

Southern Magnolia Investment Management LLC

Form ADV Part 2A – Disclosure Brochure

Effective: March 31, 2023

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Southern Magnolia Investment Management LLC (“Southern Magnolia” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (772) 216-3121.

Southern Magnolia is a registered investment advisor located in the State of Florida. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Southern Magnolia to assist you in determining whether to retain the Advisor.

Additional information about Southern Magnolia and its Advisory Persons is available on the SEC’s website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 306444.

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Item 2 – Material Changes

Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of Southern Magnolia. For convenience, we have combined these documents into a single disclosure document.

Southern Magnolia believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. Southern Magnolia encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

Material Changes

There are no material changes in this brochure from the last annual updating amendment of Southern Magnolia on 03/22/2022. Material changes relate to Southern Magnolia's policies, practices or conflicts of interests only.

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 306444. You may also request a copy of this Disclosure Brochure at any time by contacting us at (772) 216-3121.

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Item 4 – Advisory Services

A. Firm Information

Southern Magnolia Investment Management LLC (“Southern Magnolia” or the “Advisor”) is a registered investment advisor located in the State of Florida, which is organized as a Limited Liability Company (“LLC”) under the laws of Florida. Southern Magnolia was founded in November 2019 and became a registered investment advisor in January 2020. Southern Magnolia is owned and operated by Samuel A. Bruning (Principal and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Southern Magnolia.

B. Advisory Services Offered

Southern Magnolia offers investment advisory and related services to individuals, high net worth individuals, trusts, estates and other registered investment advisors (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Our fiduciary commitment is further described in our Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Investment Management Services

Southern Magnolia provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. Southern Magnolia works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to design an investment strategy. Southern Magnolia will construct Client portfolios utilizing mutual funds, exchange-traded funds (“ETFs”), individual equities and individual bonds. The Advisor also includes alternative investment vehicles as part of its investment process. The Advisor may, in certain circumstances, utilize options or other types of investments, as appropriate, to meet the needs of certain Clients. Southern Magnolia will may retain the Client’s legacy investments based on portfolio fit, tax implications and/or other factors.

Southern Magnolia’s investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate investments that have been held less than one year to meet the objectives of the Client or due to market conditions. Southern Magnolia will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor. Southern Magnolia evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Southern Magnolia may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Southern Magnolia may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. Southern Magnolia may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

At no time will Southern Magnolia accept or maintain custody of a Client’s funds or securities, except for the limited authority as detailed in Item 15 - Custody. All Client assets will be managed within their designated brokerage account or pension account, pursuant to the Client investment advisory agreement.

Financial Consulting Services

Southern Magnolia will typically provide a variety of financial consulting services to Clients, pursuant to an agreement between the Advisor and the Client or included in an overall wealth management engagement. The

Advisor, at its sole discretion, may waive its financial consulting fee. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation.

Generally, such financial consulting services will involve preparing a financial plan or rendering a financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, estate planning, personal savings, education savings, insurance needs, and other areas of a Client's financial situation.

A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. Southern Magnolia may also refer Clients to an accountant, attorney or other specialist, as appropriate for their unique situation. For certain financial consulting engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations may pose a potential conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

C. Client Account Management

Prior to engaging Southern Magnolia to provide investment advisory services, each Client is required to enter into a written agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client.

These services may include:

- Establishing an Investment Strategy – Southern Magnolia, in connection with the Client, will develop a strategy that seeks to achieve the Client's goals and objectives.
- Asset Allocation – Southern Magnolia will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – Southern Magnolia will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Southern Magnolia will provide investment management and ongoing oversight of the Client's investment portfolio.

D. Wrap Fee Programs

Southern Magnolia does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by Southern Magnolia.

E. Assets Under Management

As of December 31, 2022, Southern Magnolia had \$ 7,237,319.00 in discretionary assets under management and \$0.00 in non-discretionary assets under management.

Item 5 – Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into a written agreement with the Advisor.

A. Fees for Advisory Services

Investment Management Services

Investment advisory fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the market value of assets under management at the end of the prior calendar quarter. Fees are based on the following schedule:

Assets Under Management (\$)	Annual Fee (%)
Up to \$250,000	1.00%
\$250,001 to \$500,000	0.90%
\$500,001 to \$1,000,000	0.85%
\$1,000,001 to \$2,000,000	0.80%
\$2,000,001 to \$5,000,00	0.70%
Over \$5,000,000	0.50%

The investment advisory fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter. Fees may be negotiable at the sole discretion of the Advisor. Certain Clients may be offered a fixed fee not to exceed the annual rate above. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by Southern Magnolia will be independently valued by the Custodian. Southern Magnolia will not have the authority or responsibility to value portfolio securities.

