connection with private placements are restricted securities, which means that they are not traded on a secondary market, such as a stock exchange, and they are thus illiquid and cannot be readily converted to cash.

A.2.i. Option Contracts on Securities

A call option is a contract under which the purchaser of the call option, in return for a premium paid, has the right to buy the security (or index) underlying the option at a specified price at any time during the term of the option. The writer of the call option, who receives the premium, has the obligation upon exercise of the option to deliver the underlying security against payment of the exercise price. A put option gives its purchaser, in return for a premium, the right to sell the underlying security at a specified price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy, upon exercise of the option, the underlying security (or a cash amount equal to the value of the index) at the exercise price. The amount of a premium received or paid for an option is based upon certain factors, including the market price of the underlying security, the relationship of the exercise price to the market price, the historical price volatility of the underlying security, the option period, and interest rates.

A.2.j. Pooled Investment Vehicles

A pooled investment vehicle, such as a commodity pool or investment company, is generally offered only to investors who meet specified suitability, net worth, and annual income criteria. Pooled investment vehicles sell securities through private placements and thus are illiquid and subject to a variety of risks that are disclosed in each pooled investment vehicle's confidential private placement memorandum or disclosure document. Investors should read these documents carefully and consult with their professional advisors prior to committing investment dollars. Because many of the securities involved in pooled investment vehicles do not have transparent trading markets from which accurate and current pricing information can be derived, or in the case of private equity investments where portfolio security companies are privately held with no publicly traded market, Evanston Advisors will be unable to monitor or verify the accuracy of such performance information.

A.2.k. Structured Products

Structured products are designed to facilitate highly customized risk-return objectives. While structured products come in many different forms, they typically consist of a debt security that is structured to make interest and principal payments based upon various assets, rates, or formulas. Many structured products include an embedded derivative component. Structured products may be structured in the form of a security, in which case these products may receive benefits provided under federal securities law, or they may be cast as derivatives, in which case they are offered in the over-the-counter market and are subject to no regulation.

Investment in structured products includes significant risks, including valuation, liquidity, price, credit, and market risks. One common risk associated with structured products is a relative lack of liquidity due to the highly customized nature of the investment. Moreover, the full extent of returns from the complex performance features is often not realized until maturity. As such, structured products tend to be more of a buy-and-hold investment decision rather than a means of getting in and out of a position with speed and efficiency.

Another risk with structured products is the credit quality of the issuer. Although the cash flows are derived from other sources, the products themselves are legally considered to be the issuing financial institution's liabilities. The vast majority of structured products are from high-investment-grade issuers only. Also, there is a lack of pricing transparency. There is no uniform standard for pricing, making it harder to compare the net-of-pricing attractiveness of alternative structured product offerings than it is, for instance, to compare the net expense ratios of different mutual funds or commissions among broker-dealers.

A.2.l. Government and Agency Mortgage-Backed Securities

The principal issuers or guarantors of mortgage-backed securities are the Government National Mortgage Association ("GNMA"), Fannie Mae ("FNMA"), and the Federal Home Loan Mortgage Corporation ("FHLMC"). GNMA, a wholly owned U.S. government corporation within the Department of Housing and Urban Development ("HUD"), creates pass-through securities from pools of government-guaranteed (Farmers' Home Administration, Federal Housing Authority, or Veterans Administration) mortgages. The principal and interest on GNMA pass-through securities are backed by the full faith and credit of the U.S. government.

FNMA, which is a U.S. government-sponsored corporation owned entirely by private stockholders that is subject to regulation by the secretary of HUD, and FHLMC, a corporate instrumentality of the U.S. government, issue pass-through securities from pools of conventional and federally insured and/or guaranteed residential mortgages. FNMA guarantees full and timely payment of all interest and principal, and FHMLC guarantees timely payment of interest and ultimate collection of principal of its pass-through securities. Mortgage-backed securities from FNMA and FHLMC are not backed by the full faith and credit of the U.S. government.

A.2.m. Corporate Debt Obligations

Corporate debt obligations include corporate bonds, debentures, notes, commercial paper, and other similar corporate debt instruments. Companies use these instruments to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than nine months. Evanston Advisors may also invest in corporate debt securities registered and sold in the United States by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

A.2.n. Mortgage-Backed Securities

Mortgage-backed securities represent interests in a pool of mortgage loans originated by lenders such as commercial banks, savings associations, and mortgage bankers and brokers. Mortgage-backed securities may be issued by governmental or government-related entities, or by non-governmental entities such as special-purpose trusts created by commercial lenders.

Pools of mortgages consist of whole mortgage loans or participations in mortgage loans. The majority of these loans are made to purchasers of between one and four family homes. The terms and characteristics of the mortgage instruments are generally uniform within a pool but may vary among pools. For example, in addition to fixed-rate, fixed-term mortgages, Evanston Advisors may purchase pools of adjustable-rate mortgages, growing equity mortgages, graduated payment mortgages, and other types. Mortgage poolers apply qualification standards to lending institutions, which originate mortgages for the pools as well as credit standards and underwriting criteria for individual mortgages included in the pools. In addition, many mortgages included in pools are insured through private mortgage insurance companies.

Mortgage-backed securities differ from other forms of fixed income securities, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or on specified call dates. Most mortgage-backed securities, however, are pass-through securities, which means that investors receive payments consisting of a pro rata share of both principal and interest (less servicing and other fees), as well as unscheduled prepayments as loans in the underlying mortgage pool are paid off by the borrowers. Additional prepayments to holders of these securities are caused by prepayments resulting from the sale or foreclosure of the underlying property or refinancing of the underlying loans. As prepayment rates of individual pools of mortgage loans vary widely, it is not possible to accurately predict the average life of a particular mortgage-backed security. Although mortgage-backed securities are issued with stated maturities of up to 40 years, unscheduled or early payments of principal and interest on the mortgages may shorten considerably the securities' effective maturities.

