Daybreak Wealth, LLC

19 N. Grant Street
Hinsdale, IL 60521

Form ADV Part 2A – Firm Brochure

630-570-0611

Dated March 22, 2024

This Brochure provides information about the qualifications and business practices of Daybreak Wealth, LLC, "Daybreak Wealth". If you have any questions about the contents of this Brochure, please contact us at 630-570-0611. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Daybreak Wealth, LLC is registered as an Investment Adviser with the State of Illinois. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Daybreak Wealth is available on the SEC's website at www.adviserinfo.sec.gov which can be found using the firm's identification number 322844.

Item 2: Material Changes

Daybreak Wealth, LLC ("Daybreak" or "Adviser") has updated our ADV Part 2A Disclosure Brochure to reflect the following change(s):

- Item 4 – Advisory Business – Item 4 – Advisory Business – Updated to disclose: (i) changes to Firm's ownership; and (ii) the Firm's current assets under management as of December 31, 2023.
- Item 5 – Fees and Compensation – Updated to disclose amendments to the Firm's fee structure and billing methodology.
- Item 10 – Other Financial Industry Activities and Affiliations – Updated to remove disclosures no longer applicable to the Firm following changes to ownership.

Our previous version of Form ADV Part 2A was dated March 23, 2023

Pursuant to applicable regulation, Daybreak will ensure that clients receive a summary of any materials changes to this Brochure within 120 days of the close of Daybreak's fiscal year-end. Additionally, as Daybreak experiences material changes in the future, we will send you a summary of our "Material Changes" under separate cover. For more information, please contact us at (630) 570-0611.

Additional information about Daybreak is available on the SEC's website at www.adviserinfo.sec.gov which can be found using the firm's identification number 322844.

Item 3: Table of Contents

Contents

Item 4: Advisory Business

A: Description of Advisory Firm

Daybreak Wealth, LLC (also referred to as “Daybreak” or “Adviser” herein) is registered as an Investment Adviser with the State of Illinois. Daybreak was founded in March 2022, and is solely owned and controlled by Lauren Hunt, who also serves as Daybreak’s Chief Compliance Office and a registered Investment Adviser Representative.

This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Daybreak Wealth, LLC.

B: Types of Advisory Services

Daybreak offers its “Wealth Management Service”, to individuals, high net worth individuals, and estates and trusts (referred to herein as “Client”). Daybreak customizes its Wealth Management Service to meet the unique needs of each individual Client, as is further discussed as part of the “tier” pricing in Item 5 below, but most often the Wealth Management Service will include consulting, financial planning, and investment advice. Daybreak achieves its customization through ongoing Client contact and personal interactions with a focus on long term planning.

Prior to advisory engagement, Daybreak requires each Client to enter into a Wealth Management Agreement (“Advisory Agreement”). The Advisory Agreement defines the services, terms, conditions, authority and responsibilities of Daybreak and Client. Following execution of the Advisory Agreement, each engagement typically begins with a client discovery meeting allowing Daybreak to gain an understanding of the Client’s overall planning goals, financial situation, and other pertinent factors. Daybreak will conduct additional Client meetings to explore certain areas of the Client’s financial situation in greater depth and to discuss findings, recommendations, and potential action steps based on the Adviser's analysis.

The financial planning process may or may not include (but is not limited to) financial goal setting, retirement planning, investment analysis, estate planning, college savings, insurance needs analysis, tax planning and projecting the Client’s future financial needs. The Daybreak team and the Client will work together to determine the appropriate actions to meet the Client’s financial objectives. Clients should understand that a potential conflict of interest exists should Daybreak recommend its own portfolio management services. Daybreak does not require Clients to implement any of its recommendations or maintain an ongoing relationship with Daybreak. If the Client elects to act on any of Daybreak’s recommendations, the Client is under no obligation to affect the transaction through Daybreak. Financial planning recommendations are based on the Client’s financial situation at the time the recommendations are provided and are based on the information provided by the Client. In addition, certain assumptions may be made with respect to interest and inflation rates, use of past trends, and performance of the market and economy. Past performance is in no way an indication of future performance and Daybreak cannot offer any guarantees or promises that the Client’s financial goals and objectives will be met.

Daybreak provides its investment management services on a discretionary basis. However, from time-to-time Daybreak may provide non-discretionary investment management for certain Clients or accounts. On the rare occasion that a Client elects to manage their assets completely independently of Daybreak's investment management service, this will be noted clearly in the Client's Advisory Agreement.

