



FEBRUARY 17, 2026

Form ADV Part 2A

COMPANY BROCHURE

This brochure provides information about the qualifications and business practices of Addis Hill. If you have any questions about the contents of this brochure, please contact us at 610.688.9500 or AddisHill@AddisHill.com.

Additional information about Addis Hill is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Addis Hill is 117495. 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.

Addis Hill is a registered investment adviser. Please note that the use of that term "registered investment adviser" and a description of the firm and /or our employees as "registered" does not imply a certain level of skill or training.

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AddisHill.com
IARD/CRD No.117495

Item 2: Material Changes

Since the last annual updating amendment, dated February 2025, the following material changes have occurred:

Items 12 & 14 – We have added additional benefits to us from Charles Schwab.

Please note, this section only discusses changes we consider material, and not all changes made.

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Item 4: Advisory Business

Owners

Addis & Hill, Inc. (herein after called Addis Hill) has been in business since March 2000 and is registered with the state of Pennsylvania as a S Corporation and is registered as an investment adviser with the U.S. Securities and Exchange Commission (SEC). Kent R. Addis, Jr., is a sixty percent (60%) shareholder and Justin J. Hill is a forty percent (40%) shareholder.

Firm Description

In 2000, Addis Hill was founded to provide fee-only personal financial planning and investment management services to individuals and families. Addis Hill is not controlled by any other firm, producer's group, insurance company, or financial organization of any kind. As a result, the potential for conflicts of interest is diminished. Addis Hill is guided by a fiduciary oath and fiduciary standards as a member of NAPFA – The National Association of Personal Financial Advisors and The Institute for the Fiduciary Standard.

Addis Hill's advisory business is comprised of two parts: Financial Planning and Investment Management. Addis Hill furnishes its advice through analysis and consultations.

Addis Hill continually integrates innovative processes, technology, and tools into its planning process. In addition, the firm collaborates with outside professionals such as insurance professionals, accountants, and attorneys to reduce risk and solve the challenges facing clients.

Financial Planning

Addis Hill defines financial planning as an active process designed to provide comprehensive services such as risk management, asset allocation, tax mitigation, investment planning, insurance analysis, scenario planning, Social Security, pension planning, and more to its clients. Addis Hill begins each relationship working under a Limited Scope Agreement. A discovery meeting is held to gather relevant information about our client so we can learn as much as possible. Specific documents are collected by Addis Hill, and all the data is imputed into planning software, both proprietary and purchased. A debriefing meeting is held with our client to relay what has been learned, what has been identified as challenges and opportunities, and to discuss optimal implementation strategies. A decision to hire Addis Hill for on-going asset management and financial planning services is made by both parties at this juncture.

Investment Management

Portfolio optimization is a data-driven approach to analyzing investments to eliminate investor emotion and reliance on past performance when making investment decisions. The process is a repeatable set of rules to reallocate periodically and take the subjectivity out of choosing and sizing investments.

The goal is to minimize a portfolio's overall volatility and potentially reduce protracted portfolio drawdowns. As a result, by controlling risk at the asset, sector, and security level, one can potentially increase the probability of achieving long-term financial objectives more consistently.



Addis Hill manages client assets on a discretionary basis. As of December 31, 2025, Addis Hill's assets under management were approximately \$253,958,290 on a discretionary basis. Addis Hill charges a fee based on a percentage of assets for on-going portfolio management and financial advisory services.

Discretionary assets under management of Addis Hill are invested in exchange-traded funds and individual bonds in companies such as iShares, Vanguard, State Street, Performance Trust and more. Addis Hill does not act as a custodian of client assets. Client assets are custodied at Schwab, Altruist, TIAA and Transamerica for fee-only annuity contracts.

Item 5: Fees and Compensation

Addis Hill derives approximately ninety-eight (99%) percent of its advisory billings from assets under management.

Fee Schedules

A one-time fee of \$900, under a Limited Scope Agreement, will determine if there is an opportunity for Addis Hill to provide ongoing investment management and advisory services.