A.2.o. Collateralized Obligations

Collateralized mortgage obligations ("CMOs") are collateralized by mortgage-backed securities issued by GNMA, FHLMC, or FNMA ("mortgage assets"). CMOs are multiple-class debt obligations. Payments of principal and interest on the mortgage assets are passed through to the holders of the CMOs as they are received, although certain classes (often referred to as "tranches") of CMOs have priority over other classes with respect to the receipt of mortgage prepayments. Each tranche is issued at a specific or floating coupon rate and has a stated maturity or final distribution date. Interest is paid or accrues in all tranches on a monthly, quarterly or semi-annual basis. Payments of principal and interest on mortgage assets are commonly applied to the tranches in the order of their respective maturities or final distribution dates, so that generally no payment of principal will be made on any tranche until all other tranches with earlier stated maturity or distribution dates have been paid in full.

Collateralized debt obligations ("CDOs") include collateralized bond obligations ("CBOs"), collateralized loan obligations ("CLOs"), and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust that is backed by a diversified pool of high-risk, below-investment-grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans.

B. INVESTMENT STRATEGY AND METHOD OF ANALYSIS MATERIAL RISKS

B.1. LEVERAGE

Although Evanston Advisors, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, separate account managers and, in very limited circumstances, Evanston Advisors will utilize leverage. In this regard please review the following:

The use of leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control $2 of a security for $1. So if the price of a security rises by $1, the investor earns a 100% return on their investment. Conversely, if the security declines by $.50, then the investor loses 50% of their investment. The use of leverage entails borrowing, which results in additional interest costs to the investor. In addition, the use of leverage enhances the price volatility of the collateral securities which can result in significant loss.

Broker-dealers that carry customer accounts have a minimum equity requirement when clients utilize leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to satisfy a required margin deposit or withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

B.2. OPTION STRATEGIES

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities. In addition, options allow investors to hedge security positions held in the portfolio. For detailed information on the use of options and option strategies, please contact the Options Clearing Corporation for the current Options Risk Disclosure Statement.

Evanston Advisors as part of its investment strategy may employ any of the following:

- Covered call writing

B.2.a. Covered Call Writing

Covered call writing is the sale of in-, at-, or out-of-the money call option against a long security position held in the client's portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs, and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

B.3. SHORT-TERM TRADING

Although Evanston Advisors, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. In this regard please read the following:

There is an inherent risk for clients who trade frequently in that high-velocity trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

C. CONCENTRATION RISKS

There is an inherent risk for clients whose investment portfolios lack diversification—that is, they have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

ITEM 9. Disciplinary Information

A. CRIMINAL OR CIVIL ACTIONS

There is nothing to report on this item.

B. ADMINISTRATIVE ENFORCEMENT PROCEEDINGS

There is nothing to report on this item.

C. SELF-REGULATORY ORGANIZATION ENFORCEMENT PROCEEDINGS

There is nothing to report on this item.

ITEM 10. Other Financial Industry Activities and Affiliations

A. BROKER-DEALER OR REPRESENTATIVE REGISTRATION

Neither Evanston Advisors nor its affiliates are registered broker-dealers and do not have an application to register pending.

B. FUTURES OR COMMODITY REGISTRATION

Neither Evanston Advisors nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator, or commodity trading adviser and do not have an application to register pending.

C. MATERIAL RELATIONSHIPS MAINTAINED BY THIS ADVISORY BUSINESS AND CONFLICTS OF INTEREST

Evanston Advisors currently has relationships with individuals or entities that are material to its advisory business as further described below:

- Keith Cantrell, President of Evanston Advisors, owns EII Advisors, a business consulting/tax return entity.
- Dave Jackson, who is a Vice-President of Evanston Advisors, owns QB Innovations, a business consulting entity. In addition, Mr. Jackson has a 50% ownership stake in Evolve LLC, which is a membership group focused on transition planning for business owners. Members join and pay a fee and attend monthly group sessions with other business owners.

Please be advised that there is no obligation for any client of the above-named entities to engage Evanston Advisors as a condition of its relationship with such entity. Prospective clients are free to do business with the investment advisor of their choice.

D. RECOMMENDATION OR SELECTION OF OTHER INVESTMENT ADVISORS AND CONFLICTS OF INTEREST

Evanston Advisors does not recommend separate account managers or other investment products in which it receives any form of compensation from the separate account manager or investment product sponsor.

ITEM 11. Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

A. CODE OF ETHICS DESCRIPTION

In accordance with the Advisers Act, Evanston Advisors has adopted policies and procedures designed to detect and prevent insider trading. In addition, Evanston Advisors has adopted a Code of Ethics (the "Code"). Among other things, the Code includes written procedures governing the conduct of Evanston Advisors' advisory and access persons. The Code also imposes certain reporting obligations on persons subject to the Code. The Code and applicable securities transactions are monitored by the chief compliance officer of Evanston Advisors. Evanston Advisors will send clients a copy of its Code of Ethics upon written request.

Evanston Advisors has policies and procedures in place to ensure that the interests of its clients are held in preference over those of Evanston Advisors, its affiliates, and its employees. For example, there are policies in place to prevent the misappropriation of material nonpublic information, and such other policies and procedures reasonably designed to comply with federal and state securities laws.