Prior to rendering investment advisory services, Daybreak will ascertain with the Client, the Client's financial situation, goals and investment objectives. Daybreak implements its strategies primarily through the use of low-cost mutual funds (such as those offered by Vanguard and Dimensional Fund Advisors) and exchange-traded funds ("ETFs"). Diversification, cost, and tax efficiency are all important factors in determining which funds to use and how they are implemented for a Client's account(s). Daybreak may utilize individual fixed-income securities and other types of securities, as appropriate for a particular Client. Daybreak's investment strategy is primarily long-term focused, but the Adviser may buy, sell, or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. Daybreak will construct, implement, and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and benchmark(s) 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 Daybreak's acceptance.

Daybreak may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Daybreak may recommend specific positions to increase sector or asset class weightings. The Adviser may recommend employing cash positions as a possible hedge against market movement or to meet Client needs. Daybreak 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 benchmark(s) of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's portfolio objectives. Advice rendered will typically include general recommendations for a course of activity and any specific actions to be taken by the Client. Daybreak will also refer Clients to an accountant, attorney, or other specialist, as appropriate for the Client's unique situation. Daybreak does not receive compensation for such referrals.

Client should understand that Daybreak does not provide tax, estate planning, and/or legal advice and that it is Client's sole responsibility to find independent advisors in connection with such services. Accordingly, any discussion of tax or estate planning matters Daybreak may hold with Client is provided for information purposes only, and no representation, express or implied, is made with respect to the accuracy, completeness or reliability of such information. Any such information is not intended to be solely relied upon by Client nor used by Client for the purpose of making final decisions. Additionally, Daybreak will not file a Client's tax returns. Further, while Daybreak may discuss a Client's insurance status or needs as part of a financial plan, neither Daybreak nor its advisers are licensed insurance agents, and cannot obtain any such policies on the Client's behalf.

Client is hereby further advised and understands that any reallocation, withdrawal, or addition to the Account may involve capital gains, ordinary gains, and/or losses for each transaction, and in non-tax deferred accounts may result in Client becoming subject to additional taxes and/or tax reporting.

Client Tailored Services and Client Imposed Restrictions

Upon establishment of a client relationship, we will meet with the Client to determine specific investment goals as well as fundamental factors such as investment objectives, net worth, ability to generate future income, age, portfolio distribution requirements, and other relevant information. Together we will determine and document an investment benchmark to establish the Client's investment risk tolerance. This will remain the agreed upon benchmark unless the Client otherwise notifies our firm. The Client's individual investment strategy is tailored to their specific needs. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the Client's circumstances. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. The Client must promptly notify our firm if their financial situation, long term goals, objectives or needs change.

C: Wrap Fee Programs

Daybreak does not participate in wrap fee programs.

D: Assets Under Management

As of December 31, 2023the following represents the amount of client assets under management by the Firm on a discretionary and non-discretionary basis:

Type of Account	**Assets Under Management**
Discretionary	$21,590,601.00
Non-Discretionary	$0
Total	**$21,590,601.00**

Item 5: Fees and Compensation

A: Fee for Wealth Management Advisory Service

Daybreak charges an annual flat fee, assessed quarterly in arrears, for its Wealth Management Services that will vary by Client. For the avoidance of doubt, the flat rate is an absolute, agreed-upon amount and will not fluctuate up or down pursuant to a prescribed "break-point" schedule. However, a Client's "tier" may be adjusted at the end of each calendar year whereby a Client will move across tiers upon the agreement of both Daybreak and the Client. The exact fee for each Client is set forth in the Client's Advisory Agreement and is based on factors such as: Client's total assets under management; Client's financial complexity; and/or anticipated or requested frequency of Client interaction. At no time will the flat fee exceed two percent (2.0%) of the Client's assets under management. Daybreak's tiers are as follows:

➢ Tier 1 - $9,000 / Year

This tier is intended for clients with $500,000 – $1.49M of investable assets. Tier 1 services include:

- Asset Allocation / Rebalancing / Cash management and other activities associated with traditional asset management.
- Ongoing guidance in other areas of planning as needed. Our plans are customized to each Client and may not always include a traditional printed financial plan.
- Up to 2 meetings per year as requested by the Client.
- Emails and phone calls with the advisor during traditional working hours.

➢ Tier 2- $16,000 / year

This tier is intended for clients with $1.5M – $5M of investable assets. Tier 2 services include:

- Asset Allocation / Rebalancing / Cash management and other activities associated with traditional asset management.
- Ongoing guidance in other areas of planning as needed. Our plans are customized to each Client and may not always include a traditional printed financial plan.
- Up to 4 meetings per year as requested by the Client.
- Emails and phone calls with the advisor during traditional working hours.
- Meetings with outside professionals at the request of the Client.