Ongoing Advisory Fee and Investment Management Fee Schedule:

Annual advisory fee ranges from a quarter of a percent (0.25%) to one and a quarter percent (1.25%) annually depending on the amount of assets that are managed by Addis Hill. These assets are placed in one or more of our managed ETF customized portfolios under our discretionary asset management service. One-twelfth of the annual fee will be billed monthly in advance. The monthly fee is based on the account value on the last calendar day of the prior month. The fee will be paid directly to Addis Hill from the accounts held by the custodian. Partial month fees at the beginning or end of an advisory relationship will be prorated based on the current month. The asset-based fee will cover on-going comprehensive financial planning and investment management services. Addis Hill's minimum annual fee is \$5000. All fees will be disclosed up front.

The above fees are negotiable.

Advisory Billing Calculation:

The monthly fee rate is one-twelfth (1/12) of the annual fee. This is an illustrative example of the calculation performed each month.

Account Value:	\$1,500,000
Annual Advisory Fee:	0.75%
Calculation:	$\$1,500,000 \times 0.75\% = \$11,250$ $\$11,250 / 12 = \937 monthly fee

Other Fees

Addis Hill will employ the assistance of sub-advisors for the management of specific portions of the client's portfolios. Clients are made aware of the use of sub-advisors prior to any implementation of investments. The sub-advisory relationships are as follows:

Performance Trust Capital Partners, Inc. (CRD# 107619) – 0.10% to 0.15% one- time fee on initial bond



purchase.

The combination of Addis Hill and sub-advisory fees will not exceed the industry excessive fee standard of three percent (3%). Custodians may charge transaction fees on purchases or sales of Exchange Traded Funds, Stocks, Bonds, Master Limited Partnerships, and Mutual Funds. In addition, there are operating expense charges that are part of the operating expense ratio found in the fund's prospectus. These fees are assessed in addition and independent of the fees paid to Addis Hill. Addis Hill does not receive any part of these fees.

Addis Hill fees are paid directly from the client's portfolio accounts, and those fees are administered through Schwab, Altruist, Transamerica and TIAA for fee-only annuity products. Addis Hill is a fee-only firm that neither sells insurance products nor receives sales commissions in any form.

Termination of Account

Since fees are collected on a monthly basis, in advance. Addis Hill will refund a prorated portion of the current monthly fee to the client based on the number of days remaining in the current month if a client or Addis Hill terminates its relationship. In addition, there can be small administration fees charged by custodians for accounts transferring, independent of Addis Hill. Addis Hill does not receive any part of these termination fees.

Addis Hill hereby retains the express right for whatever reason, to terminate the advisory relationship. However, the client shall have the same express right for whatever reason, to terminate its relationship with Addis Hill without penalty.

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

Addis Hill does not use a performance-based fee structure and side-by-side management because of the potential conflict of interest. No fee is ever based upon capital gains or capital appreciation of assets.

Item 7: Types of Clients

Addis Hill provides investment advice mostly to individuals, as well as to trusts. Although there are no required account minimums, clients typically have investible assets between \$1,500,000 and \$20,000,000 and a net worth up to \$25,000,000.

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

General Investment Philosophy and Objectives

Consistent with Addis Hill philosophy and with the client's respective investment styles and philosophies, Addis Hill should make every effort to preserve capital and protect the real value of the assets. It is understood that losses may occur, but that risk and losses will be considered at the aggregate portfolio level. Addis Hill should adhere to the investment management styles for which they were hired and make reasonable efforts to control risk, recognizing that some risk is necessary to produce long-term results that are sufficient to meet the investment objectives. Financial markets do fluctuate and there is no guarantee that a certain return will be met. Past performance is not a guarantee of future results.



The asset class risk and return assumptions are based on various factors including historical data, market valuations, economic expectations, market capitalizations, and financial modeling. The assumptions are long-term in nature and are intended to be a reasonable approximation for a wide range of return behavior that asset classes can potentially exhibit through uncertain market conditions. The asset class assumptions are then combined in a manner consistent with the weightings of this investment strategy to produce a range of possible returns for the time periods indicated.