The Advisor's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

Financial Consulting Services

Southern Magnolia may or may not charge separately for its financial consulting services, at the sole discretion of the Advisor. For Clients that engage Southern Magnolia for ongoing investment management services, the Advisor may include financial consulting services as part of a wealth management engagement and fee. The Advisor may also offer its financial consulting services as a separate engagement at an hourly rate of up to \$250. The Advisor's fee is based on the scope and complexity of the services to be provided. Fees may be negotiable at the sole discretion of the Advisor. An estimate for total hours and total costs will be provided to the Client prior to engaging for these services.

B. Fee Billing

Investment Management Services

Investment advisory fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with Southern Magnolia at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. In addition, the Advisor will provide the Client a report itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. Clients are urged to also review and compare the statement provided by the Advisor to the brokerage statement from the Custodian, as the Custodian does not perform a verification of fees. Clients provide written authorization permitting advisory fees to be deducted by Southern Magnolia to be paid directly from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

Financial Consulting Services

Fees for Financial Consulting engagements may require an advance payment of fees up to 50% of the expected total cost of the engagement. Upon completion of the engagement deliverable[s], the remaining balance of the engagement fees shall be invoiced by the Advisor and are due upon receipt of the invoice. The Advisor does not collect advance fees of \$1,200 or more for any services that will be completed six (6) months or more in the future.

C. Other Fees and Expenses

Clients may incur certain fees or charges imposed by third parties, other than Southern Magnolia, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian. The fees charged by Southern Magnolia are separate and distinct from these custody and execution fees.

In addition, all fees paid to Southern Magnolia for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of Southern Magnolia, but would not receive the services provided by Southern Magnolia which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Southern Magnolia to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

D. Advance Payment of Fees and Termination

Investment Management Services

Southern Magnolia may be compensated for its investment advisory services in advance of the quarter in which services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

Financial Consulting Services

Southern Magnolia may or may not charge for its Financial Consulting services, at the sole discretion of the Advisor. Southern Magnolia may be partially compensated for its Financial Consulting services in advance of providing services. Either party may terminate the Financial Consulting agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the Financial Consulting agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. Upon termination, the Client shall be responsible for planning fees based on the hours worked by the Advisor. Upon termination, the Advisor will refund any unearned, prepaid fees. The Client's Financial Consulting agreement with the Advisor is non-transferable without the Client's prior consent.

E. Compensation for Sales of Securities

Southern Magnolia does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

Mr. Bruning is also a registered representative of Purshe Kaplan Sterling Investments, Inc. ("PKS"), a registered broker-dealer and member FINRA, SIPC. In Mr. Bruning's separate capacity as a registered representative of PKS, he may implement securities transactions under PKS and not through Southern Magnolia. In such instances, Mr. Bruning will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by Mr.

Bruning in his capacity as a registered representative is separate and in addition to the Advisor's fees. This practice presents a conflict of interest because Mr. Brining may have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on the Client. Clients are not obligated to implement any recommendation provided by the Advisor or Mr. Bruning. Neither the Advisor nor Mr. Bruning will earn ongoing investment advisory fees in connection with any products or services implemented in his separate capacity as a registered representative. Please see "Item 10 – Other Financial Industry Activities and Affiliations".

Mr. Bruning is also licensed as an independent insurance professional. As an independent insurance professional, Mr. Bruning may earn commission-based compensation for selling insurance products, including insurance products sold to Client. Insurance commissions earned by Mr. Bruning are separate and in addition to our advisory fees. This practice presents a conflict of interest Mr. Bruning is also an insurance agent has an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on the Client's needs. However, the Client is under no obligation, contractually or otherwise, to purchase insurance products through Mr. Bruning.

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

Southern Magnolia does not charge performance-based fees for its investment advisory services. The fees charged by Southern Magnolia are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

Southern Magnolia does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

Item 7 – Types of Clients

Southern Magnolia offers investment advisory services to individuals, high net worth individuals, trusts, estates and other registered investment advisors. Southern Magnolia generally does not impose a minimum relationship size.

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

A. Methods of Analysis

Southern Magnolia primarily employs fundamental analysis methods in developing investment strategies for its Clients. Research and analysis from Southern Magnolia are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

As noted above, Southern Magnolia generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Southern Magnolia will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Southern Magnolia may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

B. Risk of Loss

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Southern Magnolia will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process.

Following are some of the risks associated with the Advisor's strategy/ies:

Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.

Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving Southern Magnolia or its owner/any of its Supervised Persons. Southern Magnolia values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 306444.

Item 10 – Other Financial Industry Activities and Affiliations

Broker-Dealer Affiliation

As noted in Item 5, Mr. Bruning is also a registered representative of PKS. In his separate capacity as a registered representative of PKS, Mr. Bruning will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Bruning. Neither the Advisor nor Mr. Bruning will earn ongoing investment advisory fees in connection with any services implemented in Mr. Bruning's separate capacity as a registered representative.

Insurance Agency Affiliations

As noted in Item 5, Mr. Bruning is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from his role with Southern Magnolia. As an insurance professional, Mr. Bruning may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Bruning is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Bruning or the Advisor.

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

A. Code of Ethics

Southern Magnolia has implemented a Code of Ethics (the "Code") that defines our fiduciary commitment to each Client. This Code applies to all persons associated with Southern Magnolia (our "Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Southern Magnolia and its Supervised Persons owe a duty of care, loyalty, fairness and good faith towards each Client. It is the obligation of Southern Magnolia's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code, please contact us at (772) 216-3121.

B. Personal Trading with Material Interest

Southern Magnolia allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Southern Magnolia does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Southern Magnolia does not have a material interest in any securities traded in Client accounts.

C. Personal Trading in Same Securities as Clients

Southern Magnolia allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Southern Magnolia by conducting a coordinated review of personal accounts and the accounts of the Clients. We have also adopted written policies and procedures to detect the misuse of material, non-public information.

D. Personal Trading at Same Time as Client

While Southern Magnolia allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. At no time will Southern Magnolia, or any Supervised Person of Southern Magnolia, transact in any security to the detriment of any Client.

Item 12 – Brokerage Practices

A. Recommendation of Custodian[s]

Southern Magnolia does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Southern Magnolia to direct trades to the Custodian as agreed upon in the

investment advisory agreement. Further, Southern Magnolia does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where Southern Magnolia does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a Custodian not recommended by Southern Magnolia. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. Further, as Mr. Bruning is a registered representative with PKS, PKS must approve the use of the Custodian.

Southern Magnolia may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and its reputation and/or the location of the Custodian's offices. Southern Magnolia will generally recommend that Clients establish their account[s] at Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer and member SIPC. Schwab will serve as the Client's "qualified custodian". Southern Magnolia maintains an institutional relationship with Schwab, whereby the Advisor receives economic benefits from Schwab. Please see Item 14 below.

Following are additional details regarding the brokerage practices of the Advisor:

1. Soft Dollars - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. Southern Magnolia does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from Schwab. Please see Item 14 below.

2. Brokerage Referrals - Southern Magnolia does not receive any compensation from any third party in connection with the recommendation for establishing an account.

3. Directed Brokerage - All Clients are serviced on a "directed brokerage basis", where Southern Magnolia will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). Southern Magnolia will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Southern Magnolia will execute its transactions through the Custodian as authorized by the Client. Southern Magnolia may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

Item 13 – Review of Accounts

A. Frequency of Reviews

Securities in Client accounts are monitored on a regular and continuous basis by Mr. Bruning. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

B. Causes for Reviews

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Southern Magnolia if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

C. Review Reports

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

Item 14 – Client Referrals and Other Compensation

A. Compensation Received by Southern Magnolia

Southern Magnolia is a fee-only advisory firm, that is compensated solely by its Clients and not from any investment product. Southern Magnolia does not receive commissions or other compensation from product sponsors, broker-dealers or any un-related third party. Southern Magnolia may refer Clients to various unaffiliated, non-advisory professionals (e.g. attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, Southern Magnolia may receive non-compensated referrals of new Clients from various third-parties.

Participation in Institutional Advisor Platform

Southern Magnolia has established an institutional relationship with Schwab through its "Schwab Advisor Services" unit, a division of Schwab dedicated to serving independent advisory firms like Southern Magnolia. As a registered investment advisor participating on the Schwab Advisor Services platform, Southern Magnolia receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit the Advisor and many, but not all services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Services that Benefit the Client – Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client's funds and securities. Through Schwab, the Advisor may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, the Advisor may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

Services that May Indirectly Benefit the Client – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, the Advisor receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist the Advisor in effectively managing accounts for its Clients, but may not directly benefit all Clients.

Services that May Only Benefit the Advisor – Schwab also offers other services and support to Southern Magnolia that may not benefit the Client, including: educational conferences and events, financial start-up support, consulting services and discounts for various service providers. Access to these services creates a financial incentive for the Advisor to recommend Schwab, which results in a potential conflict of interest.