➢ Tier 3 - $36,000 / Year

This tier is intended for clients with $5.1M – $8M of investable assets. Tier 3 services include:

- Asset Allocation / Rebalancing / Cash management and other activities associated with traditional asset management.
- Ongoing guidance in other areas of planning as needed. Our plans are customized to each Client and may not always include a traditional printed financial plan.
- Up to 5 meetings per year as requested by the Client.
- Emails and phone calls with the advisor during traditional working hours.
- Meetings with outside professionals at the request of the Client.
- Asset management of child accounts up to age 25 at no additional cost.
    - Once a child attains the age of 26, they may will be required either elect to engage in a separate Advisory Agreement with Daybreak, or terminate Daybreak's services.

➢ Custom

Potential clients with greater than $8m of assets to manage or other additional complexity should connect with us for a quote.

Before signing an Advisory Agreement, Daybreak will inform the Client of the Client's complexity tier and the associated fixed annual fee for the Daybreak Wealth Management Service. Daybreak charges its fee quarterly in arrears and the Client has the option to terminate their Advisory Agreement at any time. If the Client elects to terminate the Advisory Agreement, Daybreak shall prorate the flat fee.

All securities, cash, and/or cash equivalents held in accounts that Daybreak manages will be independently valued by the designated Custodian(s). Daybreak does not have the authority or responsibility to value portfolio securities.

In all cases, Daybreak's fees are exclusive of, and in addition to brokerage fees, transaction fees, and other related costs and expenses, which will be incurred by the Client upon implementation of recommendations. Examples of other fees Clients may incur include (but are not limited to) custodian / brokerage fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees. Mutual fund 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 Daybreak's fee. Daybreak and its Advisers will not receive any portion of these commissions, fees, and costs.

Daybreak does not receive compensation by other parties recommended for the implementation of recommendations made by the Adviser.

Please note that certain "legacy clients" of Daybreak will have a fee schedule and/or billing practices that differ from those disclosed herein. Legacy clients are those clients that (i) had a pre-existing arrangement with an investment adviser representative before that investment adviser representative became registered with Daybreak, or (ii) were engaged as clients of Daybreak prior to the Firm implementing its current fee schedule and billing practices; or (iii) were acquired by Daybreak as part of an asset acquisition. In those instances, the specific fees and billing practices will be as described in the respective legacy Client's agreement.

B: Fee Billing

In most cases, fees for the Wealth Management Service will be automatically deducted from the Client's account[s] at the Custodian even though Daybreak's fees are not necessarily related to the value of the Client's portfolio managed by Daybreak. Daybreak will send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the same time it provides an invoice to the Client. Except for partial billing periods, the amount due will be the quarterly rate (annual rate divided by four). The Custodian will provide Clients a statement, at least quarterly, reflecting the deduction of Daybreak's fee for its Wealth Management Service. It is the responsibility of the Client to verify the accuracy of the fee listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. In the Advisory Agreement and in separate Custodian account forms, the Client will provide Daybreak written authorization that permits the Custodian to pay Daybreak its Wealth Management Service fee directly from the Client's account held with the Custodian. In Daybreak's sole discretion, the Client may pay its quarterly Wealth Management Service fee directly to Daybreak via check or credit card instead of a deduction from the Client's managed account[s] with Custodian. If Client pays Daybreak via credit card, Daybreak will utilize Advice Pay, or another third-party compliant billing system to process such payment.

C: Other

Please note, unless a Client has received Daybreak's disclosure brochure at least 48 hours prior to signing the Advisory Agreement, the Client may terminate the Advisory Agreement within five (5) business days of signing the Advisory Agreement without incurring any Wealth Management Service fees and without penalty. In addition, for family and friends of the Firm, the Firm will at times, in its sole discretion, reduce or waive management fees in their entirety.

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

Daybreak does not offer performance-based fees.

Item 7: Types of Clients

Daybreak Wealth offers investment advisory and financial planning services (collectively referred to as its Wealth Management Service) to individuals, high net worth individuals, and trusts and estates. We do not have a minimum investment account size. However, Daybreak's Wealth Management Service and fees are generally best suited for those with $1.5 Million -$10 Million of investable assets. Daybreak reserves the right to accept or decline a potential Client for any reason in its sole discretion.

