



Item 1 – Cover Page

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This disclosure document or "Brochure" provides information regarding Lucid Advisors, Inc.'s investment advisory business and the practices which constitute its operation. Lucid Advisors Inc. is registered with the Securities Exchange Commission (SEC) as an investment adviser. Registration does not imply any level of skill or training and you should not choose an investment adviser solely on the basis of its status as a registered investment adviser. Consideration should be given to all communication given (oral and written) by the investment adviser as well as their qualifications and business practices.

This Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

If you have any questions regarding this Brochure, or would like additional information, please contact Greg Ashihara at 800.351.1062 or gashihara@lucidadvisors.com. You may also find more information about Lucid Advisors, Inc. on the SEC's website at www.adviserinfo.sec.gov.

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Item 2 – Material Changes

Item 5 – Fees and Compensation

We revised the subsection "Private Client Services" to incorporate an additional paragraph describing supplemental fees which may be applicable for clients who maintain accounts with firms outside of Lucid's customary custody relationships and/or invest in private/unregistered securities.

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Item 4 – Advisory Business

Lucid Advisors, Inc. (Lucid) was established in 2001 by Bob Rupp and Greg Ashihara to provide independent professional services to retirement plan sponsors and institutional investors. Lucid is currently wholly owned by our Founder and Managing Principal Greg Ashihara. Lucid expects to remain 100% employee-owned for the foreseeable future.

Lucid is a boutique firm registered with the US Securities and Exchange Commission as an investment adviser. Our primary advisory services specialize in helping companies and organizations with various aspects of their employee benefits, principally relating to retirement programs. A broad description of these services is listed below:

RETIREMENT PLAN CONSULTING SERVICES

In addition to our investment consulting services, Lucid provides an array of other consulting services to sponsors of defined-contribution plans and other fiduciaries. Based upon our team's many years of work experience with these types of plans at a prior firm, we have a high degree of industry expertise and a broad network of business contacts. Please note that Lucid DOES NOT provide any retirement plan administration or participant recordkeeping services. Our role is to serve as an objective third-party consultant to the plan and sponsor on behalf of the plan participants. Our services are designed to help a plan sponsor to institute prudent plan management processes and help fulfill their fiduciary responsibilities. Our non-investment related consulting services include:

Plan Consulting Services:

We routinely assist and advise employers in designing, evaluating and managing their retirement plans and programs. These services typically include ongoing collaboration with other service-providers (for plan administration, custody or investment management), and when desired, assisting them in searches to select new, additional or replacement vendors. As independent experts in this complex and constantly changing field, we advise clients on the fairness of fees and the appropriate service levels they should expect from various service providers their plans may need. Depending upon the structure of each client engagement, we conduct provider benchmarking and search (RFP) services either as a standalone project for a fee, or inclusive as part of an ongoing client relationship. As the scope of these projects can vary dramatically based upon the client's circumstances, our customary process is to develop a specific proposal and fee terms prior to engagement.

Plan Fee and Expense Analysis:

Our team has deep experience and expertise in retirement plan fees and expenses, including revenue-sharing programs which may be in place amongst other plan service providers. Although these payments are disclosed, the form of disclosure is often difficult to comprehend. Many plan sponsors have not fully-assessed the magnitude and impact these expenses can have on the long-term retirement outcomes for their employees. Our consulting services are designed to accomplish three objectives:

- 1) Educate plan sponsors on their fiduciary responsibility to monitor plan expenses, and understand how plan expenses (whether direct or indirect) impact plan performance, and ultimately participants' retirement income;
- 2) Enable plan sponsors to determine and monitor their 'Total Plan Cost' and 'Total Plan Revenue' available through various commission and revenue-sharing programs; and
- 3) Actively assist plan sponsors in vendor fee-negotiations to manage Plan expenses and understand and/or control over plan revenues.

