

FORM ADV**Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

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Name of Investment Adviser: Family CFO, Inc				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
1064 Laureles Dr	Los Altos	CA	94022	(650) 218 3551

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

**Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.**

FORM ADV**Part II - Page 2**

Applicant:

Family CFO Inc

SEC File Number:

801-68886

Date:

11 Jan 2010

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.
(See instruction below.)

Applicant:

- | | | | |
|-------------------------------------|-----|---|-----|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services | 90% |
| <input type="checkbox"/> | (2) | Manages investment advisory accounts not involving investment supervisory services | % |
| <input checked="" type="checkbox"/> | (3) | Furnishes investment advice through consultations not included in either service described above | 1% |
| <input type="checkbox"/> | (4) | Issues periodicals about securities by subscription | % |
| <input type="checkbox"/> | (5) | Issues special reports about securities not included in any service described above | % |
| <input type="checkbox"/> | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities | % |
| <input checked="" type="checkbox"/> | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities | 9% |
| <input type="checkbox"/> | (8) | Provides a timing service | % |
| <input type="checkbox"/> | (9) | Furnishes advice about securities in any manner not described above | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does applicant call any of the services it checked above financial planning or some similar term?

Yes	No
<input checked="" type="checkbox"/>	<input type="checkbox"/>

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Individuals | <input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input type="checkbox"/> G. Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> D. Pension and profit sharing plans | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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Applicant:

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3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | I. Options contracts on: |
| <input checked="" type="checkbox"/> (3) foreign issues | |
| | <input type="checkbox"/> (1) securities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> (2) commodities |
| | J. Futures contracts on: |
| <input type="checkbox"/> C. Corporate debt securities
(other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| | <input type="checkbox"/> (2) intangibles |
| <input type="checkbox"/> D. Commercial paper | K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input checked="" type="checkbox"/> (1) real estate |
| <input type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (2) oil and gas interests |
| | <input type="checkbox"/> (3) other (explain on Schedule F) |
| G. Investment company securities: | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (1) variable life insurance | |
| <input checked="" type="checkbox"/> (2) variable annuities | |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the
Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered
options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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Applicant:

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801-68886

Date:

11 Jan 2010

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes No
☒ ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.....

Yes No
☐ ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

10. Conditions for Managing Accounts. Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F.)

11. Review of Accounts. If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Managed accounts are reviewed on a quarterly basis for performance. Clients are offered the opportunity for a personal meeting each quarter to discuss risk and return objectives. The calendar is the triggering factor.

Reviews are performed by Raj Rajendran who has been awarded a CFP license by Certified Financial Planner Board of standards.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Quarterly reports will show approximate return performance, comparison with benchmark returns and asset allocation. Mutual fund companies and/or the custodians will send monthly or quarterly reports.

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12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

(1) securities to be bought or sold?

Yes No

☒ ☐

(2) amount of the securities to be bought or sold ?

Yes No

☒ ☐

(3) broker or dealer to be used ?

Yes No

☐ ☒

(4) commission rates paid?

Yes No

☐ ☒

B. Does applicant or a related person suggest brokers to clients?

Yes No

☒ ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients?

Yes No

☐ ☒

B. directly or indirectly compensates any person for client referrals?

Yes No

☐ ☒

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities unless applicant is registered or registering only with the Securities and Exchange Commission; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?

Yes No

☐ ☒

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Family CFO Inc	801- 68886	11 Jan 2010

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Family CFO Inc		IRS Empl. Ident.No.: 20-8143263
Item of Form (identify)	Answer	
1. A. (1)	<ul style="list-style-type: none"> Study and understand client's finances based on information provided. Identify and articulate client's goals. Manage portfolio of assets <ul style="list-style-type: none"> Emphasize asset allocation and diversification. This is key for long run success. Once established, portfolio changes, in general will be minor. Do not recommend "market timing" Assess client's risk profile periodically and adjust the portfolio accordingly. All the monies will be in client's names. Invest mostly via low cost mutual funds. In general, do not recommend individual stocks. Based on client's availability, will hold face-to-face meetings quarterly and review performance. Perform tax planning and risk planning as required Co-ordinate estate planning with estate planning attorney. Emphasize low cost, tax efficiency, diversification and staying the course. 	
1. A. (3)	<ul style="list-style-type: none"> Give financial planning advice for an hourly fee or fixed fee. Client manages his or her own portfolio. The advice or services include tax planning, asset allocation planning, retirement planning and estate planning services. Fees for providing financial planning services are computed @\$350 per hour with a \$1,000 minimum. The cost for a financial planning engagement is normally quoted on a fixed-price basis in the range of \$5,000 to \$10,000. Clients are requested to deposit one-half of the estimated fees at the time of the execution of the contract. The clients are given up to (5) five business days after signing the agreement and receiving a copy of Form ADV Part II to unconditionally rescind the agreement and receive a full refund of their deposit. The agreement terminates upon delivery of any specified reports or performance of specified services. 	
1. A. (7)	<ul style="list-style-type: none"> Give financial planning advice on real estate and other such investments. 	
1.C.6 & 1. D.	<ul style="list-style-type: none"> Basic fee schedule - Fee is based on assets managed: <ul style="list-style-type: none"> 1.0% of assets up to \$1.0M, 0.8% for the next \$1.5M and 0.6% beyond \$2.5M. Fees are deducted on a quarterly or monthly basis in arrears. There is a minimum annual charge of \$12,000. Each client signing a contract will receive a copy of Form ADV II and be given (5) five business days to unconditionally rescind the contract. The contract may be terminated by either party upon (30) thirty days prior written notice to the other party. Fees, under special circumstances are negotiable. When engaged on an hourly basis, the fee is \$350 per hour. Insofar as Adviser uses mutual funds in client portfolios, clients will incur an additional level of fees, those charged by the mutual fund management. Mutual fund fees typically range from .09% of assets per year to 2%. Mutual fund companies frequently assess additional fees such as the "12b1" fee, which ranges, in the funds used by Adviser, from .25% of assets per year, to .35%. Mutual fund managers incur other expenses, such as trading charges, which reduce client returns. Adviser does not benefit from any of the above fees. 	
1. D Arbitration	<ul style="list-style-type: none"> Any controversy or claim, including but not limited to errors and omission arising out of or related to fees, charges for services rendered, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then applying. The award of the arbitrators or the majority of 	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Family CFO Inc	801- 68886	11 Jan 2010