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

A: Methods of Analysis and Investment Strategies

Daybreak primarily practices passive investment management. Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve the desired relationship between correlation, risk, and return. Funds that capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically mutual funds or exchange-traded funds. Passive investment management is characterized by low portfolio expenses (i.e., the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that are greater than the broader market or a designated benchmark.

Daybreak's primary method of investment analysis is Modern Portfolio Theory ("MPT"). The underlying principles of MPT are:

- Investors are risk averse. The only acceptable risk is that which is adequately compensated by an expected return. Risk and investment return are related and an increase in risk requires an increased expected return.

- Markets are efficient. The same market information is available to all investors at the same time. The market prices every security fairly based upon this equal availability of information.

- The design of the portfolio as a whole is more important than the selection of any particular security. The appropriate allocation of capital among asset classes will have far more influence on long-term portfolio performance than the selection of individual securities.

- Investing for the long-term (preferably longer than ten years) becomes critical to investment success because it allows the long-term characteristics of the asset classes to surface.

- Increasing diversification of the portfolio with lower correlated asset class positions can decrease portfolio risk. Correlation is the statistical term for the extent to which two asset classes move in tandem or opposition to one another.

In addition to MPT, Daybreak's investment strategies are also informed by the Efficient Market Hypothesis ("EMH"), and the Fama-French Three-Factor Model ("Three-Factor Model"). As stated above, MPT focuses on diversification in investing, with the aim of selecting a collection of investment assets with collectively lower risk than any individual asset. EMH is an investment theory whereby market prices are believed to reflect all known information, thereby concluding that current prices reflect the fair value of an investment. The Three-Factor Model expands on the standard capital asset pricing model (CAPM), by also accounting for the size and value factors of stock investments. As a result of Daybreak's belief in passive investing, MPT, EMH, and the Three-Factor Model, Daybreak primarily uses low-cost and broadly-diversified mutual funds and exchange-traded funds ("ETF's") to build Client portfolios.

Daybreak primarily adheres to "passive" investment management strategies for the equity (stock) portion of Client portfolios. Daybreak takes a "total return" approach to selecting fixed income investments for Client portfolios. "Total return" implies that both distributions (including dividends) from the fixed income investment and capital appreciation are taken into consideration when selecting the appropriate holding for a Client's account.

Material Risks Involved

All of the investing strategies that Daybreak offers involve risk and may result in a loss of Client's original investment which Client should be prepared to bear.

Many of these risks apply equally to stocks, bonds, commodities, and any other investment or security. Material risks associated with Daybreak's investment strategies are listed below.

Market Risk: Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

Strategy Risk: Daybreak's investment strategies and/or investment techniques may not work as intended.

Small and Medium Cap Company Risk: Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the Client's portfolio.

Turnover Risk: At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

Limited markets: Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions, Daybreak may be unable to sell or liquidate investments at prices Daybreak considers reasonable or favorable or find buyers at any price.

Concentration Risk: Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time-to-time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

Interest Rate Risk: Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

Legal or Legislative Risk: Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

Inflation: Inflation may erode the buying power of your investment portfolio, even if the dollar value of your investments remains the same.

Equity (stock) Market Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If Client held common stock, or common stock equivalents, of any given issuer, Client would generally be exposed to greater risk than if Client held preferred stocks and debt obligations of the issuer.

Fixed Income Risk: When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

Management Risk: Client's investment with the Firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Opportunity Cost Risk: The risk that an investor may forego profits or returns from other investments.

Emerging Market Risk: Daybreak will at times utilize mutual funds that investment in foreign and emerging markets. Emerging markets describe investing in developing countries. Emerging markets may undergo faster economic growth or decline than in developed countries. Depending on the stage of development emerging market securities can experience large periods of volatility due to economic, environmental, exports/import, and government changes. The governments in emerging markets can have unstable political scenes that can dramatically alter or impact asset prices during times of unrest or uncertainty.

Risks Associated with Securities

In addition to the general risks outlined above which apply to all types of investments, specific securities may have other risks. Daybreak has no control over the risks taken by the underlying funds in which a Client invests.

ETF's:

ETF prices may vary significantly from their net asset value due to market conditions. Certain ETF's may not track underlying benchmarks as expected. ETF's are also subject to the following risks:

- An ETF's shares may trade at a market price that is above or below their net asset value
- The ETF may employ an investment strategy that utilizes high leverage ratios;
- Trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the 11 exchanges, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally.

Mutual Funds:

When a Client invests in open-end mutual funds or ETF's, the Client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the Client will incur higher expenses, many of which may be duplicative. In addition, the Client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives).