Employee Education and Communication:

Equally as important as offering a retirement plan or other employee program, is ensuring that the employees understand it. We have worked with many large companies to design and develop customized communication materials and campaigns for their workforce. Our experience in this area includes development of educational seminars, newsletters and intranet (private website) content to teach and reinforce basic financial principles and enhance employees' understanding of their retirement plan or other company-sponsored programs.

INVESTMENT CONSULTING SERVICES

Lucid provides a variety of investment consulting services to retirement plan sponsors and other institutional investors. Our services are designed to assist these clients in the development and deployment of prudent investment processes related to their fiduciary investment assets devoid of any product representation or other conflicts of interest. These services may include, among other things, investment policy development, investment manager/mutual fund search processes, performance reporting services, risk analysis services, investment fee/expense analysis, and ongoing investment monitoring and due diligence. Our services may be offered on a one-time or ongoing basis depending upon client needs and circumstances.

PRIVATE CLIENT SERVICES

Note: Lucid provides services to individual clients only under certain limited circumstances. Please refer to Item 7 below for more information.

Lucid's private client services encompass the following financial areas:

- Retirement planning and related investment advisory services
- General financial planning: including household budget advice, education savings/planning, and debt management
- General investment/portfolio management

We construct diversified investment portfolios designed to encompass all our client's investable assets across accounts and financial institutions. We focus on understanding the individual needs and objectives of our clients, then developing an investment plan based upon

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their situation and goals. Once a plan has been developed and reviewed with you, we select and recommend an appropriate mix of investment products to execute the plan and advise upon changes as needed ongoing.

Borne from the institutional discipline we developed from our consulting practice, we emphasize risk assessment and analysis in our investment advisory practice. As such, our recommendations are tailored toward reasonable attainment of a targeted long-term rate of return while moderating risk. We are willing to forsake upside performance in order to constrain downside experience and in doing so we will generally favor consistently good performance over sporadically great performance. To increase consistency, we generally recommend exposure to multiple asset classes and diversify the investments utilized within each asset class amongst management styles and investment strategies.

Lucid generally utilizes a combination of investments when constructing client portfolios including mutual funds, ETFs, and other institutional and/or private investment vehicles where appropriate based upon client circumstances. Where applicable, client-imposed restrictions and/or guidelines are considered.

When your investment plan is established, we benchmark each asset class to applicable market indices for ongoing monitoring purposes. Your overall portfolio is measured against an appropriate benchmark as well as the long-term annualized return we have targeted for your portfolio. We may recommend periodic investment changes if we identify significant concerns with an investment or it's no longer meeting the objectives for which it was selected. Furthermore, we may recommend changes in your portfolio asset allocation (distribution of assets amongst the various asset classes) to adapt to changes in your situation, long-term goals or intermediate to long-term market conditions (we generally avoid initiating changes directly in response to short-term market conditions).

With certain exceptions, Lucid does not perform research on individual stocks and generally does not issue opinions or make specific recommendations for these securities. However, Lucid can facilitate trading in stocks upon client request and will monitor and report on performance of all securities in accounts subject to its supervision.

Lucid primarily manages client portfolios on a non-discretionary basis, which means we provide advice and recommendations to our clients, but do not implement the proposed recommendations without prior client authorization.

As a Lucid Advisors client you can expect the following from us:

On a Quarterly Basis:

- Performance report outlining performance vs. established benchmarks (available monthly for mutual funds)
- Report outlining current portfolio weightings ('allocations') compared to targets established in your plan

On a Semi-Annual Basis:

- Meetings – in-person, conference calls and/or webinar sessions
 - Review portfolio performance, discussion of any recommended changes
 - Review overall investment plan and key objectives
- Individual Portfolio Commentary
- Report on current portfolio allocations compared to plan target weightings with allocation re-balancing analysis

Depending on the client and their situation, we may meet in-person more or less frequently. Clients are welcome to request a meeting at any time, and we encourage clients to keep us informed of any substantive changes in their financial situation.

