

FORM ADV PART 3 – CLIENT RELATIONSHIP SUMMARY

JUNE 30, 2020

Disciplined Growth Investors is an investment adviser registered with the U.S. Securities and Exchange Commission offering advisory accounts and services. This document give you a summary of the types of services and fees we offer. Brokerage and investment advisory fees differ, and it is important for investors to understand the differences. Please visit www.investor.gov/CRS for free, simple tools to research firms and for educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Our firm offers investment advisory services to retail investors, including:

- **Portfolio Management.** We specialize in domestic Mid Cap Growth Equity, Small Cap Growth Equity, and Balanced portfolios with a combination of equities and fixed income securities.
- **Monitoring Services.** As part of our standard investment advisory services, our portfolio management team monitors your investments on an ongoing basis, usually several times a week. Your investments are also reviewed at least quarterly by a dedicated portfolio manager and on a periodic basis by oversight controls, such as our compliance staff.
- **Discretionary Authority.** Our investment advisory services are typically provided on a discretionary basis. You authorize Disciplined Growth Investors to exercise discretionary authority over your account through the investment advisory agreement. Our discretionary authority may be limited by conditions you impose in your investment objectives or guidelines, or by other written instructions you provide to us.
- **Account Minimum.** Depending on the type of account and other relevant factors, we generally require an account minimum of \$15,000,000.

Conversation Starters

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?

For additional information, please see our Form ADV Part 2A brochure, Items 4-7 available at www.dginv.com.

What fees will I pay?

- **Principal Fees and Costs.** We charge you a fee for our investment advisory services based on the percentage of assets held in your account as set forth in your fee schedule. The more assets in your account, the more you will pay in fees. As a result, we may have an incentive to encourage you to increase your account size. A general fee schedule is included in our Form ADV Part 2A (Item 5). Disciplined Growth Investors retains full authority to negotiate the fees we charge for advisory services. Fees are generally payable quarterly in advance, but certain accounts may be billed in arrears.
- **Other Fees and Costs.** You may incur additional fees outside of what we charge you, including but not limited to: custodian, brokerage, and transaction costs. You pay these fees to other entities who provide these services, not to us.

Conversation Starter

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see our Form ADV Part 2A brochure, Item 5 available at www.dginv.com.

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What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. For example, for those discretionary accounts for which we also have discretion to select broker-dealers to execute transactions, our Form ADV Part 2A (Item 12 – Brokerage Practices) describes the conflict of interest we have with respect to broker-dealers that provide us research and brokerage services. We also manage an open-ended registered investment company (also known as a mutual fund), limited partnerships and some accounts for which we charge a performance-based fee. The conflict of interest we have with respect to these accounts is described in Form ADV Part 2A (Item 6 – Performance-Based Fees and Side-By-Side Management). You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Disciplined Growth Investors has adopted a Code of Ethics describing its standards of business conduct, potential conflicts of interest and fiduciary duties.

Conversation Starter

- How might your conflicts of interest affect me, and how will you address them?

For additional information, please see our Form ADV Part 2A brochure, Items, 6-8 and 10-12 available at www.dginv.com.

How do your financial professionals make money?

Our portfolio managers are responsible for the day to day management of your investments. Our portfolio managers are paid a base salary as well as a bonus based on the absolute performance of the investment strategy and its relative performance in comparison to a benchmark index. The overall bonus pool is based on our firm revenues. Portfolio managers also receive a commission based on revenues our firm earns on accounts assigned to the portfolio managers.

Our sales professionals are responsible for attracting new clients, servicing current accounts and other client requests. Our sales professionals are paid a base salary, a discretionary bonus, and may receive a commission based on revenues our firm earns on accounts brought to our firm by the sales professionals.

Because our portfolio managers and sales professionals receive bonuses and commissions based on firm revenues, our portfolio managers and sales professionals may be incentivized to increase assets under management in order to increase the firm's revenues from advisory fees.

Do you or your financial professionals have legal or disciplinary history?

No.

Visit www.investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter

- As a financial professional, do you have any disciplinary history? For what type of conduct?

Additional Information

For additional information about our services, please see our Form ADV Part 2A. If you would like additional, up-to-date information or a copy of this disclosure, please call 612-317-4100 or visit www.dginv.com.

Conversation Starters

- Who is my primary contact person?
- Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?