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Family CFO Inc		IRS Empl. Ident.No.: 20-8143263
Item of Form (identify)	Answer	
	them shall be final and binding and not subject to review or appeal. Judgment upon arbitration award rendered may be entered in any court having appropriate jurisdiction.	
5. Education Standards	<ul style="list-style-type: none"> Persons giving financial advice to clients are required to have a Certified Financial Planner (CFP) license, a Certified Public Accountant (CPA) license, Certified Investment Management Consultant (CIMC) designation, Registered Financial Consultant (RFC) designation, Life Insurance license or State Registration in tax preparation. 	
6. Background	<ul style="list-style-type: none"> Raj Rajendran also known as Annamalai Rajendran (11-12-1950) has a Bachelors degree in engineering from Indian Institute of Technologies (IIT), Chennai. He also has a Masters degree in Management Science from Imperial College, University of London, England. He has passed the comprehensive CFP certification exam and has been issued a CFP license by the Certified Financial Planner Board of Standards. He was a Vice President of Finance at Nortel Networks and subsequently a cofounder and CFO of a technology start-up. 	
7. (A)	<ul style="list-style-type: none"> Raj Rajendran was CFO and cofounder of a technology start-up till Feb 6, 2004. 	
9. (E)	<ul style="list-style-type: none"> Any recommendation of a security in which a representative of the firm has a formal financial interest is purely coincidental and will be disclosed to the client. Family CFO Inc has established a Code of Ethics; the Code requires that Family CFO's employees act with integrity, competence and dignity and in an ethical manner. There are several other requirements as well. A copy of the Code of Ethics will be provided upon request. 	
10	<ul style="list-style-type: none"> Applicant does hold out to prospective clients as providing financial advice. Minimum required is typically \$2,000,000. 	
12. A/B Investment and brokerage discretion	<ul style="list-style-type: none"> The firm may maintain a Limited of Power of Attorney in client accounts, which authorize discretion to buy and sell securities on behalf of such clients. The firm implements currently its investment management services through TD Ameritrade, Vanguard Group of companies, Dimensional Fund Advisors, American Funds and ETFs. The firm receives no commission from any of these firms. Advisor may act as Advisor to other clients and may give advice and take action with respect to any of those other clients that may differ from the advice given, or the timing or nature of action taken, with respect the Account. Advisor shall have no obligation to purchase or sell for the Account or to recommend for purchase or sale by the Account any security that Advisor may purchase or sell for itself or for any other clients. Advisor has adopted a Code of Ethics. The Code sets forth the expectations of Advisor as respects standards of conduct, fiduciary duties, required compliance with all securities regulations, required reporting of personal trading, pre-approval of participation in any initial public offering or private placement, required reporting of violations of the Code to the Chief Compliance Officer, and required written acknowledgement of receipt of the Code by personnel. A copy of the Code of Ethics is available to clients upon request. The California Code of Regulations imposes two notice requirements upon financial advisers: (a.) lower cost comparable services may be available from others, and (b.) the possibility exists for a conflict of interest between my/our interests and those of Advisor. However, Advisor believes that its services are competitively priced and, since all Advisor's income is derived from client fees, there should be maximum congruence in our respective interests. Clients are under no obligation to purchase advice or services from Advisor. Clients are responsible for the voting of all proxies for the securities included in the Account. Advisor has a fiduciary obligation of best execution. In essence, Advisor is required to "execute securities transactions for clients in such a manner that the client's total cost 	

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:	SEC File Number:	Date:
Family CFO Inc	801- 68886	11 Jan 2010

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Family CFO Inc		IRS Empl. Ident.No.: 20-8143263
Item of Form (identify)	Answer	
	<p>or proceeds in each transaction is the most favorable under the circumstances." Advisor, when evaluating brokers, weighs such factors as the value of research provided, the commission rates charged, the ability to negotiate commissions, the ability to obtain volume discounts, execution capability, financial responsibility, and responsiveness to the investment adviser. Lowest transaction cost will not be the sole determinant. Furthermore, Advisor will perform annual evaluations of the performance of broker/dealers executing client transactions.</p> <ul style="list-style-type: none">• Advisor may make client referrals to other professionals, such as attorneys and accountants, some of who pay referral fees. Advisor does <u>not</u> accept such referral fees.	

Complete amended pages in full, circle amended items and file with execution page (page 1).