ASSETS UNDER MANAGEMENT

As of December 31, 2020, Lucid managed approximately \$694 million in assets. This figure represents all clients receiving continuous and regular investment oversight from Lucid Advisors. Nearly all our assets are managed on a non-discretionary basis, Lucid managed less than four million dollars on a discretionary basis at year-end.

At any given time, Lucid may be performing specific consulting and/or advisory services for clients on a limited or project basis, these investment assets are not included in the total above.

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Item 5 – Fees and Compensation

Lucid Advisors is a fee-only advisory firm. Our sole compensation is from fees billed directly to each client under our written agreement, all client fees are subject to negotiation. *Since the inception of our firm, we have received no compensation from any investment products or services we recommend to clients.* Lucid was founded in 2001 with the core philosophy our compensation would be completely transparent and not driven by any investment products or providers we may recommend.

EMPLOYER AND INSTITUTIONAL CLIENT SERVICES

Fees for our consulting and fiduciary investment advisory services to companies and organizations are customized for each client based upon their specific needs. Project fees applicable to non-recurring services customarily start at \$4,000, increasing based upon project scope and complexity.

Consulting and investment advisory fees applicable to ongoing engagements vary widely, generally ranging from \$4,000/quarter up to \$25,000/quarter. These fees are based upon a variety of factors including but not limited to assets advised, workforce size and number of locations, plan design, quantity and types of investments, and services provided. Our consulting and investment advisory fees are subject to negotiation based upon the specific terms and requirements of each engagement. Lucid routinely bundles services based upon client needs and may provide discounts to clients who contract for a package of related services ongoing.

Our standard process is to develop a proposal designed to fit each client's situation and tailor the fee based upon the services outlined therein and the frequency of delivery. This process includes creating a "Statement of Work" in which specific services, fees and terms are detailed. One client can have multiple "Statements of Work" depending on their needs over time. Although specific billing practices can vary based upon circumstances, customarily our consulting fees for ongoing services are invoiced at the beginning of each calendar quarter, or for projects based upon agreed-upon milestones.

Our standard Professional Services Agreement allows either party to terminate the relationship at any time with 30 days advance notice. Upon termination, any prepaid fees for the current period will be refunded on a pro-rata basis. If there is work in progress at the time of termination notification that the client desires to be completed (and Lucid consents to complete this work), the applicable refund period will be calculated from the time the completed work is delivered to the client.

PRIVATE CLIENT SERVICES (note: *Lucid Advisors is not accepting additional clients for these services*)

In exchange for our services, we charge a flat quarterly fee based upon the assets we manage for you in accordance with the tiered fee-schedule contained in our client agreement. We do not receive any commissions, fees, or rebates from any investment or insurance companies in exchange for utilizing their products or services with our clients; our revenues come only from one source, our clients.

Our current standard fee schedule is as follows:

Assets Advised	Quarterly Fee
\$0 up to \$150,000	\$437.50
\$150,001 up to \$250,000	\$562.50
\$250,001 up to \$375,000	\$775.00
\$375,001 up to \$500,000	\$925.00
\$500,001 up to \$750,000	\$1,225.00
\$750,001 up to \$1,000,000	\$1,812.50
\$1,000,001 up to \$1,500,000	\$2,125.00
\$1,500,001 up to \$2,000,000	\$3,000.00
\$2,000,001 up to \$3,000,000	\$3,687.50
\$3,000,001 up to \$4,000,000	\$4,750.00
\$4,000,001 up to \$5,000,000	\$5,437.50
\$5,000,001 up to \$7,500,000	\$6,500.00
\$7,500,001 up to \$10,000,000	\$8,125.00
\$10,000,001 up to \$12,500,000	\$9,125.00
\$12,500,001 up to \$15,000,000	\$10,125.00
\$15,000,001 up to \$17,500,000	\$11,250.00
\$17,500,001 up to \$20,000,000	\$12,500.00
\$20,000,001 up to \$25,000,000	\$13,750.00
\$25,000,001 +	negotiable

In addition to the above quarterly fixed fee, in certain situations where clients maintain investment accounts which cannot support our portfolio data linking Lucid Advisors may assess an additional quarterly fee (typically \$375) to support the additional time and effort incurred for Lucid to review, manage and advise upon the account. Similarly, for clients who invest in certain private securities Lucid may assess an additional quarterly *private investment administration fee* (also typically \$375) to support the additional time and effort incurred for Lucid to review, manage and advise upon the account.