Item 9: Disciplinary Information

Criminal or Civil Actions

Daybreak and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

Daybreak and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

Daybreak and its management have not been involved in legal or disciplinary events that are material to a Client's or prospective client's evaluation of Daybreak or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

No Daybreak employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No Daybreak employee is registered, or have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.

Daybreak only receives compensation directly from Clients. Daybreak does not receive compensation from any outside source.

When leaving an employer, Clients typically have four options regarding their existing retirement plan: (1) leave the assets in the former employer's plan, if permitted, (2) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (3) roll over the assets to an Individual Retirement Account ("IRA"), or (4) take a full withdrawal in cash, which would result in ordinary income tax and a penalty tax if the person is under age 59 1/2. At times, as part of its services, Daybreak recommends that Clients roll over their 401(k) or other qualified plan assets to an IRA, this rollover recommendation presents a conflict of interest in that Daybreak would receive compensation (or may increase current compensation) when investment advice is provided following the Client's decision to roll over plan assets. Clients who have assets in retirement accounts elsewhere would potentially pay a larger fee if rolled into an IRA or Roth IRA with Daybreak as the adviser. Daybreak will only recommend rollovers if it's believed to be in the best interest of the Client. Instances, where it may be in the best interest of the Client are to simplify their account management (reduce the number of retirement accounts), have professional management of their account, limited investment options at current retirement plan, and/or high administrative fees. Prior to deciding, each Client should carefully review the information regarding rollover options and are under no obligation to rollover retirement plan assets to an account managed by Daybreak.

Recommendations or Selections of Other Investment Advisers

Daybreak does not select other investment advisers for its Clients and does not have any relationships with other advisors that provide a direct economic benefit to Daybreak.

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

As a fiduciary, Daybreak has a duty of utmost good faith to act solely in the best interests of each Client. Daybreak Clients entrust Daybreak with their funds and personal information, which in turn places a high standard on Daybreak's conduct and integrity. Daybreak's fiduciary duty is a core aspect of Daybreak's Code of Ethics and represents the expected basis of all Daybreak dealings. Daybreak also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc. and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

Code of Ethics Description

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity - Associated persons shall offer and provide professional services with integrity.
- Objectivity - Associated persons shall be objective in providing professional services to clients.
- Competence - Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- Fairness - Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- Confidentiality - Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- Professionalism - Associated persons' conduct in all matter shall reflect credit of the profession.
- Diligence - Associated persons shall act diligently in providing professional services.

Daybreak periodically reviews and amends its Code of Ethics to ensure that it remains current, and Daybreak requires all firm access persons to attest to their understanding of and adherence to the Code of Ethics at least annually. Daybreak will provide of copy of its Code of Ethics to any Client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflicts of Interest

Neither Daybreak, its associates or any related person is authorized to recommend to a Client, or effect a transaction for a Client, involving any security in which Daybreak or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, etc.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Daybreak and its "related persons" may buy or sell securities like, or different from, those Daybreak recommends to Clients for their accounts. Daybreak's policy is designed to assure that the personal securities transactions, activities, and interests of the employees of Daybreak will not interfere with (i) making decisions in the best interest of Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as Clients, there is a possibility that employees might benefit from market activity by a Client in a security held by an employee. To reduce or eliminate certain conflicts of interest involving Daybreak or personal trading, Daybreak's policy may require that Daybreak restrict or prohibit associates' transactions in specific reportable securities transactions. Any exceptions must be approved by the firm principal in advance of the transaction in an account, and Daybreak maintains the required personal securities transaction records per regulation.

Trading Securities at/Around the Same Time as Client's Securities

From time to time, Daybreak, or its "related persons" may buy or sell securities for themselves at or around the same time as Clients. Daybreak, or its related persons, will not trade non-mutual fund securities prior to executing a discretionary trade of the same security for Clients on the same day.

Item 12: Brokerage Practices

Factors Used to Select Custodians and/or Broker-Dealers

Daybreak does not have any affiliation with Broker-Dealers. Specific custodian recommendations are made to Client based on their need for such services. Daybreak recommends custodians based on the reputation and services provided by the firm.

1. Research and Other Soft-Dollar Benefits

Daybreak currently does not receive soft dollar benefits.

2. Brokerage for Client Referrals

Daybreak receives no referrals from a broker-dealer or third-party in exchange for using that broker-dealer or third-party.