B. INVESTMENT RECOMMENDATIONS INVOLVING A MATERIAL FINANCIAL INTEREST AND CONFLICTS OF INTEREST

Evanston Advisors does not engage in principal trading (i.e., the practice of selling stock to advisory clients from a firm's inventory or buying stocks from advisory clients into a firm's inventory). In addition, Evanston Advisors does not recommend any securities to advisory clients in which it has some proprietary or ownership interest.

C. ADVISORY FIRM PURCHASE OF SAME SECURITIES RECOMMENDED TO CLIENTS AND CONFLICTS OF INTEREST

Evanston Advisors, its affiliates, employees and their families, trusts, estates, charitable organizations and retirement plans established by it may purchase the same securities as are purchased for clients in accordance with its Code of Ethics policies and procedures. The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by the client, or
- considered for purchase or sale for the client.

Such conflict generally refers to the practice of front-running (trading ahead of the client), which Evanston Advisors specifically prohibits. Evanston Advisors has adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in the client's best interest
- prohibit fraudulent conduct in connection with the trading of securities in a client account
- prohibit employees from personally benefitting by causing a client to act, or fail to act in making investment decisions
- prohibit the firm or its employees from profiting or causing others to profit on knowledge of completed or contemplated client transactions
- allocate investment opportunities in a fair and equitable manner
- provide for the review of transactions to discover and correct any trades that result in an advisory representative or employee benefitting at the expense of a Advisory representatives and employees must follow Evanston Advisors' procedures when purchasing or selling the same securities purchased or sold for the client.

D. CLIENT SECURITIES RECOMMENDATIONS OR TRADES AND CONCURRENT ADVISORY FIRM SECURITIES TRANSACTIONS AND CONFLICTS OF INTEREST

Evanston Advisors, its affiliates, employees and their families, trusts, estates, charitable organizations, and retirement plans established by it may effect securities transactions for their own accounts that differ from those recommended or effected for other of the firm's clients. Evanston Advisors will make a reasonable attempt to trade securities in client accounts at or prior to trading the securities in its affiliate, corporate, employee, or employee-related accounts. Trades executed the same day will likely be subject to an average pricing calculation. It is the policy of Evanston Advisors to place the clients' interests above those of the firm and its employees.

ITEM 12. Brokerage Practices

A. FACTORS USED TO SELECT BROKER-DEALERS FOR CLIENT TRANSACTIONS

A.1. CUSTODIAN RECOMMENDATIONS

Evanston Advisors may recommend that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., or with Fidelity Institutional Wealth Services (both FINRA-registered broker-dealers and SIPC members; hereinafter collectively referred to as "custodian"), to maintain custody of clients' assets and to effect trades for their accounts. Although Evanston Advisors may recommend that clients establish accounts at the custodian, it is the client's decision to custody assets with the custodian. Evanston Advisors is independently owned and operated and not affiliated with the custodian.

For Evanston Advisors' client accounts maintained in its custody, the custodian generally does not charge separately for custody services, but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into the custodian's accounts.

In certain instances and subject to approval by the firm, Evanston Advisors will recommend to clients certain other broker-dealers and/or custodians based on the needs of the individual client, taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian recommended by Evanston Advisors will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

A.1.a. How We Select Brokers/Custodians to Recommend

Evanston Advisors seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, the following:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear, and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange-traded funds (ETFs), etc.)
- availability of investment research and tools that assist us in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength, and stability of the provider
- their prior service to us and our other clients
- availability of other products and services that benefit us, as discussed below

A.1.b. Client's Custody and Brokerage Costs

For client accounts that the firm maintains, the custodian generally does not charge clients separately for custody services but is compensated by charging commissions or other fees on trades that it executes or that settle into the custodian's accounts. The custodian's commission rates applicable to the firm's client accounts were negotiated based on the firm's commitment to maintain a certain minimum amount of client assets at the custodian. This commitment benefits the client because the overall commission rates paid are lower than they would be if the firm had not made the commitment. In addition to commissions, the custodian charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that the firm has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the client's custodian account. These fees are in addition to the commissions or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize the client's trading costs, the firm has the custodian execute most trades for the account.

A.1.c. Soft Dollar Arrangements

Evanston Advisors does not utilize soft dollar arrangements. Evanston Advisors does not direct brokerage transactions to executing brokers for research and brokerage services.

A.1.d. Institutional Trading and Custody Services

The custodian provides Evanston Advisors with access to its institutional trading and custody services, which are typically not available to the custodian's retail investors. These services are generally available to independent investment advisers on an unsolicited basis, at no charge to them so long as a certain minimum amount of the adviser's clients' assets are maintained in accounts at the custodian. The custodian's brokerage services include the execution of securities transactions, custody, and research, as well as access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

A.1.e. Other Products and Services

The custodian also makes available to Evanston Advisors other products and services that benefit Evanston Advisors but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Evanston Advisors' accounts, including accounts not maintained at custodian. The custodian also makes available to Evanston Advisors software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing, and other market data
- facilitate payment of Evanston Advisors' fees from its clients' accounts
- assist with back-office functions, recordkeeping, and client reporting

The custodian also offers other services intended to help Evanston Advisors manage and further develop its business enterprise. These services may include

- compliance, legal, and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants, and insurance providers

The custodian may also provide other benefits, such as educational events or occasional business entertainment of Evanston Advisors' personnel. In evaluating whether to recommend that clients custody their assets at the custodian, Evanston Advisors may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost, or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

A.1.f. Independent Third Parties

In addition, the custodian may make available, arrange, and/or pay for these types of services rendered to Evanston Advisors by independent third parties. The custodian may discount or waive fees they would otherwise charge for some of these services, or pay all or a part of the fees of a third party providing these services to Evanston Advisors.