Fees may be negotiable based upon the circumstances; Lucid Advisors is willing to consider client-specific circumstances and proposals. Fees may be discounted or waived for certain clients (including, but not limited to, firm employees and family members) depending on the specific situation and the nature of work required.

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Client accounts are valued at the end of the quarter and fees are billed quarterly in advance typically during the first month of the subsequent calendar quarter. Client quarterly fees will be directly debited from their investment account(s). Clients engaging Lucid mid-quarter will have their fee pro-rated for the remaining number of days in the quarter their accounts are under management. Days will be counted from the day our agreement is executed and the pro-rated fee will be added to their first full quarterly billing.

Our standard Client Services Agreement allows either party to terminate the relationship at any time with 30 days advance notice. Upon termination, any prepaid fees for the current period will be refunded on a pro-rata basis (same as noted above). Work in progress at the time of termination notification that the client desires to be completed (and Lucid consents to complete), the applicable refund period will be calculated from the time the completed work is delivered to the client. Any earned, unpaid fees will be due and payable.

Lucid's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client or their accounts. Certain charges may be imposed by custodians or third-party managers including manager fees, custodial fees, wire transfer and electronic transfer fees, commissions, transaction fees and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Lucid's fee and Lucid does not receive any portion of these commissions, fees and costs.

Please see Item 12 below which further describes factors Lucid considers in selecting and recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

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

Performance based fees are charged on the gains or appreciation a client account achieves during management. Lucid does not charge any performance-based fees.

Item 7 – Types of Clients

Retirement Plans

Lucid provides an array of consulting services to employer-sponsored retirement plans including 401(k) and other defined contribution plans sponsored by businesses and organizations. Lucid does not have any specific requirements or qualifications that need to be fulfilled when working with these clients but reserves the right to refuse or discontinue any engagement.

Lucid also provides consulting and advisory services to other types of retirement plans including defined benefit pension plans and nonqualified deferred compensation plans. Lucid does not provide actuarial or insurance brokerage services which may be required for these plans but can advise on the selection of a provider or partner with existing provider(s) of these services.

Institutional Clients

Similar to its retirement plan consulting services, Lucid also provides investment consulting and advisory services for other fiduciary accounts including corporate and non-profit organizations, trusts, foundations, endowments and long-term reserve accounts. We tailor our services to each engagement.

Private Clients

On a limited basis, Lucid also provides investment supervisory services to individuals who desire to pay a quarterly fee for investment advice, assistance with financial goal and objective setting and/or overall financial planning with a particular emphasis on retirement planning. These 'Private Client Services' were originally exclusively offered to firm employees, family and friends, and subsequently expanded gradually through client referrals. Lucid is not currently accepting new clients for these services (although we reserve the right to change this at any time without public notice). During periods when Lucid has accepted new Private Clients, we have generally required a minimum of \$1 million in investable assets and imposed certain other qualifications to ensure a reasonable fit with our advisory services.

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

Investing involves risk. Current and prospective clients must be aware that their investments will be subject to market risk and could lose money. It is our objective as your adviser to help you understand the risks involved with investing in the stock and bond markets and help you tailor your portfolio according to your risk tolerance.

Lucid's investment monitoring, analysis and portfolio construction are founded on the premise that asset allocation is the greatest determinant of a portfolio's success in achieving its long-term goals. We employ the Black-Litterman Model to develop strategic asset allocations based upon historical and projected asset class performance, correlations and volatility.

