



ADV Part 2A, Firm Brochure

James Langabeer – Principal and Managing Director

<https://ywealthadvisors.com>

info@ywealthadvisors.com

713.742.2730

Mailing Address

2503 Robinhood Street, Suite 160, Houston, Texas 77005

September 24, 2024

Form ADV Part 2, our "Disclosure Brochure" or the "Brochure," is required by the Investment Advisers Act of 1940, and this brochure includes important information about the qualifications, services and business practices of Yellowstone Wealth Advisors ("Yellowstone, YWA, Firm, us, we, or our").

If you have any questions about the contents of this Brochure, please contact us at 713-742-2730 or info@ywealthadvisors.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about Yellowstone Wealth Advisors also is available at www.adviserinfo.sec.gov.

Yellowstone Wealth Advisors LLC is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Item 2 – Material Changes

Since the registrant's most recent annual filing in January 2024, this Brochure has been amended to include:

- Addition of a new state (New Mexico)
- Change of address

Item 3-Table of Contents

Item 2 – Material Changes	2
Item 3-Table of Contents	2
Item 4 – Advisory Business	3
a. Description of Firm	3
b. Types of Services Offered.....	4
c. Tailored Services	6
d. Wrap fee programs	6
e. Assets Under Management	6
Item 5 – Fees and Compensation	6
Item 6 – Performance Based Fees and Side-by-Side Management	8
Item 7 – Types of Clients	8
Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss	8
Item 9 – Disciplinary Information	9
Item 10 – Other Financial Industry Activities and Affiliations.....	10
Item 11 – Code of Ethics.....	10
a. Code of Ethics.	10
b. Related Party Transactions	10
Item 12 – Brokerage Practices	11

a. Selection of Custodian and Broker-Dealers	11
b. Research and Soft-Dollar Benefits	11
c. Brokerage for Client Referrals.....	11
d. Custodian	11
e. Aggregation of Orders	12
Item 13 – Review of Accounts	12
Item 14 – Client Referrals and Other Compensation	12
Item 15 – Custody	12
Item 16 – Investment Discretion.....	13
Item 17 – Voting Client Securities	13
Item 18 – Financial Information	13
Item 19 – Requirements for State-Registered Advisers	13

Item 4 – Advisory Business

a. Description of Firm

Yellowstone Wealth Advisors ("YWA" or the "Firm") is an independent, fee-only, fiduciary, registered investment adviser that delivers custom and comprehensive financial planning and advisory services for individuals, entrepreneurs, and small businesses. YWA is a Texas limited liability company (LLC), started in 2021. YWA is owned by James R. Langabeer, II. He holds multiple advanced financial designations, including the Chartered Financial Consultant®, Certified Fraud Examiner, and Certified Management Accountant. He earned a PhD in Business Administration concentrating in management science at the University of Lancaster in England (one of the top 100 global business schools), a Master of Business Administration (MBA) degree in Finance from Baylor University, and a graduate Certificate in Financial Planning from Boston University. He also holds the Behavioral Financial Advisor designation (BFA™). He has served as a company controller, executive of multiple small businesses, and a university professor before becoming a financial advisor. The firm's values are rooted in disciplined and consistent financial decision making over a long-term horizon.

YWA's investment and client advisory team provides depth of experience in planning,

investment and financial analyses, and wealth management. Through either videoconferencing or in-person meetings, we meet with clients across our covered regions for financial planning and investment advising. We provide financial coaching anywhere in the United States.

As a fiduciary to our clients, your goals are our priority. We are a fee-only provider of comprehensive financial planning and consulting, and specialize in holistic, client-centered financial planning for retirement, education, estates, and other life goals. We do not make recommendations that are inconsistent with our values, and we do not sell insurance products. Our investment advice will be focused on long-term diversified portfolios of mutual funds from a variety of investment companies, based solely on the client's preferences, risk tolerance, needs, and goals. We provide clients with comprehensive financial planning outlined by financial planning standards, which includes everything from running a business, to planning for your child's education, to preparing for eventual retirement or estate needs.

b. Types of Services Offered

We offer three types of services: Comprehensive Financial Planning, Financial Coaching and Consulting, and Investment Services.