A.1.g. Additional Compensation Received from Custodians

Evanston Advisors participates in institutional customer programs sponsored by broker-dealers or custodians. Evanston Advisors may recommend these broker-dealers or custodians to clients for custody and brokerage services. There is no direct link between Evanston Advisors' participation in such programs and the investment advice it gives to its clients, although Evanston Advisors receives economic benefits through its participation in the programs that are typically not available to retail investors. These benefits may include the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations
- Research-related products and tools
- Consulting services
- Access to a trading desk serving Evanston Advisors' participants
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts)
- The ability to have advisory fees deducted directly from client accounts
- Access to an electronic communications network for client order entry and account information
- Access to mutual funds with no transaction fees and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to Evanston Advisors by third-party vendors

The broker-dealer may also pay for business consulting and professional services received by Evanston Advisors' related persons, and may pay or reimburse expenses (including client transition expenses, travel, lodging, meals, and entertainment expenses for Evanston Advisors' personnel to attend conferences). Some of the products and services made available by the broker-dealer through its institutional customer programs may benefit Evanston Advisors but may not benefit its client accounts. These products or services may assist Evanston Advisors in managing and administering client accounts, including accounts not maintained at the broker-dealer as applicable. Other services made available through the programs are intended to help Evanston Advisors manage and further develop its business enterprise. The benefits received by Evanston Advisors or its personnel through participation in these programs do not depend on the amount of brokerage transactions directed to the broker-dealer.

Evanston Advisors also participates in similar institutional advisor programs offered by other independent broker-dealers or trust companies, and its continued participation may require Evanston Advisors to maintain a predetermined level of assets at such firms. In connection with its participation in such programs, Evanston Advisors will typically receive benefits similar to those listed above, including research, payments for business consulting and professional services received by Evanston Advisors' related persons, and reimbursement of expenses (including travel, lodging, meals, and entertainment expenses for Evanston Advisors' personnel to attend conferences sponsored by the broker-dealer or trust company).

As part of its fiduciary duties to clients, Evanston Advisors endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Evanston Advisors or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Evanston Advisors' recommendation of broker-dealers for custody and brokerage services.

A.1.h. The Firm's Interest in Schwab's Services

The availability of these services from the custodian benefits the firm because the firm does not have to produce or purchase them. The firm does not have to pay for the custodian's services so long as a certain minimum of client assets is kept in accounts at the custodian. This minimum of client assets may give the firm an incentive to recommend that clients maintain their accounts with the custodian based on the firm's interest in receiving the custodian's services that benefit the firm's business rather than based on the client's interest in receiving the best value in custody services and the most favorable execution of client transactions. This is a potential conflict of interest. The firm believes, however, that the selection of the custodian as custodian and broker is in the best interest of clients. It is primarily supported by the scope, quality, and price of the custodian's services and not the custodian's services that benefit only the firm.

A.2. BROKERAGE FOR CLIENT REFERRALS

Evanston Advisors does not engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

A.3. DIRECTED BROKERAGE

A.3.a. Evanston Advisors Recommendations

Evanston Advisors typically recommends Fidelity and Schwab as custodian for clients' funds and securities and to execute securities transactions on its clients' behalf..

A.3.b. Client-Directed Brokerage

Occasionally, clients may direct Evanston Advisors to use a particular broker-dealer to execute portfolio transactions for their accounts or request that certain types of securities not be purchased for their accounts. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage Evanston Advisors derives from aggregating transactions. Such client trades are typically effected after the trades of clients who have not directed the use of a particular broker-dealer. Evanston Advisors loses the ability to aggregate trades with other Evanston Advisors advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

B. AGGREGATING SECURITIES TRANSACTIONS FOR CLIENT ACCOUNTS

B.1. BEST EXECUTION

Advisors may recommend that clients establish brokerage accounts with Schwab or Fidelity, FINRA-registered broker-dealers, members SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Such accounts will be prime broker eligible so that if and when the need arises to effect securities transactions at broker-dealers ("executing brokers") other than with the client's current custodian, such custodian will accept delivery or deliver the applicable security from/to the executing broker. Schwab and Fidelity charge a "trade away" fee which is charged against the client account for each trade away occurrence. Other custodians have their own policies concerning prime broker accounts and trade away fees. Clients are directed to consult their current custodian for their policies and fees.

Evanston Advisors, pursuant to the terms of its investment advisory agreement with clients, has discretionary authority to determine which securities are to be bought and sold, the price of such securities, the executing broker, and the commission rates to be paid to effect such transactions. Evanston Advisors recognizes that the analysis of execution quality involves a number of factors, both qualitative and quantitative. Evanston Advisors will follow a process in an attempt to ensure that it is seeking to obtain the most favorable execution under the prevailing circumstances when placing client orders. These factors include but are not limited to the following:

- The financial strength, reputation, and stability of the broker
- The efficiency with which the transaction is effected
- The ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any)
- The availability of the broker to stand ready to effect transactions of varying degrees of difficulty in the future
- The efficiency of error resolution, clearance, and settlement
- Block trading and positioning capabilities
- Performance measurement
- Online access to computerized data regarding customer accounts
- Availability, comprehensiveness, and frequency of brokerage and research services
- Commission rates
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services
- The economic benefit to the client
- Related matters involved in the receipt of brokerage services

Consistent with its fiduciary responsibilities, Evanston Advisors seeks to ensure that clients receive best execution with respect to their transactions by blocking client trades to reduce commission costs. To the best of Evanston Advisors' knowledge, these custodians provide high-quality execution, and Evanston Advisors' clients do not pay higher commission or transaction costs in return for such execution.