Models typically combine equity and debt investing with moderate allocations to other asset classes including real estate and commodities, generally implemented through mutual fund strategies. The asset allocation is commensurate with the underlying risk the model is taking. More conservative portfolios will hold a greater proportion of bond and short-term investments than models seeking to capture a higher rate of return. Stock and bond weightings in the model will be further diversified into more specific asset classes by equity size and style, fixed income sector and quality, with both U.S. and foreign/international components.

Lucid maintains an Investment Committee tasked with the review/oversight of all investment vehicles, asset allocation research and financial modeling for the firm. Lucid conducts research on an ongoing basis, reviewing all investment vehicles as part of a thorough, quarterly analytic process. All investments recommended by Lucid require Committee approval prior to implementation in client portfolios.

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Our investment research process utilizes quantitative factors including performance and risk measures as well as investment style consistency, management tenure and expenses to screen the universe of available investments to identify potential candidates. Finalists are then scrutinized in greater detail over multiple historical time periods and subjected to qualitative reviews of investment strategy, management/firm stability, regulatory considerations, consistency of results, risk management and reporting/analytic capabilities.

When using mutual funds, Lucid seeks to utilize the lowest-cost share class available to the client. Lucid does not recommend or utilize funds with loads or sales charges unless they have been waived for Lucid's clients by the fund company. Opportunities to lower costs through alternate share classes as client assets grow are given regular consideration in Lucid's ongoing monitoring of portfolios.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Lucid or the integrity of Lucid's management. Lucid has no information to disclose pertaining to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Lucid does not maintain any relationships or affiliations with any other market participant. We are completely independent from any bank, broker-dealer firm, wire house, investment company, hedge fund, accounting firm, law firm, etc. and our employees are not allowed to concurrently work for or otherwise represent any other financial services firm. Collectively and independently, our firm and employees have no material relationships which create a conflict of interest in the services we provide to companies and individuals.

With respect to "Other Financial Industry Activities", as described previously Lucid provides a broad range of consulting services to retirement plan sponsors and other institutional clients. We estimate up to 50% of our time may be spent on non-investment advisory activities and this ratio can vary significantly from time to time based upon client engagements underway.

Item 11 - Code of Ethics

As a requirement of Rule 204A-1 under the Advisers Act of 1940, Lucid has established and maintains a Code of Ethics ("Code") which provides a basic framework of ethical and legal standards within which the Firm and all employees are expected to operate. This Code is intended to promote the highest standard of integrity and deter any wrongdoing. All employees acknowledge the Code and are responsible for upholding its requirements. The Code also defines consequences that may be inflicted upon an employee if he/she is found in violation.

Lucid's Code of Ethics includes provisions relating to the confidentiality of client information, prohibition on insider trading, restrictions on receiving significant gifts and personal securities trading procedures among other things. All supervised persons at Lucid must acknowledge the terms of the Code annually, or as amended.

Regarding personal securities trading, Lucid or its employees may purchase and/or sell securities or investment products that it has previously or is currently recommending to clients. Due to varying interests and investment objectives, it is possible that the firm or individual employees may be buying a security or investment product on the same day that a client is buying or selling that same security or investment product. To the extent it is aware, Lucid will always submit client trades prior to firm or employee trades to be made on a given day. The firm has a number of policies and procedures in place to protect client transactions and ensure client interests always receive priority over firm or employee interests. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Lucid and its clients.

Lucid's Supervised Persons Trading Policy requires employees who desire to effect a transaction to "pre-clear" the trade with the Chief Compliance Officer (CCO). This pre-clearance requirement prevents firm personnel from disadvantaging clients by placing a trade before them (front-running or scalping) or placing trades against them. The CCO ensures employees are not trading in securities that are currently prohibited by the firm (e.g. stock issued by a company which is also a client of Lucid Advisors), and any client trades in the same security are executed first. Complete transaction details must be reviewed by the CCO (other than the employee involved) of the firm. This policy does not apply to open-ended mutual funds (which only change in price at the end of each trading day). Lucid maintains duplicate records of all employee transactions and account statements.