3. Clients Directing Which Broker/Dealer/Custodian to Use

Daybreak does recommend a specific custodian for Clients to use, however, Clients may custody their assets at a custodian of their choice. Clients may also direct Daybreak to use a specific broker-dealer to execute transactions. By allowing Clients to choose a specific custodian, Daybreak may be unable to achieve most favorable execution of Client transaction, and this may cost Clients' money over using a lower-cost custodian.

Schwab Advisor Services Relationship

Charles Schwab & Co., Inc. ("Schwab") is a registered broker-dealer, member SIPC. Daybreak participates in the Schwab Advisor Services program. Daybreak often recommends Schwab to Clients for custody and brokerage services. There is no direct link between Daybreak's participation in the program and Daybreak's investment advice given to Clients. However, through participation in the program, Daybreak receives economic benefits that are not typically available to Schwab retail investors. These benefits include the following products and services (provided without cost or at a discount):

- receipt of duplicate Client statements and confirmations;
- research related products and tools;
- consulting services;
- access to a trading desk serving Daybreak participants;
- access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts);
- the ability to have advisory fees deducted directly from Client accounts;
- access to an electronic communications network for Client order entry and account information;
- access to mutual funds with no transaction fees and to certain institutional money managers; and
- compliance, marketing, research, technology, and practice management products or services provided to Daybreak by Schwab, and/or third-party vendors without cost or at a discount.

Though Schwab has not historically done so, it retains the ability to pay for business consulting and professional services received by Adviser's related persons. Some of the products and services Schwab makes available through the programs may benefit Daybreak but may not benefit a Client's account. These products or services are intended to assist Daybreak in managing and administering Client accounts, including accounts not maintained at Schwab. Other services Schwab makes available are intended to help Daybreak manage and further develop its business enterprise. The benefits received by Adviser or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to Schwab. As part of its fiduciary duties to clients, Daybreak seeks at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by Daybreak or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of Schwab for custody and brokerage services. Adviser addresses this conflict of interest by fully disclosing it in this Disclosure Brochure, by evaluating Schwab based on the value and quality of its services as realized by Clients, and by periodically evaluating alternative broker-dealers to recommend.

Aggregating (Block) Trading for Multiple Client Accounts

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. Daybreak does not engage in block trading. It should be noted that implementing trades on a block or aggregate basis may be less expensive for client accounts; however, it is Daybreak's trading policy is to implement all Client orders on an individual basis. Therefore, Daybreak does not aggregate or "block" Client transactions. Considering the types of investments, Daybreak holds in managed Client accounts, Daybreak does not believe Clients are hindered in any way because Daybreak trade accounts individually. This is because Daybreak develops individualized investment strategies for each Client and holdings will vary. Daybreak's strategies are primarily developed for the long-term and minor differences in price execution are not material to Daybreak's overall investment strategy.

Item 13: Review of Accounts

Accounts are monitored on an ongoing basis, which includes detailed periodic reviews. The frequency of reviews is at the discretion of Daybreak, but accounts are typically reviewed not less than annually by Lauren Hunt Manager and CCO. The account is reviewed with regards to the Client's investment goals and agreed upon target allocation. Events that may trigger a special review would be unusual performance, addition, or deletions of Client-imposed restrictions, excessive draw-down, volatility in performance, or buy and sell decisions from the firm or per Client's needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their custodian showing all activity in the accounts, such as receipt of dividends and interest.

Daybreak will provide written reports to each Clients on an annual basis. Daybreak urges Clients to compare these reports against the account statements they receive from their custodian.

Item 14: Client Referrals and Other Compensation

Daybreak does not receive any economic benefit, directly or indirectly from any third-party for advice rendered to our Clients. Nor does Daybreak directly or indirectly compensate any person who is not advisory personnel for Client referrals.

Item 15: Custody

Pursuant to applicable regulations, Daybreak is deemed to have "constructive custody" of Client funds because Daybreak has the authority and ability to debit fees directly from Client accounts. Additionally, certain Clients have, and could in the future, sign a Standing Letter of Authorization ("SLOA") that gives Daybreak the authority to transfer funds to a third-party as directed by the Client in the SLOA. This is also deemed to give Daybreak custody. Custody is defined as any legal or actual ability by the firm to withdraw Client funds or securities. Firms with deemed custody must take the following steps:

1. Ensure Clients' managed assets are maintained by a qualified custodian;
2. Have a reasonable belief, after due inquiry, that the qualified custodian will deliver an account statement directly to the Client at least quarterly;
3. Confirm that account statements from the custodian contain all transactions that took place in the Client's account during the period covered and reflect the deduction of advisory fees; and
4. Obtain a surprise audit by an independent accountant on the Clients' accounts for which the advisory firm is deemed to have custody.