1. **Comprehensive Financial Planning:** Comprehensive Financial Planning include the initial development of a personal financial plan, based on the client's goals, objectives, time horizon, risk preferences, and needs. We begin with gathering data, analyzing cash and balance sheets, and we end up formulating written recommendations (the "plan"). Services consist of 1) a one-time planning fee, 2) hourly fees for all work conducted on the plan, and/or 3) a routine, ongoing subscription fee. These services address the holistic needs and goals for a client. As part of the planning process, we meet with clients to discuss the details of their financial situation, present recommendations to assist the client in achieving their goals, and we help with implementing the recommendations. The scope selected is defined in advance and agreed upon between the Firm and the client in writing. We discuss cash flow management, debt management, investment asset mix, tax planning, and estate planning. The clients who engage us in planning will be expected to sign a financial planning agreement, while clients who desire additional monitoring and investment advice will sign our investment advisory agreement. Fees are defined in Item 5: Fees and Compensation.

Both the financial planning agreement and the investment advisory agreement set forth a) the terms and condition of the engagement, including terminations, b) the scope of services to be provided, and c) outline the fees that are due. While YWA will work on issues related to tax and estate, we are not CPA's or estate attorneys, and the client is advised to consult those professionals if necessary.

2. **Investment Advisory Services:** Yellowstone Wealth Advisors LLC offers investment advice and wealth management services including both discretionary and non-discretionary advisory services. one of our independent custodians. Our investment style seeks alignment with our clients, and we involve them in the process. We utilize a participatory decision-making approach, where we will ask you to review and approve our recommendations during the initial portfolio selection. With any new or subsequent deposits into the account, we will continue to invest on a discretionary basis into the funds we originally agreed upon. These investment recommendations are based on your goals and objectives, tolerance for risk, needs, and other circumstances. These then inform our recommendations for target asset allocation. We currently utilize two different leading custodians, which will hold your investments (Schwab and Altruist Financial LLC). We start by using an Investment Policy Statement to understand your preferences and tailor investment recommendations based on a long-term, diversified portfolio approach, and will recommend investments in traditional securities such as mutual funds, exchange-traded funds (ETFs), equities, bonds, and cash instruments. We do not typically invest in any non-traditional investment classes, such as hedge funds or crypto currency. With our approach, we will together review asset recommendations and then help implement recommendations. YWA will provide ongoing and continuous guidance, as well as account management, as defined by our written engagement agreement with clients.
3. **Financial Coaching and Consulting:** For select individuals and small, we will provide fee-based financial and money coaching, and financial consulting. Examples include helping individuals create budget or debt plans, or helping small businesses analyze their cash flows. We also offer daily money management services for those who need support with the daily activities, such as: reviewing bills, paying monthly invoices, providing budgets and cash management advice, notary services, and other daily financial matters for people who lack time for these activities. These services are priced on hourly rates, covered in Item 5 below.

c. Tailored Services

We tailor our services to the needs of each client. While some clients may have a need for investment recommendations, some might only need a financial plan or financial coaching. We will work with each client prior to the engagement to outline the precise scope and services to be provided.

d. Wrap fee programs

We do not provide wrap-fee services or programs.

e. Assets Under Management

As of December 31, 2023, we had \$4,400,000 in assets under management including clients, friends, personal, and family funds.

Item 5 – Fees and Compensation

We are required to disclose our fees for advisory services. Prior to engaging in providing services, the client and the firm will engage in a written agreement (either a financial planning agreement or an investment advisory agreement) for services to be signed by both parties. This agreement will disclose the specific scope, terms and conditions, and specific fees of the engagement. Any changes to this agreement will require revision to that agreement. The client-specific agreement will provide the actual terms, scope, and schedule of fees for each client.

Comprehensive Financial Planning:

- **Hourly Basis:** Clients engaged with us in financial planning can work with us on an hourly basis if necessary. The current rate is \$350 per planner-hour, including both meeting and preparation time. Fees will be due in advance of the meeting, as set forth in the written agreement between the Client and the Firm.
- **Subscription or Fixed Project fee:** Clients may opt for a subscription model or a flat one-time planning fee. The initial, one-time planning fee will start at \$5,000 depending on complexity. For annual subscription fees, these fees will be due monthly and start at \$1,000, billed quarterly although the price will vary based on overall scope and client complexity.

Investment Management Services:

- The client can engage us to provide discretionary or non-discretionary investment

advisory services on a fee-only basis. Fees are billed quarterly, in arrears, based on the value of the account on the last business day of the quarter. Our annual investment advisory services will be paid on a flat percentage (%) of the market value of assets placed under management (AUM).