Despite Lucid's policies and procedures, it is still possible that an employee security holding may benefit from market activity initiated by a client. Lucid believes this situation would be unlikely due to the fact most trades are placed in open end mutual funds, and further if any benefit was to be realized it would likely be very small given the size of most trades, but we acknowledge the possibility exists.

Lucid does not affect principal or agency cross securities transactions between client accounts, firm accounts, employee accounts or any combination thereof. Principal transactions involve the adviser acting as Principal for its account (or an affiliate's account) and using its own assets when buying from or selling to the client. An agency cross transaction is a transaction in which the investment adviser acts as broker for both sides of the transaction. The adviser is broker for both advisory client and the other side of the deal. These types of transactions are possible when an adviser is dually registered as a broker-dealer or has an affiliate that is a broker-dealer, neither of which apply to Lucid.

A copy of the Code is available to all clients and prospective clients upon request by contacting Greg Ashihara at gashihara@lucidadvisors.com or 206.267.2222.

Item 12 – Brokerage Practices

Lucid evaluates broker-dealer services on a variety of factors. Consideration is given to reputation, financial strength, customer service, execution ability, commission rates, and client access interface amongst other factors. Lucid primarily recommends Fidelity Clearing & Custody SolutionsSM which encompasses Fidelity Brokerage Services LLC and National Financial Services LLC (collectively, and together with

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all affiliates, "Fidelity") to Private Clients for their custodial and brokerage needs. Fidelity has a strong reputation in the industry of providing excellent service to clients, efficient brokerage services, comprehensive online services, robust continuity planning in the event of an emergency and serious dedication to keeping client assets secure.

Fidelity provides Lucid with "institutional platform services". These services include brokerage, custody and other related services. These services include software and technology that provide access to client account data (including client statements and trade confirmations), facilitate trade execution and trade allocation capabilities, provide research, pricing and other market data, facilitate payment of fees from clients' accounts and assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers services intended to help Lucid manage and further develop its business practice. Such services may include but are not limited to, performance reporting, contact management systems, third party research, publications, access to educational conferences, practice management resources, webinars and access to consultants and other third-party service providers who provide a wide array of business related services with whom Lucid could contract.

Lucid is independently owned and operated. It is not affiliated with Fidelity.

Fidelity generally does not charge custody clients (you) for holding investment accounts. However, it is compensated by account holders (you) through commissions and other transaction-related or asset-based fees for securities trades executed through Fidelity and settling in Fidelity accounts. For example, transaction fees are charged for certain no-load mutual funds and commissions are charged for individual equity and debt security transactions. Due to Lucid's aggregate business with Fidelity, it has negotiated a discounted fee schedule covering its (Lucid) clients' debt and equity trades that are generally lower than retail commission levels available to clients contracting with Fidelity directly. It is also Lucid's policy to use the lowest cost mutual fund share classes in client accounts wherever reasonable.

Lucid and Fidelity have a negotiated fee schedule; however, since Fidelity Investments is a broker/dealer and may execute trades as either "broker" or "dealer" there may be some instances Lucid does not know what the commission or mark-up on the trade will be. As such, it could be construed that Lucid can determine what commissions a client will pay on certain trades. Lucid reviews trade details to ensure accuracy and reasonability of commissions and fees. Lucid routinely reviews trading fees and mutual fund share classes to optimize utilization and reduce overall client investment fees/expenses.

Lucid does not receive commissions, soft dollars or other compensation for recommending Fidelity as its primary custodian. Lucid does not have "soft dollar" arrangements with any firm. As a fiduciary, Lucid seeks always to act in its client's best interests. However, it may be perceived that it is in Lucid's best interest to recommend Fidelity to its clients for the availability of some or all of the foregoing services and products listed and not solely on the nature, cost, quality of custody and brokerage services provided to clients and as such creates a conflict of interest. It is Lucid's express belief that these services do not cost clients more because of their availability. Lucid, considerate of its best execution obligation, has negotiated a discounted fee schedule which benefits all clients. Lucid also believes it isn't the lowest price or the best price that determines best execution. Rather it is achieving the best overall execution for that given point in time. Lucid primarily recommends and executes trades involving institutional share class mutual funds or no-load mutual funds which do not charge a commission and do not involve best execution determinations since their price only changes once per day.