Commission rates and securities transaction fees charged to effect such transactions are established by the client's independent custodian and/or broker-dealer. Based upon its own knowledge of the securities industry, Evanston Advisors believes that such commission rates are competitive within the securities industry.

Lower commissions or better execution may be able to be achieved elsewhere.

B.2. SECURITY ALLOCATION

Since Evanston Advisors may be managing accounts with similar investment objectives, Evanston Advisors may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by Evanston Advisors in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts.

Evanston Advisors' allocation procedures seek to allocate investment opportunities among clients in the fairest possible way, taking into account the clients' best interests. Evanston Advisors will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. Account performance is never a factor in trade allocations.

Evanston Advisors' advice to certain clients and entities and the action of Evanston Advisors for those and other clients are frequently premised not only on the merits of a particular investment but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines, and circumstances. Thus, any action of Evanston Advisors with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of Evanston Advisors to or on behalf of other clients.

B.3. ORDER AGGREGATION

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed and the aggregation does not cause any unintended duration exposure. All clients participating in each aggregated order will receive the average price and, subject to minimum ticket charges and possible step outs, pay a pro rata portion of commissions.

To minimize performance dispersion, "strategy" trades should be aggregated and average priced. However, when a trade is to be executed for an individual account and the trade is not in the best interests of other accounts, then the trade will only be performed for that account. This is true even if Evanston Advisors believes that a larger size block trade would lead to best overall price for the security being transacted.

B.4. ALLOCATION OF TRADES

All allocations will be made prior to the close of business on the trade date. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, clients' liquidity needs, and previous allocations. In most cases, accounts will get a pro forma allocation based on the initial allocation. This policy also applies if an order is "over-filled."

Evanston Advisors acts in accordance with its duty to seek best price and execution and will not continue any arrangements if the firm determines that such arrangements are no longer in the best interests of its clients.

ITEM 13. Review of Accounts

A. SCHEDULE FOR PERIODIC REVIEW OF CLIENT ACCOUNTS OR FINANCIAL PLANS AND ADVISORY PERSONS INVOLVED

Evanston Advisors' officers review accounts quarterly based on market conditions and general applicability to any changes in client goals. In addition, accounts are reviewed at such times as securities are being considered for purchase or sale, or any time a conversation with a client indicates a change in the client's personal financial situation.

B. REVIEW OF CLIENT ACCOUNTS ON NON-PERIODIC BASIS

Evanston Advisors may perform ad hoc reviews on an as-needed basis if there have been material changes in the client's investment objectives or risk tolerance, or a material change in how Evanston Advisors formulates investment advice.

C. CONTENT OF CLIENT-PROVIDED REPORTS AND FREQUENCY

Reports are provided quarterly. The report will provide a detailed listing of the portfolio assets and rate of return for the current quarter, trailing twelve months, and inception to date.

The client's independent custodian also provides regular account statements directly to the client. The custodian's statement is the official record of the client's account and supersedes any statements or reports created on behalf of the client by Evanston Advisors.

ITEM 14. Client Referrals and Other Compensation

A. ECONOMIC BENEFITS PROVIDED TO THE ADVISORY FIRM FROM EXTERNAL SOURCES AND CONFLICTS OF INTEREST

Other than what is disclosed in Item 12 regarding benefits the firm receives from its custodian(s), Evanston Advisors does not receive economic benefits for referring clients to third-party service providers.

B. ADVISORY FIRM PAYMENTS FOR CLIENT REFERRALS

Evanston Advisors does not pay for client referrals.

ITEM 15. Custody

Clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances, and portfolio holdings in the client's account. Evanston Advisors urges that clients compare the account balance(s) shown on their Evanston Advisors Quarterly Portfolio Review to the quarter-end balance(s) on their custodian's monthly statement. The custodian's statement is the official record of the account.

Certain Evanston Advisors executives act as trustee for certain advisory client trusts. As such, the firm is deemed to have custody of client assets and therefore subject to a surprise annual audit by an independent certified public accounting firm.

ITEM 16. Investment Discretion

Clients may grant a limited power of attorney to Evanston Advisors with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In such cases, Evanston Advisors will exercise full discretion as to the nature and type of securities to be purchased and sold, the amount of securities for such transactions, the amount of commissions to be paid, and the executing broker to be used. Investment limitations may be designated by the client as outlined in the investment advisory agreement.

ITEM 17. Voting Client Securities

Evanston Advisors does not take discretion with respect to voting proxies on behalf of its clients. Evanston Advisors will endeavor to make recommendations to clients on voting proxies regarding shareholder vote, consent, election or similar actions solicited by, or with respect to, issuers of securities beneficially held as part of Evanston Advisors supervised and/or managed assets. In no event will Evanston Advisors take discretion with respect to voting proxies on behalf of its clients.

Except as required by applicable law, Evanston Advisors will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies.

From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. Evanston Advisors has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. Evanston Advisors also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, Evanston Advisors has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

Where Evanston Advisors receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

ITEM 18. Financial Disclosures

A. BALANCE SHEET

Evanston Advisors does not require the prepayment of fees of $1200 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR ADVISORY FIRM'S ABILITY TO MEET COMMITMENTS TO CLIENTS

Evanston Advisors does not have any financial issues that would impair its ability to provide services to clients.

C. BANKRUPTCY PETITIONS DURING THE PAST TEN YEARS

There is nothing to report on this item.