Southern Magnolia believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

B. Client Referrals from Solicitors

Southern Magnolia does not engage paid solicitors for Client referrals.

Item 15 – Custody

Southern Magnolia does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct Southern Magnolia to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by Southern Magnolia to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

Item 16 – Investment Discretion

Southern Magnolia generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Southern Magnolia. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Southern Magnolia will be in accordance with each Client's investment objectives and goals.

Item 17 – Voting Client Securities

Southern Magnolia acknowledges its fiduciary obligation to vote proxies on behalf of those clients that have delegated to it, or for which it is deemed to have, proxy voting authority. Southern Magnolia will vote proxies on behalf of a client solely in the best interest of the relevant client. Southern Magnolia has established general guidelines for voting proxies. Southern Magnolia may also abstain from voting if, based on factors such as expense or difficulty of exercise, it determines that a client's interests are better served by abstaining. Further, because proxy proposals and individual company facts and circumstances may vary, Southern Magnolia may vote in a manner that is contrary to the general guidelines if it believes that it would be in a client's best interest to do so. If a proxy proposal presents a conflict of interest between Southern Magnolia and a client, then Southern Magnolia will disclose the conflict of interest to the client prior to the proxy vote and, if participating in the vote, will vote in accordance with the client's wishes.

Clients may obtain a complete copy of the proxy voting policies and procedures by contacting Southern Magnolia in writing and requesting such information. Each client may also request, by contacting Southern Magnolia in writing, information concerning the manner in which proxy votes have been cast with respect to portfolio securities held by the relevant client during the prior annual period. Clients can send written requests to the Chief Compliance Officer at SAM@SOUTHERNMAGNOLIAIM.COM.

Item 18 – Financial Information

Neither Southern Magnolia, nor its management, have any adverse financial situations that would reasonably impair the ability of Southern Magnolia to meet all obligations to its Clients. Neither Southern Magnolia, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. Southern Magnolia is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$500 or more for services to be performed six months or more in the future.

Item 19 – Requirements for State Registered Advisors

A. Educational Background and Business Experience of Principal Officer

The Principal Officer of Southern Magnolia is Samuel A. Bruning. Information regarding the formal education and background of Mr. Bruning is included in Item 2 of his Form ADV Part 2B – Brochure Supplement below.

B. Other Business Activities of Principal Officer

Broker-Dealer Affiliation

Mr. Bruning is also a registered representative of PKS. In his separate capacity as a registered representative of PKS, Mr. Bruning will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Bruning. Neither the Advisor nor Mr. Bruning will earn ongoing investment advisory fees in connection with any services implemented in Mr. Bruning's separate capacity as a registered representative.

Insurance Agency Affiliations

Mr. Bruning is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from his role with Southern Magnolia. As an insurance professional, Mr. Bruning may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Bruning is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Bruning or the Advisor.

Market to Market, Inc.

Sports memorabilia business. No conflict with Client. Business generally conducted outside of trading hours.

Less than 5% of time.

C. Performance Fee Calculations

Southern Magnolia does not charge performance-based fees for its investment advisory services. The fees charged by Southern Magnolia are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

D. Disciplinary Information

There are no legal, civil or disciplinary events to disclose regarding Southern Magnolia or Mr. Bralnar. Neither Southern Magnolia nor Mr. Bruning have ever been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Southern Magnolia or Mr. Bruning.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. As previously noted, there are no legal, civil or disciplinary events to disclose regarding Southern Magnolia or Mr. Bruning.

E. Material Relationships with Issuers of Securities

Neither Southern Magnolia nor Mr. Bruning have any relationships or arrangements with issuers of securities.

Form ADV Part 2B – Brochure Supplement

for

**Samuel A. Bruning
Principal and Chief Compliance Officer**

Effective: March 31, 2023

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Samuel A. Bruning (CRD# 3205959) in addition to the information contained in the Southern Magnolia Investment Management LLC (“Southern Magnolia” or the “Advisor”, CRD# 306444) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the Southern Magnolia Disclosure Brochure or this Brochure Supplement, please contact us at (772) 216-3121.

Additional information about Mr. Bruning is available on the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD# 3205959.

Southern Magnolia Investment Management LLC
1426 SE Merion Court, Port Saint Lucie, FL 34952
Phone: (772) 216-3121

Item 2 – Educational Background and Business Experience

Samuel A. Bruning, born in 1981, is dedicated to advising Clients of Southern Magnolia as its Principal and Chief Compliance Officer. Mr. Bruning earned a B.S. in Business Administration from Stetson University in 2003. Additional information regarding Mr. Bruning’s employment history is included below.