Item 13 – Review of Accounts

Lucid maintains an Investment Committee tasked with reviewing all client investments on a quarterly basis. Lucid's Investment Committee is comprised of our Managing Principal and Investment Associate. Client investments are compiled into separate internal reports which track investment performance, performance measured against a pre-selected benchmark, cash flows in and out of the portfolio, current asset allocation, etc. All client accounts are reviewed internally each quarter.

Consulting clients who have contracted with Lucid for ongoing investment monitoring generally meet with Lucid quarterly or semi-annually to review this information. Additional meetings may be scheduled based upon specific circumstances.

For Private Client accounts or relationships with assets exceeding \$500,000, Lucid generally conducts an investment review quarterly or semiannually depending upon the client and their situation. For accounts or relationships less than \$500,000 Lucid generally conducts a review annually. Reports are generally provided to the client via posting to our secure web portal following completion of Lucid's internal review, irrespective of a scheduled client review meeting. Reviews are also conducted when Lucid is notified of a change in investment objective or a substantive change in financial position.

Clients can generally expect to meet with us at least once per year and are always free to request a meeting for any reason. Specifically, we encourage clients to meet with us to review and discuss any significant current or potential changes to their financial situation, investment objectives, risk tolerance or goals. Lucid's reports are in addition to the regular client statements and transaction confirmations that are generated by the client's broker and/or custodian. Although supporting information, including research and other data gathering may be conducted by an associate or staff member, our current process involves a Lucid Advisors Principal reviewing and approving the reports prior to distribution or discussion with the client. At the current time, Lucid has two Principals and anticipates maintaining a maximum ratio of 50 relationships per Principal. This maximum, as well as the number of Principals are subject to change at any time.

Item 14 – Client Referrals and Other Compensation

From time to time, Lucid Advisors may ask current clients for referrals of potential new clients. Lucid may also receive referrals from service providers, custodians, plan sponsors and other groups in the retirement plan industry. Any such referrals will be based only upon Lucid's industry reputation and business interactions with these parties. Lucid does not compensate other industry service providers for referrals and does not enter into any pay-to-play or quid-pro-quo arrangements with any service providers. Lucid may, however, enter into arrangements with industry service providers to sponsor seminars or other meetings or events for clients and prospective clients. As of the

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date of this disclosure, Lucid has no such arrangements in place, but this is subject to change at any time. If and when any such arrangement is made, Lucid will clearly disclose any such sponsorship(s) to all meeting/event attendees and participants.

Item 15 – Custody

When advising corporate clients, Lucid does not directly access or take custody of any assets. From payroll deposits to trust balances, all operational functions regarding retirement plan assets and institutional accounts are handled by the applicable employers, plan sponsors and/or organizations and other service providers to the plan.

Lucid generally does not “custody” or take possession of private client assets other deduction of our fees. Clients utilize qualified custodians to hold and maintain their investment accounts and authorize Lucid to initiate investment transactions and facilitate money movement. Fidelity Investments serves as the primary custodian for Private Client accounts. Due to specific circumstances and restrictions certain accounts are held at other custodians. Some clients have provided Lucid with transfer authorization enabling movement of cash or securities between accounts of different ownership (e.g. between an IRA and a joint account with their spouse). We interpret these situations qualify as custody under the regulatory definition and have reported these accounts and assets as such on our Form ADV Part 1. Lucid also deducts its advisory fees from client accounts with prior client authorization.

Clients receive statements from their qualified custodian at least quarterly. Clients holding accounts at Fidelity Investments receive monthly statements whenever there is account activity, and quarterly otherwise. Fidelity also sends trade confirmations directly to clients following any trade executed in their account. Clients should review these statements and trade confirmations upon receipt. Lucid Advisors provides clients with a quarterly performance report. Lucid advises Clients to review their quarterly performance report as well as their custodial statements.