Addis Hill believes that asset allocation – the overall mix of asset types within your portfolio – is an extremely important factor in any portfolio's behavior. There are many types of assets and many ways to define asset categories. In basic terms though, most asset categories either: (1) entitle you to some form of equity ownership; (2) provide an income stream in return for the use of your money; or (3) are a combination of (1) and (2).

Risk Profile

Investing involves elements of risk, whether that risk is loss of dollars invested or erosion of the value of wealth due to inflation or spending. In constructing an investment plan, Addis Hill considers the willingness for clients to assume risk and performs a subjective and financial plan appraisal of the client's capacity to assume investment risk.

Addis Hill's clients risk level and subsequently their portfolio's equity/fixed income ratio are determined through conversations held with the client and discussions about the risk needed or desired to accommodate the financial plan. In addition, we test the risk level in the client's financial plan to determine the minimum risk level to achieve the desired result. A client may assume more or less risk than a plan supports.

Constraints

Income Needs & Time Horizon

Financial goals are defined in terms of the money that clients require on specific dates in the future. These can be in the form of monthly or annual needs, one-time lump sum distributions, or cash reserves for emergency needs. Addis Hill considers these expected income needs and incorporates them into the client's overall investment allocations. Any unexpected income needs will be dealt with carefully.

Taxes

When investment recommendations are implemented in non-qualified taxable accounts, there may be tax costs. The impact of taxation will be considered by providing any investment recommendations, purchases, or sales. Tax considerations fall into three areas: Tax Location, Withdrawal Order, and Wash Sale Rules. Tax Location management evaluates where the best location for a security, with or without dividends/capital gains and other behaviors is to be placed. Withdrawal Order considers the cost basis and security lots when selling a security to lessen the tax liability. Wash Sale Rule considers a similar alternate security to buy into, when selling a security to capture any gains or losses, to keep from being out of the market.



Item 9: Disciplinary Information

There are no legal or disciplinary actions involved with either Addis Hill as an entity or Kent R. Addis, Jr. and Justin J. Hill as individuals. There are no material facts to disclose regarding any legal or disciplinary events. In addition, its employees have not been involved in any legal or disciplinary events related to past or present activities.

Item 10: Other Financial Industry Activities and Affiliations

Addis Hill utilizes Performance Trust Capital Partners, Inc. for individual bonds as a sub-advisor. Prior to utilizing a sub-advisor, Addis Hill will determine if the firm is properly licensed, notices filed or exempt.

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

Code of Ethics

Addis Hill has adopted a written Code of Ethics in accordance with SEC Rule 204A-1 which has been adopted by the state regulators. Such Code of Ethics outlines various professional responsibilities imposed upon the principals and employees of Addis Hill, including, but not limited to ethical issues concerning personal securities trading. A true and correct copy of the firm's Code of Ethics is available to clients and prospective clients upon request.

Investment Advice Relating to Retirement Accounts

When Addis Hill provides investment advice in a retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title 1 of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way advisors make money can create some conflicts of interest. We operate under a special rule that requires us to act in your best interests and not put our interests ahead of yours.

Under this special rule's provisions, we must:

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

Kent R. Addis, Jr. is a member of NAPFA – The National Association of Personal Financial Advisors. As a member, Kent has committed to a code of ethics and Fiduciary Oath surrounding objectivity, confidentiality, competence, suitability, disclosure, and professionalism.



Addis Hill, the Registrant, has voluntarily subscribed to the “Best Practices for Financial Advisors” published by The Institute for the Fiduciary Standard. The Best Practices offer a code of conduct and outline a commitment to clients for subscribing financial advisors. They seek to clearly articulate what a client can expect to receive from a subscribing financial advisor. These Best Practices do not replace our regulatory compliance obligations or duties to clients under relevant laws, rules, or regulations. The Institute for the Fiduciary Standard’s role is limited to publishing best practices as well as maintaining a corresponding register of subscribing financial advisors. You can find a complete list of the Best Practices on our website at AddisHill.com or TheFiduciaryInstitute.org.