However, the rules governing the direct debit of client fees and SLOAs exempts Daybreak from the surprise audit rules if certain conditions (in addition to steps 1 through 3 above) are met. Those conditions are as follows:

1. When debiting fees from Client accounts, Daybreak must receive written authorization from clients permitting advisory fees to be deducted from the Client's account. Daybreak will also send a copy of its invoice to the custodian at the same time that it sends the Client a copy.
2. In the case of SLOAs, Daybreak must: (i) confirm that the name and address of the third party is included in the SLOA, (ii) document that the third-party receiving the transfer is not related to Daybreak, and (ii) ensure that certain requirements are being performed by the qualified custodian.

The qualified custodian selected by the Client maintains actual physical custody of Client assets. Client account statements from custodians will be sent directly to each Client to the email or postal mailing address that is provided to the qualified custodian. Clients are encouraged to compare information provided in reports or statements received by Daybreak with the account statements received from their custodian for accuracy. In addition, Clients should understand that it is their responsibility, not the custodian's, to ensure that the fee calculation is correct.

If client funds or securities are inadvertently received by Daybreak, they will be returned to the sender immediately, or as soon as practical.

Daybreak encourages our Clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

Item 16: Investment Discretion

For those Client accounts where Daybreak provides investment management services, Daybreak typically maintains discretion over Client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to Clients in detail when the Wealth Management Service has commenced. At the start of the Wealth Management Service, the Client will execute a Limited Power of Attorney, which will grant Daybreak discretion over a managed account. Additionally, the discretionary relationship will be outlined in the Advisory Agreement and signed by the Client. Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Item 17: Voting Client Securities

Daybreak does not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets.

In most cases, Client will receive proxy materials directly from the account custodian. However, in the event Daybreak were to receive any written or electronic proxy materials, Daybreak would forward them directly to Client by mail, unless Client has authorized Daybreak to contact Client by electronic mail, in which case, Daybreak would forward Client any electronic solicitation to vote proxies.

Item 18: Financial Information

Registered Investment Advisers are required in this Item to provide Client with certain financial information or disclosures about Daybreak's financial condition. Daybreak has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and Daybreak has not been the subject of a bankruptcy proceeding. Daybreak does not have custody of Client funds or securities, nor does it require the prepayment of fees of more than $500 six months or more in advance.

Item 19: Requirements for State-Registered Advisers

Lauren Hunt, CFP®

Born: 1983

Educational Background

- 2005 – Bachelor of Science, Finance, University of Illinois

Business Experience

- 03/2022 – Present, Daybreak Wealth, LLC, Manager, Member, and CCO
- 04/2014 – 05/2022, Pinnacle Financial Group LLC, Wealth Manger
- 08/2007 – 03/2014, Citadel, Market Data Analyst

Professional Designations, Licensing & Exams

CERTIFIED FINANCIAL PLANNER™ professional

I am certified for financial planning services in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). Therefore, I may refer to myself as a CERTIFIED FINANCIAL PLANNER™ professional or a CFP® professional, and I may use these and CFP Board's other certification marks (the "CFP Board Certification Marks"). The CFP® certification is voluntary. No federal or state law or regulation requires financial planners to hold the CFP® certification. You may find more information about the CFP®

certification at www.cfp.net.

CFP® professionals have met CFP Board's high standards for education, examination, experience, and ethics. To become a CFP® professional, an individual must fulfill the following requirements:

- **Education** – Earn a bachelor's degree or higher from an accredited college or university and complete CFP Board-approved coursework at a college or university through a CFP Board Registered Program. The coursework covers the financial planning subject areas CFP Board has determined are necessary for the competent and professional delivery of financial planning services, as well as a comprehensive financial plan development capstone course. A candidate may satisfy some of the coursework requirement through other qualifying credentials.
- **Examination** – Pass the comprehensive CFP® Certification Examination. The examination is designed to assess an individual's ability to integrate and apply a broad base of financial planning knowledge in the context of real-life financial planning situations.
- **Experience** – Complete 6,000 hours of professional experience related to the personal financial planning process, or 4,000 hours of apprenticeship experience that meets additional requirements.
- **Ethics** – Satisfy the *Fitness Standards for Candidates for CFP® Certification and Former CFP® Professionals Seeking Reinstatement* and agree to be bound by CFP Board's *Code of Ethics and Standards of Conduct ("Code and Standards")*, which sets forth the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to remain certified and maintain the right to continue to use the CFP Board Certification Marks:

- **Ethics** – Commit to complying with CFP Board's *Code and Standards*. This includes a commitment to CFP Board, as part of the certification, to act as a fiduciary, and therefore, act in the best interests of the client, at all times when providing financial advice and financial planning. CFP Board may sanction a CFP® professional who does not abide by this commitment, but CFP Board does not guarantee a CFP® professional's services. A client who seeks a similar commitment should obtain a written engagement that includes a fiduciary obligation to the client.
- **Continuing Education** – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the *Code and Standards*.