Item 16 – Investment Discretion

In some situations, clients may desire to authorize Lucid to conduct transactions in their accounts without obtaining specific consent in advance, typically referred to as ‘discretion’.

Discretionary authority includes the ability to determine the following:

- the security to buy or sell;
- timing of when to buy or sell the security; and
- quantity of the security to buy or sell.

Lucid Advisors does not utilize discretion as a standard practice but may accept discretion in certain circumstances based upon a client’s request or requirements. We would customarily discuss and define the terms of any discretionary engagement with the client.

For Private Client Services, discretionary authority will be designated and defined in an Addendum to our Private Client Services Agreement.

For Investment Consulting Services, discretionary authority and services would be defined in an applicable Statement of Work. Discretionary authority and other investment guidelines may also be defined in an Investment Policy Statement or similar document.

For retirement plan clients who desire to engage Lucid’s services in the capacity of an ERISA 3(38) Fiduciary (an investment manager having investment discretion over plan assets), our responsibilities would be defined in an applicable Statement of Work. Additional documentation of Lucid’s discretionary authority may also be required by the plan’s designated custodian and/or other service providers.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, Lucid does not vote proxies on behalf of clients. Clients maintain responsibility to vote all proxies related to investments in their accounts.

From time to time, clients may ask or reasonably expect Lucid to advise them on proxy matters, in particular with respect to mutual fund proxies wherein Lucid has recommended and/or is providing fiduciary monitoring services over the fund(s). In these circumstances Lucid will maintain documentation supporting its advice noting and disclosing any conflicts of interest which may exist or arise. Clients are able to request copies of Lucid’s proxy advisory history at any time.

Item 18 – Financial Information

Lucid has no financial circumstances to report. It has not been the subject of a bankruptcy petition at any time during the past ten years and is not subject to any financial condition that would impair its ability to meet its contractual or fiduciary obligations to clients.

As Lucid does not require payment of fees in excess of \$1,200 per client more than six months in advance of services rendered, disclosure of financial statements are not required.



Form ADV Part 2B

Item 1 – Cover Page

Greg R. Ashihara, AIF®
Managing Principal, Chief Compliance Officer
Lucid Advisors, Inc.
2101 4th Avenue, Suite 2130
Seattle, WA 98121
800.351.1062
March 1, 2021

This brochure supplement provides information about Greg Ashihara in addition to the firm's information in the preceding pages. Please contact Greg Ashihara at 800.351.1062 if you have not received Lucid Advisors' ADV Part II (the brochure) in its entirety or if you have any questions about this supplement or the brochure.

Item 2 – Educational Background and Business Experience

Greg R. Ashihara
Year of birth: 1971

Formal Education after high school:

Bachelor of Arts in Business Administration: Finance from the University of Washington

Business Background:

August 2001-present: Founder, Principal/Managing Principal and Chief Compliance Officer– Lucid Advisors, Inc.

2000-2001: COO and Treasurer of LucidHR, Inc.

1993-2000: Lead Analyst and Portfolio Manager, Retirement Services Group, US Bancorp Piper Jaffray

Item 3 – Disciplinary Information

Lucid Advisors is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a client's evaluation of Greg Ashihara. No events have occurred that are applicable to this item.

Item 4 – Other Business Activities

Lucid Advisors is required to disclose any outside business activities or occupation for compensation that could potentially create a conflict of interest with clients. Greg Ashihara is not currently engaged in any other business activities that create such conflicts.

Item 5 – Additional Compensation

Greg Ashihara does not receive economic benefits for providing advisory services other than a salary and bonus program as an employee of Lucid Advisors, Inc. As a shareholder of Lucid Advisors, Inc. Greg may also receive dividends issued by the corporation.

Item 6 – Supervision

Greg Ashihara is the sole owner of Lucid Advisors, Inc. As such he is not directly supervised. However, the advice he provides to clients is reviewed and discussed with Lucid's Investment Committee on a regular basis.