ITEM 1: Cover Page

PART 2B OF FORM ADV FIRM BROCHURE: BROCHURE SUPPLEMENT

March 28, 2018

EVANSTON INVESTMENTS, INC., D/B/A EVANSTON ADVISORS

SEC File No. 801-43993

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Keith W. Cantrell, *President*
David D. Jackson, *Vice-President*
Nathan K. Snodgrass, *Vice-President & Chief Investment Officer*
Matthew J. Terrien, *Portfolio Manager*
Debra A. Webber, *Senior Wealth Advisor*
Jeffrey J. Cismoski, *Wealth Advisor*

This brochure supplement provides information about the above employees that supplements the Evanston Investments, Inc., d/b/a Evanston Advisors brochure, presented in the previous pages of this booklet. If you have any questions about the contents of this supplement, please contact us at: nsnodgrass@evanstonadvisors.com.

Additional information about Evanston Investments, Inc., d/b/a Evanston Advisors is available on the SEC's website at www.adviserinfo.sec.gov.

KEITH W. CANTRELL
President

ITEM 2: Educational Background and Business Experience

Keith Cantrell (b. 1954) has been President of Evanston Investments, Inc., since 1982, where he has provided financial planning and other advisory services to individuals and their closely held businesses. Mr. Cantrell is not actively involved in the portfolio management process.

A. EDUCATIONAL BACKGROUND

B.A. Accounting, Duke University — 1976

B. BUSINESS BACKGROUND

President, *Evanston Investments, Inc.* — 1982–Present

C. PROFESSIONAL DESIGNATIONS - QUALIFICATIONS AND RELATED CRITERIA

D.1. 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.

In addition to the Code of Professional Conduct, AICPA members who provide personal financial planning services are required to follow the Statement on Standards in Personal Financial Planning Services (the "Statement"). Most state boards of accountancy define financial planning as the practice of public accounting and therefore have jurisdiction over CPAs practicing in this discipline; state boards would likely look to the Statement as the authoritative guidance in this practice area regardless of specific or blanket adoption of AICPA standards.

D.2. CERTIFIED FINANCIAL PLANNER™ (CFP®) PROFESSIONAL

Individuals certified by CFP® Board have taken the step to demonstrate their professionalism by voluntarily submitting to the CFP® certification process that includes thorough education, examination, experience and ethical requirements. The CFP® is issued by the Certified Financial Planner Board of Standards, Inc. Prerequisites require a designee to hold a Bachelor's degree (or higher) from an accredited college or university as well as three years of full-time personal financial planning experience. In addition, candidates must complete a CFP-board registered program (or hold an accepted designation, degree or license) and take the CFP Certification examination. To maintain certification, the designee is required to complete 30 hours of continuing education every two years and continue to agree to be bound by the Standards of Professional Conduct.

D.3. PERSONAL FINANCIAL SPECIALIST (PFS)

The PFS credential demonstrates that an individual has met the minimum education, experience, and testing required of a CPA in addition to a minimum level of expertise in personal financial planning. To attain the PFS credential, a candidate must hold an unrevoked CPA license, certificate, or permit, none of which are in inactive status; fulfill 3,000 hours of personal financial planning business experience; complete 75 hours of personal financial planning CPE credits; pass a comprehensive financial planning exam, and be an active member of the AICPA. A PFS credential holder is required to adhere to AICPA's Code of Professional Conduct and the Statement on Standards in Personal Financial Planning Services, when providing personal financial planning services. To maintain the PFS credential, the recipient must complete 60 hours of financial planning CPE credits every three years. The PFS credential is administered through the AICPA.

ITEM 3: Disciplinary Information

Keith Cantrell does not have any disciplinary action to report. Public information concerning Mr. Cantrell's registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

ITEM 4: Other Business Activities

Keith Cantrell owns EII Advisors, a business consulting/tax return entity. Also, Mr. Cantrell is an active Board Member for various charitable foundations and private companies. To the extent Mr. Cantrell recommends an investment in any such private companies a separate disclosure will be provided to prospective investors concerning real and potential conflicts of interest.

Approximately 60% to 70% of Mr. Cantrell's time is devoted to these other business activities.

In addition, Mr. Cantrell serves as trustee for certain Evanston Advisors advisory client trusts.

ITEM 5: Additional Compensation

Mr. Cantrell does receive additional compensation for the activities described in item 4 of this Brochure Supplement. Approximately 60% to 70% of Mr. Cantrell's time is devoted to these other business activities. With respect to Mr. Cantrell's role as trustee for certain advisory clients, Mr. Cantrell does receive compensation for serving as trustee.

ITEM 6: Supervision

Supervision of Mr. Cantrell is performed by Nathan Snodgrass, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Snodgrass can be reached at 847-397-3000.

DAVID D. JACKSON
Vice-President

ITEM 2: Educational Background and Business Experience

David D. Jackson (b. 1960) is a Vice-President of Evanston Investments, Inc. He is a principal in the firm, but is not involved in the portfolio management process.

A. EDUCATIONAL BACKGROUND

B.A., Public Policy and Business Administration Carthage College	1982

B. BUSINESS BACKGROUND

Vice-President, *Evanston Investments, Inc.*	2001–Present

ITEM 3: Disciplinary Information

David Jackson does not have any disciplinary action to report. Public information concerning Mr. Jackson's registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

ITEM 4: Other Business Activities

David Jackson owns QB Innovations, a business consulting entity. In addition, Mr. Jackson has a 50% ownership stake in Evolve LLC, which is a membership group focused on transition planning for business owners. Members join and pay a fee and attend monthly group sessions with other business owners.