Insider Trading

Addis Hill is in complete compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, Addis Hill has adopted a firm wide policy statement outlining insider trading compliance including associated persons and other employees. This statement is distributed to all associated persons and employees of Addis Hill and is signed and dated by each such person annually.

Supervisory Procedures

Addis Hill has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the firm-wide policy. These materials are also distributed to all associated persons and employees of Addis Hill, and are signed, dated and filed with the insider trading compliance materials. There are provisions adopted for (1) restricting access to files, (2) providing continuing education, (3) restricting and/or monitoring trading on those securities of which Addis Hill’s employees may have non-public information, (4) requiring all of Addis Hill’s employees to conduct their trading through a specified broker or reporting all transactions promptly to Addis Hill, and (5) monitoring the securities trading of the firm and its employees and associated persons. Addis Hill or individuals associated with Addis Hill may buy or sell securities identical to those recommended to clients for their personal accounts.

Justin Hill is acting Chief Compliance Officer of Addis Hill. Mr. Hill reviews all the activity in the personal trading accounts of Addis Hill’s employees on a quarterly basis. The personal trades in nature are not significant enough to affect any of the securities markets. In addition, Addis Hill has a retainer relationship with Financial Planners Assistance Corporation to counsel on the changing securities regulations and annual responsibilities to be in compliance with all regulations.

Item 12: Brokerage Practices

Addis Hill is an independent fee-only firm that does not have any affiliation with product sales firms. Addis Hill has the authority, without first obtaining specific client consent, to determine the securities to be bought or sold, the amount of the securities to be bought or sold, and the custodian to be used. The selection of a custodian shall be based on reputation in the industry, financial integrity, best execution of orders, proven track record and input from colleagues.

The firm is in compliance with SEC Regulation S-P (Privacy) and SEC Release No. 34-23170 (Best Execution). The firm receives certain benefits as a result of the association with the qualified custodial firm such as research, administrative and brokerage services. However, our utilization of a custodian is for the primary purpose of trade execution and safekeeping of client accounts.

Again, Addis Hill does not receive any portion of the trading fees or custodial fees.



Charles Schwab brokerage practices disclosure

Addis Hill does not maintain custody of your assets that we manage, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We require that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. We recommend that you use Schwab as a custodian by entering into an account agreement directly with them. Any conflicts of interest associated with this arrangement are described below as well as in Item 14.

We use Schwab, a custodian, to hold your assets and execute most transactions. When considering whether the services that Schwab provides are, overall, most advantageous to you when compared with other available custodians and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.) Breadth of available investment products (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 the prices
- Reputation, financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab
- Availability of other products and services that benefit us, as discussed below (see "Products and services available to us from Schwab")

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Also, Schwab is compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. In addition to asset-based fees, Schwab charges you a fee for "prime broker" or "trade away" services for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account.

We are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above.

Schwab Advisor Services™ is Schwab's business serving independent investment advisory firms like us. They



provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us.

Services that benefit you

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Schwab has also agreed to pay for certain technology, research, marketing, and compliance consulting products and services on our behalf. These services are not contingent upon us committing any specific amount of business to Schwab. The availability of these services from Schwab benefits us because we do not have to produce or purchase them and we do not have to pay for these additional service. We believe, however, that taken in the aggregate our recommendation of Schwab as custodian is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us.

Block Trading

Addis Hill has the discretion to block trade orders for two or more clients seeking the identical security to establish an average price for the security being purchased. The trade orders are executed in the same fashion as a single trade but batched together when executed. The allocation of each security purchased in a batch trade must be made in accordance with our allocation procedures specific to each client's portfolio.