- The fee is **1.0%** for all assets under management. Fees will be deducted from custodial account balances automatically by the custodian on a monthly or quarterly basis, in arrears.
 - *Example 1: An account valued at \$1,000,000 on December 31, would pay an annual fee of 1.00%, quarterly, calculated as follows: $1,000,000 \times 1.00\% \times \text{total days in past quarter} / \text{total days in year}$.*

Financial Coaching and Consulting:

- *YWA charges \$250 per hour for coaching and consulting, depending on client size and complexity, for services to individuals or businesses that are beyond the scope of services provided above. These fees are negotiable; however, clients will be invoiced as services are rendered and invoices are payable upon receipt.*

a. How Clients are Billed

- Upon signing the Agreement, clients will be invoiced, and invoices are payable upon receipt by one of our accepted payment methods. For large planning projects, payment can be divided between an initial deposit and a second payment at completion. If the client opts for an annual subscription fee is due monthly after the Advisory Agreement has been executed. For investment management, clients are billed and fees deducted in arrears quarterly.

b. Other Fees and Expenses

Clients should be aware that they will be responsible for all fees imposed by the custodian for trading and other related costs, which can include but not be limited to brokerage fees and commissions, mutual fund fees and loads, application fees, transaction costs, custodian fees, transfer fees, redemption fees on short-term investments, cashiering fees and/or taxes or penalties levied by governmental authorities. It is important to note that all fees charged to a client's account lowers the overall performance and returns of the account. Please review all fees and expenses related to your accounts.

c. Termination of Services

The initial planning fees per hour or project are non-refundable. Clients pay fees quarterly

retrospectively, however upon terminating the agreement the client will cease to be billed on the last day of the month of termination, or the month of last payment by client. If clients do have a credit balance (for other services rendered) they will receive a refund for unearned fees upon termination. We will use a pro-rata basis for determining the amount of the refund, based on the number of weeks expired in the current quarter (for example, 3 weeks into a 12-week quarter would result in a refund of 75% of the deposit). In the event client decides to terminate investment advisory services, you need to contact us in writing and state you wish to terminate our services. Upon receipt of this letter, we will start the process to close your account. All fees earned until account closure will be billed through that closure date.

d. No Compensation for Sale of Securities

YWA does not receive any compensation for the sale or disposition of any client assets. Financial planning clients can implement any recommendations provided by the firm with any brokerage company. Please see Item 12 of this brochure for additional information.

Item 6 – Performance Based Fees and Side-by-Side Management

YWA does not charge performance-based fees nor have any side-by-side arrangements.

Item 7 – Types of Clients

YWA provides financial planning, investment advisory, financial consulting, and coaching to a wide variety of clients, including:

- Individuals
- Entrepreneurs and small businesses
- Corporations or other business entities

We currently do not have a minimum portfolio or account size for our clients.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

a. Methods of Analysis

For investment services, YWA uses screening and research tools to analyze and evaluate historical returns of potential investments. We use various financial databases to screen publicly traded companies to identify a smaller universe of candidates that meet our criteria for growth, value and income (dividends). We also rely on tools including Bloomberg and Morningstar Investor for investment ratings research, as well as SEC filings, or company financial statements to assist with our analysis.

b. Investment Strategies

We primarily practice passive investment management, building diversified portfolios that are largely indexed to the market overall. These include larger index funds, or highly rated 4- and 5-star Morningstar funds. The primary investment strategy used to implement any investment advice is based on diversification and asset allocation with a long-term perspective. We will recommend strategies based on client goals and preferences. Our approach is generally conservative and focused on long-term performance. Passive investment is characterized by lower portfolio expenses, due to infrequent trading and turnover. Most academic research suggests that active managers tend to underperform the market. Our investment selection process for fixed-income securities is based on the specific client's liquidity goals plus our view of the interest rate environment. This method of analysis is subject to market risks, defined below