Mr. Jackson has a financial interest in Trilogy Studios, which is a designer and manufacturer of video games. Also, Mr. Jackson is an active Board Member for various charitable foundations and private companies. To the extent Mr. Jackson recommends an investment in any such private companies, a separate disclosure will be provided to prospective investors concerning real and potential conflicts of interest. In addition, Mr. Jackson serves as trustee for certain Evanston Advisors advisory client trusts.

Approximately 60% to 70% of Mr. Jackson's time is devoted to these other business activities.

ITEM 5: Additional Compensation

Mr. Jackson does receive additional compensation for the activities described in item 4 of this Brochure Supplement. Approximately 60% to 70% of Mr. Jackson's time is devoted to these other business activities. With respect to Mr. Jackson's role as trustee for certain advisory clients, Mr. Jackson does receive compensation for serving as trustee.

ITEM 6: Supervision

Supervision of Mr. Jackson is performed by Nathan Snodgrass, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Snodgrass can be reached at 847-397-3000.

NATHAN K. SNODGRASS
Vice-President & Chief Investment Officer

ITEM 2: Educational Background and Business Experience

Nathan K. Snodgrass (b. 1970) is a Vice-President and Chief Investment Officer for Evanston Investments, Inc. Mr. Snodgrass joined the firm in 1993 and has provided financial planning and investment advisory services to individuals and their closely held businesses.

A. EDUCATIONAL BACKGROUND

B.A. Marketing, North Park College	1993

B. BUSINESS BACKGROUND

Vice-President & Chief Investment Officer *Evanston Investments, Inc.*	1993–Present

C. PROFESSIONAL DESIGNATIONS - QUALIFICATIONS AND RELATED CRITERIA

D.1. CERTIFIED FINANCIAL PLANNER™ (CFP®) PROFESSIONAL

Individuals certified by CFP® Board have taken the step to demonstrate their professionalism by voluntarily submitting to the CFP® certification process that includes thorough education, examination, experience and ethical requirements. The CFP® is issued by the Certified Financial Planner Board of Standards, Inc. Prerequisites require a designee to hold a Bachelor's degree (or higher) from an accredited college or university as well as three years of full-time personal financial planning experience. In addition, candidates must complete a CFP-board registered program (or hold an accepted designation, degree or license) and take the CFP Certification examination. To maintain certification, the designee is required to complete 30 hours of continuing education every two years and continue to agree to be bound by the Standards of Professional Conduct.

D.2. CHARTERED FINANCIAL ANALYST® (CFA®)

The CFA® designation is an international professional certificate that is offered by the CFA Institute. Candidates that pursue the certification have in-depth knowledge of securities types and investment vehicles. In order to qualify for a CFA®, candidates must meet standards for examination, education, experience, and ethics. First, candidates must possess a bachelor's degree from an accredited school, or its equivalent. Second, candidates must have completed 48 months of qualified professional work experience, generally related to evaluating or applying financial, economic, and/or statistical data as part of the investment decision-making process involving securities or similar investment. Third, candidates must pass a series of three six-hour exams that covers ethics, quantitative methods, economics, corporate finance, financial reporting and analysis, security analysis, and portfolio management. Finally, candidates must meet and continue to adhere to a strict Code of Ethics and Stands governing their professional conduct, as reviewed by the CFA Institute.

ITEM 3: Disciplinary Information

Nathan Snodgrass does not have any disciplinary action to report. Public information concerning Mr. Snodgrass' registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

ITEM 4: Other Business Activities

There is nothing to report for this item.

ITEM 5: Additional Compensation

There is nothing to report for this item.

ITEM 6: Supervision

Supervision of Mr. Snodgrass is performed by himself in his capacity as Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Snodgrass can be reached at 847-397-3000.

MATTHEW J. TERRIEN
Senior Portfolio Manager

ITEM 2: Educational Background and Business Experience

Matthew J. Terrien (b. 1968) is a Portfolio Manager for Evanston Investments, Inc. Mr. Terrien joined the firm in 2011 and is part of the portfolio management team.

A. EDUCATIONAL BACKGROUND

B.A., Economics, University of Michigan 1990

B. BUSINESS BACKGROUND

Portfolio Manager 04/2011–Present
Evanston Investments, Inc.

Chief Quantitative Analyst 07/2007–03/2011
Persimmon Capital Management, Blue Bell, PA

Chief Quantitative Analyst 09/2004–05/2007
Element Asset Management, Westchester, PA

Research Integration Consultant 10/2001–08/2004
Chicago Investment Analytics, Chicago, IL

Vice-President/Due Diligence Manager 09/2000–05/2001
First Union Securities, Richmond, VA

C. PROFESSIONAL DESIGNATIONS - QUALIFICATIONS AND RELATED CRITERIA

D.1. CHARTERED FINANCIAL ANALYST® (CFA®)

The CFA® designation is an international professional certificate that is offered by the CFA Institute. Candidates that pursue the certification have in-depth knowledge of securities types and investment vehicles. In order to qualify for a CFA®, candidates must meet standards for examination, education, experience, and ethics. First, candidates must possess a bachelor's degree from an accredited school, or its equivalent. Second, candidates must have completed 48 months of qualified professional work experience, generally related to evaluating or applying financial, economic, and/or statistical data as part of the investment decision-making process involving securities or similar investment. Third, candidates must pass a series of three six-hour exams that covers ethics, quantitative methods, economics, corporate finance, financial reporting and analysis, security analysis, and portfolio management. Finally, candidates must meet and continue to adhere to a strict Code of Ethics and Stands governing their professional conduct, as reviewed by the CFA Institute.