Other Business Activities

Lauren Hunt is not involved with outside business activities.

Performance Based Fees

Daybreak is not compensated by performance-based fees.

Material Disciplinary Disclosures

No management person at Daybreak has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

Material Relationships That Management Persons Have with Issuers of Securities

Daybreak and Lauren Hunt do not have any relationship or arrangement with issuers of securities.

Privacy Notice

FACTS	WHAT DOES DAYBREAK WEALTH, LLC DO WITH YOUR PERSONAL INFORMATION?
Why?	Registered Investment Advisers choose how they share your personal information. Federal law gives clients the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect, and share depend on the product or service you have with us. This information can include: ▪ Information you provide in the subscription documents and other forms (including name, address, social security number, date of birth, income and other financial-related information); and ▪ Data about your transactions with us (such as the types of investments you have made and your account status).
How?	All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Daybreak Wealth, LLC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information
For our everyday business purposes— to process your transactions, maintain your accounts (for example we may share with our third-party service providers that perform services on our behalf or on your behalf, such as accountants, attorneys, consultants, clearing and custodial firms, and technology companies, respond to court orders and legal investigations, or report to credit bureaus.
For Marketing purposes— to offer our products and services to you

How do we protect your information?
To safeguard your personal information from unauthorized access and use, we maintain physical, procedural and electronic safeguards. These include computer safeguards such as passwords, secured files and buildings.
Our employees are advised about Daybreak Wealth's need to respect the confidentiality of each client's non-public personal information. We train our employees on their responsibilities.
We require third parties that assist in providing our services to you to protect the personal information they receive. This includes contractual language in our third-party agreements.

Other important information
We will send you notice of our Privacy Policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our Privacy 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.

Daybreak Wealth, LLC

19 N. Grant Street
Hinsdale, IL 60521

630-570-0611

Dated March 22, 2024

Form ADV Part 2B – Brochure Supplement

For

Lauren Hunt, CFP®
Manager, Member and Chief Compliance Officer
CRD # 5404558

This brochure supplement provides information about Lauren Hunt that supplements the Daybreak Wealth, LLC ("Daybreak Wealth") brochure. A copy of that brochure precedes this supplement. Please contact Lauren Hunt if the Daybreak Wealth brochure is not included with this supplement or if you have any questions about the contents of this supplement. Lauren Hunt is licensed as an Investment Adviser Representative in Illinois.

Additional information about Lauren Hunt is available on the SEC's website at www.adviserinfo.sec.gov which can be found using their identification numbers.

Item 2: Educational Background and Business Experience

Lauren Hunt, CFP®

Born: 1983

Educational Background

- 2005 – Bachelor of Science, Finance, University of Illinois

Business Experience

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- **Continuing Education** – Complete 30 hours of continuing education every two years to maintain competence, demonstrate specified levels of knowledge, skills, and abilities, and keep up with developments in financial planning. Two of the hours must address the *Code and Standards*.

Item 3: Disciplinary Information

Lauren Hunt does not have a disciplinary history to report.

Item 4: Other Business Activities

Lauren Hunt is not involved with outside business activities.

Item 5: Additional Compensation

Lauren Hunt does not receive any economic benefit from any person, company, or organization, in exchange for providing Clients its Wealth Management Service through Daybreak.

Item 6: Supervision

Lauren Hunt, as Manager, Member, and Chief Compliance Officer of Daybreak, is responsible for supervision and supervises personnel and the investments made in Client accounts. Lauren Hunt monitors the investments to ensure they are suitable for the Client and consistent with their investment needs, goals, objectives and risk tolerance, as well as any restrictions previously requested by the Client. She may be contacted at the phone number on this brochure supplement.

Item 7: Requirements for State Registered Advisers

Lauren Hunt has not been found liable in an arbitration, civil, self-regulatory, or administrative proceeding, and neither has been the subject of a bankruptcy petition.