c. Risks of Material Loss

Investing in any and all securities involves a risk of loss. Clients should be prepared for these losses. Over time, multiple risks arise, such as the risk that interest rates will rise or fall (interest rate risk), or that the stock market could decline significantly (market risk or systematic risk). This risk includes the potential loss of the amount you invested plus any profits which you have not yet realized. Markets can be volatile and prices of stocks, bonds, commodities and other investments can fluctuate substantially over time. Liquidity risk is also important, since this might reduce the amount of liquid assets available to you. Strategy risk, where the investment strategies chosen for you, may not work as intended. Other factors such as economic and political events, inflation, or legislative risks also can affect the performance of your investments. There is no guarantee that you will not lose money or that you will meet your investment objectives. We encourage you to discuss any questions with us that may arise regarding our investment policies and philosophy, as well as your portfolio throughout the course of our relationship. Any investments could decrease in value as a result of the following events: market risks, interest rate risks, event risk (such as an adverse event impacting a company or a country), declines in liquidity (or solvency), domestic or foreign acts of terrorism, credit risk, and many others. Please carefully consider all risks before making investment decisions. Also, historical/past performance is not a guarantee of future performance.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all legal or disciplinary events that

are material to a client's evaluation of the firm or the integrity of its management. YWA has not been the subject of any disciplinary action.

Item 10 – Other Financial Industry Activities and Affiliations

YWA is not affiliated with any broker-dealer, futures commission merchants, commodity pool operator, or any other industry activity or affiliation. YWA does not receive compensation directly or indirectly from other advisers that creates a material conflict of interest, nor does it have other business relationships with advisers or partners that would create a material conflict of interest.

Item 11 – Code of Ethics

Under the Advisers Act (Rule 204A-1 of the Investment Advisers Act of 1940), investment advisers are required establish, maintain and enforce a Code of Ethics. YWA maintains an investment policy that is part of our overall Code of Ethics. We also maintain and enforce written policies reasonably designed to prevent the misuse of material and non-public information by YWA. Additionally, advisers must adopt and implement policies and procedures to prevent the misuse of material non-public information. Most importantly, advisers have a fiduciary duty under the Advisers Act, to act in the best interest of each client.

a. Code of Ethics.

Yellowstone Wealth Advisors employees are subject to our YWA Code of Ethics. A copy of our firm's code of ethics will be available upon request to any client or prospective client upon request. This Code ensures the firm's employees uphold fiduciary standards for all our clients, placing client interests above all other considerations. Our Code embraces Integrity, Objectivity, Confidentiality, Competence, and Diligence. Violation of any of these would be grounds for dismissal from our firm. YWA's Code of Ethics also sets policies and procedures regarding personal securities transactions. We carefully monitor our firm's transactions and require disclosure and management of any conflicts of interests that may arise. The Managing Director is responsible for oversight and compliance of the firm.

b. Related Party Transactions

As an independent fiduciary, we do not buy securities from, or sell securities to, our clients. We do not engage in "principal transactions" between advisors and clients. We also do not sell any securities directly or indirectly to clients, although we may have some of the same investments as what we recommend to clients. YWA is not a registered broker-dealer, nor do

we have an affiliated broker-dealer. Accordingly, we never engage in agency "cross trades" between clients. As a fiduciary, the client's best interests are at the center of all transactions. More information can be found by contacting our principal at the email address on the over page.

Item 12 – Brokerage Practices

We have a fiduciary responsibility to our clients. Our initial recommendations are reviewed and approved by clients, and then subsequent trades are typically made in active participation with the client if they involve changing investment types. We do not maintain an investment committee and the Founder/Managing Director performs investment research on all assets recommend to clients.

a. Selection of Custodian and Broker-Dealers

The Firm's Managing Director is responsible for identifying and recommending broker-dealers for clients in executing trades for client accounts, if they do not currently have one. The factors involved in the selection process include overall financial condition of the custodial BD; length of time in business; reputation; ease of access and use; and availability of a full range of investment services. The managing director is responsible for periodically conducting a formal review of the Firm's relationships.

b. Research and Soft-Dollar Benefits

We have any arrangements to receive soft dollar benefits in connection with client securities transactions.

c. Brokerage for Client Referrals

We do not have any arrangements to receive client referrals from any broker- dealer or third party. We do not give or receive economic benefits for referring or referred clients.

d. Custodian

Assets will be maintained in a "qualified custodian". Clients are always free to use their own custodians but may not direct us to use a specific different custodian or broker-dealer to execute transactions. We recommend multiple custodians to our investment advisory clients, based on what best suits the client's needs. We current recommend Charles Schwab and Altruist LLC as custodians for client accounts. Schwab is one of the largest custodians, and provides a full range of brokerage, banking and financial advisory services. Altruist LLC is an

unaffiliated SEC-registered broker dealer and FINRA/SIPC member and the introducing broker to Apex Clearing Corporation. YWA does not receive any research or other soft-dollar benefit by nature of the relationship with either firm, or do they receive any referrals in exchange. Clients who are financial planning only are free to use existing relationships with other large national brokers, such as Fidelity Investments or Vanguard.

e. Aggregation of Orders

We do not aggregate orders among our client portfolios. Our recommendations are based on each unique client's specific goals and requirements and investment recommendations are on a per-account basis. There could be a cost to clients for not aggregating, which could result in higher prices on a per-share basis.