Item 13: Review of Accounts

Periodic Client Reviews

Addis Hill offers an annual review to each client. However, the frequency of reviews is decided upon with the advisor and client based on their wants and needs. Addis Hill's periodic reviews with its clients includes a comprehensive look at insurance, estate, tax planning, investment performance, scenario planning, and more. All the client reviews are performed by Kent R. Addis, Jr.

Trigger Reviews

In addition to annual client reviews, additional reviews are triggered and initiated either by the client or advisor according to a pre-determined schedule or when objectives change, lifestyle changes, or when other various important changes are happening.

Regular Reports

Addis Hill performance and position reports are provided, on-line through our client portal. The reports are generated through data we collect through our affiliated custodians, Schwab, Altruist, Transamerica and



TIAA, and believe those channels to be true and accurate. In addition, each client receives a monthly value and activity report sent directly by their custodians, independent of Addis Hill. We suggest comparing the reporting through the on-line portal to statements provided by Schwab, Altruist, TIAA and Transamerica, to verify accuracy. Clients who have no internet access will be mailed written reports to their address of record.

Investment Management Review

The underlying securities within the investment portfolio is reviewed periodically. The reviews are internal in nature for the purpose of ensuring portfolio performance in relation to benchmarks. In addition, to seeking new opportunities and to manage risk.

Item 14: Client Referrals and Other Compensation

Addis Hill has no client referral or other client-based referral compensation relationships. The firm receives no compensation, nor pay for any referrals to third parties. Addis Hill does not accept referrals or any form of remuneration from other professionals when a prospect or client is referred to the firm.

We do receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. In addition, Schwab has also agreed to pay for certain products and services for which we would otherwise have to pay once the value of our clients' assets in accounts at Schwab reaches a certain size. You do not pay more for assets maintained at Schwab as a result of these arrangements. However, we benefit from the arrangement because the cost of these services would otherwise be borne directly by us.

Item 15: Custody

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Schwab to deduct our advisory fees directly from your account. Schwab maintains actual custody of your assets.

Item 16: Investment Discretion

Addis Hill has discretion over client's assets to implement investment trades/transactions in their account in accordance with a limited power of attorney under the framework of Addis Hill's Investment Policy Statement. Addis Hill has the authority to determine, without obtaining specific client consent, the securities bought and sold, and the amount of those buys and sales. Addis Hill provides all clients with a written and executed Investment Advisory Agreement.

Schwab, Altruist, Transamerica, Transamerica, and TIAA have full discretionary trading authority to act on behalf of Addis Hill instructions.

Item 17: Voting Client Securities

Addis Hill will not accept or have the authority to exercise proxy power with respect to a client's securities. Addis Hill will not vote on any proxy statements on behalf of any client. Clients receive their proxies or other solicitations directly from the account custodians. Addis Hill may assist you in interpreting proxy information, but the voting is the decision of the client.



Item 18: Financial Information

Addis Hill neither custodies client's funds or securities nor collects more than \$1,200 in fees per client six months or more in advance. Addis Hill has never been subject to bankruptcy.

Additional Information

Disaster Recovery and Contingency

Addis Hill has in place policies in order to address the specific steps which we shall use and employ in order to recover from disaster or emergency. It addresses alternative offices, equipment, system information back-up, and more.

Shareholder's Agreement

Addis Hill has in place a Business Continuity plan in the event of a shareholder's death or disability. The Agreement is funded by both Cross Purchase and Key Man Life insurance policies.

Privacy Policy

The Gramm– Leach – Bliley Act, a federal statute, requires “financial institutions” to explain what their specific policy is with regard to the use of information that has been collected from individuals. Addis Hill is in full compliance and is continuously adjusting our practices to remain in compliance with our policy and procedures. Addis Hill maintains the highest level of confidentiality with all the information we receive clients. Each year clients receive a copy of the firm's Privacy Policy.

Licensing

Mr. Justin J. Hill is licensed to sell insurance products. The insurance license is maintained in order to ensure compliance with laws regulating the provisions of insurance advice, not as a means to sell insurance products. As a result of this licensing, there is a potential conflict of interest.