ITEM 3: Disciplinary Information

Matthew Terrien does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

ITEM 4: Other Business Activities

There is nothing to report for this item.

ITEM 5: Additional Compensation

There is nothing to report for this item.

ITEM 6: Supervision

Supervision of Mr. Terrien is performed by Nathan K. Snodgrass, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Mr. Snodgrass can be reached at 847-397-3000.

DEBRA A. WEBBER
Senior Wealth Advisor

ITEM 2: Educational Background and Business Experience

Debra Webber (b. 1953) is a Senior Wealth Advisor with Evanston Investments, Inc.

A. EDUCATIONAL BACKGROUND

Bachelor of Arts, Wheaton College	1975
MBA, Harvard Business School	1980

B. BUSINESS BACKGROUND

Senior Wealth Advisor, *Evanston Investments, Inc.*	05/2009–Present
Financial Advisor, *UBS Financial Services Inc.*	10/2004–05/2009
Branch Manager, *Washington Mutual*	07/2003–10/2004
Partner, Digital Supply Chain *Management LLC*	06/2001–07/2003

C. PROFESSIONAL DESIGNATIONS - QUALIFICATIONS AND RELATED CRITERIA

D.1. CERTIFIED FINANCIAL PLANNER™ (CFP®) PROFESSIONAL

Individuals certified by CFP® Board have taken the step to demonstrate their professionalism by voluntarily submitting to the CFP® certification process that includes thorough education, examination, experience and ethical requirements. The CFP® is issued by the Certified Financial Planner Board of Standards, Inc. Prerequisites require a designee to hold a Bachelor's degree (or higher) from an accredited college or university as well as three years of full-time personal financial planning experience. In addition, candidates must complete a CFP-board registered program (or hold an accepted designation, degree or license) and take the CFP Certification examination. To maintain certification, the designee is required to complete 30 hours of continuing education every two years and continue to agree to be bound by the Standards of Professional Conduct.

ITEM 3: Disciplinary Information

Debra Webber does not have any disciplinary action to report. Public information concerning Ms. Webber's registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

ITEM 4: Other Business Activities

There is nothing to report for this item.

ITEM 5: Additional Compensation

There is nothing to report for this item.

ITEM 6: Supervision

Supervision of Ms. Webber is performed by Nathan Snodgrass, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Ms. Webber can be reached at 847-397-3000.

JEFFREY J. CISMOSKI
Wealth Advisor

ITEM 2: Educational Background and Business Experience

Jeffrey J. Cismoski (b. 1973) is a Wealth Advisor with Evanston Investments, Inc.

A. EDUCATIONAL BACKGROUND

BS Mechanical Engineering	1997

B. BUSINESS BACKGROUND

Wealth Advisor , *Evanston Advisors*	09/2013-Present
VP Business Development, *BryanMark Financial Group*	09/2010-09/2013
Operations Director, *Val-A Chicago, Inc.*	05/2003-09/2010
Various, *General Electric Co.*	06/1995-05/2003

C. PROFESSIONAL DESIGNATIONS - QUALIFICATIONS AND RELATED CRITERIA

D.1. CERTIFIED FINANCIAL PLANNER™ (CFP®) PROFESSIONAL

Individuals certified by CFP® Board have taken the step to demonstrate their professionalism by voluntarily submitting to the CFP® certification process that includes thorough education, examination, experience and ethical requirements. The CFP® is issued by the Certified Financial Planner Board of Standards, Inc. Prerequisites require a designee to hold a Bachelor's degree (or higher) from an accredited college or university as well as three years of full-time personal financial planning experience. In addition, candidates must complete a CFP-board registered program (or hold an accepted designation, degree or license) and take the CFP Certification examination. To maintain certification, the designee is required to complete 30 hours of continuing education every two years and continue to agree to be bound by the Standards of Professional Conduct.

D.2. CERTIFIED PRIVATE WEALTH ADVISOR® (CPWA®)

The CPWA designation signifies that an individual has met initial and on-going experience, ethical, education, and examination requirements for the professional designation, which is centered on private wealth management topics and strategies for high-net-worth clients. Prerequisites for the CPWA designation are: a Bachelor's degree from an accredited college or university or one of the following designations or licenses: CIMA®, CIMC ®, CFA®, CFP®, ChFC®, or CPA license; have an acceptable regulatory history as evidenced by FINRA Form U-4 or other regulatory requirements and five years of experience in financial services or delivering services to high-net-worth clients. CPWA designees have completed a rigorous educational process that includes executive education requirements and successful completion of a comprehensive examination. CPWA designees are required to adhere to the Investments & Wealth Institute Code of Professional Responsibility and Rules and Guidelines for Use of the Marks. CPWA designees must report 40 hours of continuing education credits, including two ethics hours, every two years to maintain the certification. The designation is administered through the Investments & Wealth Institute.

ITEM 3: Disciplinary Information

Jeffrey Cismoski does not have any disciplinary action to report. Public information concerning his registration as an investment advisor representative may be found by accessing the SEC's public disclosure site at www.adviserinfo.sec.gov.

ITEM 4: Other Business Activities

Jeffrey Cismoski owns V1 Enterprises, LLC a business consulting entity.

ITEM 5: Additional Compensation

Jeffrey Cismoski receives additional compensation through his business activity described in Item 4 above.

ITEM 6: Supervision

Supervision of Jeffrey Cismoski is performed by Nathan Snodgrass, Chief Compliance Officer, through reviews of internal transaction and security holdings reports, electronic and physical correspondence, and other internal reports as mandated by the firm and its regulatory authorities. Nathan Snodgrass can be reached at 847-397-3000.

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Advice matters.