Item 13 – Review of Accounts

- a. All client's accounts that are managed are reviewed quarterly, as well as on a less than periodic basis as the market conditions change.
- b. Triggers that might cause a review would include substantial change in investment balances via deposits or withdrawals, or changes in the client's financial situation. All accounts are reviewed by the financial advisor.
- c. Reports are provided quarterly to clients with assets under management, directly by the custodian. Fees are withdrawn from those custodial balances. We do not send separate reports to our clients. All clients are advised that it remains their responsibility to advise us of any changes in their financial situation, investment objectives, or financial goals.
- d. Investment advisory clients are provided, at least quarterly, with electronic or written transaction confirmation notices and regular electronic or written summary account statements directly from the custodian.

Item 14 – Client Referrals and Other Compensation

We do not receive an economic benefit from any non-clients for providing investment or planning advice. We do not pay referral fees for client referrals. We may however participate in lead generation programs.

Item 15 – Custody

YWA does not hold constructive custody of any accounts, except for the limited instance of withdrawing client fees. All client funds and deposits are made and held in one of our custodial

partners directly. Fees will be paid monthly or quarterly retrospectively by directly deducting any fees from client's accounts. Clients will receive quarterly statements direct from the custodian and these reports should be reviewed by client's carefully to ensure no discrepancies or errors are made.

Item 16 – Investment Discretion

For those clients we provide investment management services, we typically maintain discretion over client accounts with respect to securities to be bought and sold, and the timing of these transactions. Investment discretion is explained to clients in detail when an advisory relationship has commenced. A client may place limits on this discretion, or we can use a non-discretionary approach. YWA actively engage clients in portfolio selection based on our recommendations. Our research involves examining historical and current performance and identifying the optimal mix of assets. All initial portfolio recommendations are shared with clients for their review prior to execution.

Item 17 – Voting Client Securities

YWA does not have the authority to vote client securities. Our policy is to not vote any proxies on behalf of its clients and therefore, we have no obligation to take any action or render any specific advice. Clients retain all responsibility for receiving and voting all proxies for securities held within their account. We may answer client questions regarding proxy matters however, but final authority rests with the client.

Item 18 – Financial Information

- a. We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in prepaid investment advisory fees per client, six or more months in advance
- b. YWA attests that our Firm is financially sound and does not have any financial condition that would impair its ability to meet contractual or fiduciary commitments to clients.
- c. YWA has not been the subject of any bankruptcy proceedings.

Item 19 – Requirements for State-Registered Advisers

Information about the background and experience of our Firm's Founder and Managing Director is provided under Item 4.

James Langabeer, PhD, MBA, CMA, ChFC® holds advanced business degrees from leading universities, has multiple financial certifications and designations. More complete information

about his background can be found on our website.

Educational Background:

2009 – PhD, Quantitative Management (Management Sciences), The University of Lancaster (England)

1992 – Baylor University, MBA in Finance, Baylor University (Texas)

1991 – The University of Texas at San Antonio, Bachelor of Business Administration

Professional Experience

2021 – present, Managing Director, Yellowstone Wealth Advisors LLC

2007 – present, Professor and Executive Director – UTHealth Houston

2004 – 2007, Deputy Controller, MD Anderson Cancer Center

1999 – 2004, Chief Operating Officer and Executive VP, Demantra Inc.

Professional Designations

2021 – Chartered Financial Consultant (ChFC®)

2023 – Certified Fraud Examiner

2009 – Certified Management Accountant

We do not utilize performance-based fees.

YWA or the Principal have never been the subject of any liability claims or proceedings. We do not have any other non-disclosed relationships with any issuer of securities.

YWA is not compensated by performance-based fees. No management person has been involved in an arbitration claim of any kind, or found liable in civil, self-regulatory, or administrative proceedings.

James Langabeer, as Managing Director of YWA, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.