Employment History:

Principal, Southern Magnolia Investment Management LLC	11/2019 to Present
Registered Representative, Purshe Kaplan Sterling Investments, Inc.	01/2020 to Present
Financial Advisor, Morgan Stanley	08/2009 to 04/2019
Financial Advisor, Wells Fargo	01/2005 to 08/2009

Item 3 – Disciplinary Information

There are no legal, civil or disciplinary events to disclose regarding Mr. Bruning. Mr. Bruning has never been involved in any regulatory, civil or criminal action. There have been no client complaints, lawsuits, arbitration claims or administrative proceedings against Mr. Bruning.

Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair or unethical practices. ***As previously noted, there are no legal, civil or disciplinary events to disclose regarding Mr. Bruning.***

However, we do encourage you to independently view the background of Mr. Bruning on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with his full name or his Individual CRD# 3205959.

Item 4 – Other Business Activities

Broker-Dealer Affiliation

Mr. Bruning is also a registered representative of PKS. In his separate capacity as a registered representative of PKS, Mr. Bruning will typically receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Mr. Bruning. Neither the Advisor nor Mr. Bruning will earn ongoing investment advisory fees in connection with any services implemented in Mr. Bruning’s separate capacity as a registered representative.

Insurance Agency Affiliations

As noted in Item 5, Mr. Bruning is also a licensed insurance professional. Implementations of insurance recommendations are separate and apart from his role with Southern Magnolia. As an insurance professional, Mr. Bruning may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Mr. Bruning is not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by Mr. Bruning or the Advisor.

Market to Market, Inc.

Sports memorabilia business. No conflict with Client. Business generally conducted outside of trading hours. Less than 5% of time.

Item 5 – Additional Compensation

Mr. Bruning has additional business activities where compensation is received that are detailed in Item 4 above.

Item 6 – Supervision

Mr. Bruning serves as the Principal and Chief Compliance Officer of Southern Magnolia. Mr. Bruning can be reached at (772) 216-3121.

Southern Magnolia has implemented a Code of Ethics, an internal compliance document that guides each Supervised Person in meeting their fiduciary obligations to Clients of Southern Magnolia. Further, Southern Magnolia is subject to regulatory oversight by various agencies. These agencies require registration by Southern Magnolia and its Supervised Persons. As a registered entity, Southern Magnolia is subject to examinations by regulators, which may be announced or unannounced. Southern Magnolia is required to periodically update the information provided to these agencies and to provide various reports regarding the business activities and assets of the Advisor.

Item 7 – Requirements for State Registered Advisors

A. Arbitrations and Regulatory Proceedings

State regulations require disclosure if any Supervised Person of the Advisor is subject to:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - a. an investment or an investment-related business or activity;
 - b. fraud, false statement(s), or omissions;
 - c. theft, embezzlement, or other wrongful taking of property;
 - d. bribery, forgery, counterfeiting, or extortion; or
 - e. dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a. an investment or an investment-related business or activity;
 - b. fraud, false statement(s), or omissions;
 - c. theft, embezzlement, or other wrongful taking of property;
 - d. bribery, forgery, counterfeiting, or extortion; or
 - e. dishonest, unfair, or unethical practices.

Mr. Bruning does not have any disclosures to make regarding this Item.

B. Bankruptcy

If a Supervised Person has been the subject of a bankruptcy petition, that fact and the details must be disclosed. Mr. Bruning does not have any disclosures to make regarding this Item.

Privacy Policy

Effective: March 31, 2023

Our Commitment to You

Southern Magnolia Investment Management LLC (“Southern Magnolia” or the “Advisor”) is committed to safeguarding the use of personal information of our Clients (also referred to as “you” and “your”) that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Southern Magnolia (also referred to as “we”, “our” and “us”) protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Southern Magnolia does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

Why you need to know?

Registered Investment Advisors (“RIAs”) must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

What information do we collect from you?

Driver's license number	Date of birth
Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number[s]	Income and expenses
E-mail address[es]	Investment activity
Account information (including other institutions)	Investment experience and goals

What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
Servicing our Clients We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting. The Advisor may share information with Purshe Kaplan Sterling Investments, Inc. ("PKS"), an unaffiliated broker-dealer that supports the Principal of the Advisor.	Yes	No
Marketing Purposes Southern Magnolia does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Southern Magnolia or the client has a formal agreement with the financial institution. We will only share information for purposes of servicing your accounts, not for marketing purposes.	No	Not Shared
Authorized Users Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes
Information About Former Clients Southern Magnolia does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy and will provide you with a revised Policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (772) 216-3121.